Volume 2

# STATUTES OF CALIFORNIA

## AND DIGESTS OF MEASURES

## 1973

Constitution of 1879 as Amended

Measures Submitted to Vote of Electors,
Special Statewide Election,
November 6, 1973

General Laws, Amendments to the Codes, Resolutions,
and Constitutional Amendments passed by the
California Legislature

**1973–74 Regular Session**
**and**
**1973 First Extraordinary Session**

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79- -482

## CHAPTER 1122

*An act to amend Section 561 of the Public Utilities Code, relating to smoking.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 561 of the Public Utilities Code is amended to read:

561. (a) Every railroad corporation, passenger stage corporation, passenger air carrier, and street railroad corporation providing departures originating in this state shall provide designated space for their nonsmoking passengers.

(b) Every such corporation and carrier shall display in the passenger seating area of every passenger car, passenger stage, aircraft, or other vehicle, notices sufficient in number, posted in such locations as to be readily seen by boarding passengers, advising the location of the space designated for the nonsmoking passengers pursuant to subdivision (a). Words on such notices which state "No Smoking" or an equivalent phrase shall be at least three-quarters of one inch high, and any other explanatory words on the notices shall be at least one-quarter of an inch high.

(c) As used in this section, "passenger air carrier" shall have the same meaning as provided in Sections 2741 and 2743.

SEC. 2. Notwithstanding Section 2231 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to this section nor shall there be any appropriation made by this act because the duties, obligations or responsibilities imposed on local government by this act are minor in nature and will not cause any financial burden to local government.

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## CHAPTER 1123

*An act to add Section 21222.2 to the Government Code, relating to the Public Employees' Retirement System, and making an appropriation therefor.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 21222.2 is added to the Government Code, to read:

21222.2. In addition to the increase of allowance authorized by and granted pursuant to the provisions of Section 21222 and

notwithstanding the limitation in subdivision (b) of Section 21224, the monthly allowance paid with respect to a person retired or a member who died during the period of January 1, 1971, to June 30, 1971, inclusive, shall be adjusted by a 5-percent increase.

The percentage shall be applied to the allowance payable on the operative date of this section or in the case of a contracting agency on the date this section becomes applicable to the contracting agency, and the increased allowance shall be paid for time on and after that date and until the first day of April immediately following the date of such application. The base allowance shall be adjusted by the same percentage effective with that annual adjustment.

This section shall not apply to any contracting agency nor to the employees of any contracting agency unless and until the agency elects to be subject to the provisions of this section by amendment to its contract made in the manner prescribed for approval of contracts, except that an election among the employees is not required, or, in the case of contracts made after the time this article takes effect, by express provision in such contract making the contracting agency subject to the provisions of this section.

SEC. 2. The sum of one million nine hundred twenty-one thousand dollars ($1,921,000) is hereby appropriated from the General Fund to the Public Employees' Retirement Fund for the purposes of this act.

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## CHAPTER 1124

*An act to amend Sections 69103 and 72602 of, and to repeal Section 72602.4 of, the Government Code, relating to courts.*

[Approved by Governor October 2, 1973. Filed with Secretary of State October 2, 1973.]

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

SECTION 1. Section 69103 of the Government Code is amended to read:

69103. (a) Until January 15, 1975, the Court of Appeal for the Third Appellate District consists of one division having six judges and shall hold its regular sessions at Sacramento

(b) On and after January 15, 1975, the Court of Appeal for the Third Appellate District consists of one division having seven judges and shall hold its regular sessions at Sacramento.

SEC. 2. Section 72602 of the Government Code is amended to read:

72602. Each of the Los Angeles County municipal courts established in judicial districts shall have the number of judges set out below opposite the name of the judicial district over which such court has jurisdiction:

| | |
|---|---|
| Whittier Municipal Court District | 3 |
| San Antonio Municipal Court District | 3 |
| East Los Angeles Municipal Court District | 3 |
| Inglewood Municipal Court District | 3 |
| South Bay Municipal Court District | 5 |
| Compton Municipal Court District | 3 |
| Downey Municipal Court District | 2 |
| Los Angeles Municipal Court District | 64 |
| Santa Anita Municipal Court District | 1 |
| Alhambra Municipal Court District | 3 |
| Los Cerritos Municipal Court District | 2 |
| Long Beach Municipal Court District | 5 |
| Beverly Hills Municipal Court District | 3 |
| Santa Monica Municipal Court District | 3 |
| Burbank Municipal Court District | 2 |
| Glendale Municipal Court District | 2 |
| Pasadena Municipal Court District | 4 |
| El Monte Municipal Court District | 4 |
| Pomona Municipal Court District | 3 |
| South Gate Municipal Court District | 1 |
| Citrus Judicial District | 4 |
| Antelope Municipal Court District | 1 |
| Culver Municipal Court District | 1 |
| Newhall Municipal Court District | 2 |

SEC. 3. Section 72602.4 of the Government Code is repealed.

SEC. 4. Notwithstanding the provisions of Item 17 of the Budget Act of 1973, the seventy-two thousand dollars ($72,000) reserved by that item for an additional judgeship in the Third Appellate District of the Court of Appeal may be expended for more than one additional judgeship in such district.

SEC. 5. The affected local agency has requested the Legislature to revise state law in accordance with provisions of this act and the agency agrees to bear the expense of any increased costs resulting from such revision without reimbursement by the state. Therefore, no appropriation is made by this act, nor is any obligation created thereby under Section 2231 of the Revenue and Taxation Code for reimbursement of any local agency for any costs that may be incurred by it in carrying on any program or performing any service required by this act.

## CHAPTER 1125

*An act to amend Sections 3507 and 3520 of the Elections Code, relating to initiative and referendum petitions, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973]

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

SECTION 1. Section 3507 of the Elections Code is amended to read:

3507. The date a summary of a proposed initiative measure is delivered or mailed by the Attorney General to the proponents is designated the "official summary date" for the proposed initiative measure. The Attorney General shall immediately notify the Secretary of State of that date and send the Secretary of State a copy of the summary. The Secretary of State immediately shall notify the proponents and county clerk of each county of the official summary date and mail a copy of the summary to each county clerk. This notification shall also include a complete schedule showing the maximum filing deadline, and the certification deadline by the counties to the Secretary of State

No petitions for a proposed initiative measure shall be circulated for signatures prior to the official summary date. Petitions with signatures on a proposed initiative measure shall be filed with the county clerk not later than 150 days from the official summary date, and no county clerk shall accept petitions on the proposed initiative measure after that period.

SEC. 2. Section 3520 of the Elections Code is amended to read:

3520. (a) Each section of the petition shall be filed at any time within the 150-day period with the clerk or registrar of voters of the county or city and county in which it was circulated.

(b) Within 30 days after the filing of any petition in his office the clerk or registrar of voters shall determine from the records of registration what number of qualified electors have signed the petition and if necessary the board of supervisors shall allow the clerk or registrar additional assistance for the purpose of examining the petition and provide for their compensation.

(c) The clerk or registrar of voters on the 60th day, 90th day, 120th day, 140th day, and by the 180th day following the official summary date, shall send to the Secretary of State his certificate showing the result of his examination as of that date, if any sections have been submitted by the proponents during that period.

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

In order to apply to the 1974 direct primary and general elections,

it is necessary that this act go into immediate effect.

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## CHAPTER 1126

*An act to amend Section 11125 of the Government Code, relating to public meetings of state agencies.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 11125 of the Government Code is amended to read:

11125. (a) The state agency shall provide notice of its meeting to any person who requests such notice in writing. Notice shall be given at least one week in advance of the meeting, provided that emergency meetings may be held with less than one week's notice when such meetings are necessary to discuss unforeseen emergency conditions, as defined by published rule of the agency adopted pursuant to the provisions of Chapter 4.5 (commencing with Section 11371) of this part.

(b) Notice shall include the items of business to be transacted, and no item shall be added to the agenda subsequent to the provisions of such notice, absent unforeseen emergency conditions, as provided in subdivision (a).

(c) A person may request, and shall be provided, notice pursuant to subdivision (a) for all meetings of the agency or only for a specific meeting or meetings. In addition, at the agency's discretion, a person may request, and may be provided, notice of only those agency meetings at which a particular subject or subjects specified in the request will be discussed. A request for notice of more than one meeting of an agency shall be subject to the provisions of Section 14911.

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## CHAPTER 1127

*An act to amend Section 502.7 of the Penal Code, relating to telephone fraud.*

[Approved by Governor October 2, 1973. Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 502.7 of the Penal Code is amended to read

502 7. (a) A person who, knowingly, willfully and with intent to defraud a person providing telephone or telegraph service, avoids or attempts to avoid, or aids, abets or causes another to avoid the lawful charge, in whole or in part, for telephone or telegraph service by any of the following means is guilty of a misdemeanor:

(1) By charging such service to an existing telephone number or credit card number without the authority of the subscriber thereto or the lawful holder thereof; or

(2) By charging such service to a nonexistent telephone number or credit card number, or to a number associated with telephone service which is suspended or terminated, or to a revoked or canceled (as distinguished from expired) credit card number, notice of such suspension, termination, revocation or cancellation of such telephone service or credit card having been given to the subscriber thereto or the holder thereof; or

(3) By use of a code, prearranged scheme, or other similar stratagem or device whereby said person, in effect, sends or receives information; or

(4) By rearranging, tampering with, or making connection with telephone or telegraph facilities or equipment, whether physically, electrically, acoustically, inductively or otherwise, or by using telephone or telegraph service with knowledge or reason to believe that such rearrangement, tampering or connection existed at the time of such use; or

(5) By using any other deception, false pretense, trick, scheme, device or means.

(b) A person who (1) makes, possesses, sells, gives or otherwise transfers to another, or offers or advertises an instrument, apparatus, or device with intent to use it or with knowledge or reason to believe it is intended to be used to avoid any lawful telephone or telegraph toll charge or to conceal the existence or place of origin or destination of any telephone or telegraph message; or (2) sells, gives or otherwise transfers to another or offers, or advertises plans or instructions for making or assembling an instrument, apparatus or device described in paragraph (1) of this subdivision with knowledge or reason to believe that they may be used to make or assemble such instrument, apparatus or device is guilty of a misdemeanor.

(c) Any person who publishes the number or code of an existing, canceled, revoked, expired or nonexistent credit card, or the numbering or coding which is employed in the issuance of credit cards, with the intent that it be used or with knowledge or reason to believe that it will be used to avoid the payment of any lawful telephone or telegraph toll charge is guilty of a misdemeanor The provisions of subdivision (f) shall not apply to this subdivision. As used in this section, "publishes" means the communication of information to any one or more persons, either orally, in person or by telephone, radio or television, or in a writing of any kind, including without limitation a letter or memorandum, circular or

handbill, newspaper or magazine article, or book.

(d) Subdivision (a) of this section shall apply when the telephone or telegraph communication involved either originates or terminates, or both originates and terminates, in this state, or when the charges for service would have been billable, in normal course, by a person providing telephone or telegraph service in this state, but for the fact that the charge for service was avoided, or attempted to be avoided by one or more of the means set forth in subdivision (a) of this section

(e) Jurisdiction of an offense under this section is in the jurisdictional territory where the telephone call or telegram involved in the offense originates or where it terminates, or the jurisdictional territory to which the bill for the service is sent or would have been sent but for the fact that the service was obtained or attempted to be obtained by one or more of the means set forth in subdivision (a) of this section.

(f) If the total value of all telephone or telegraph services obtained in violation of this section aggregates over two hundred dollars ($200) within any period of twelve (12) consecutive months during the three years immediately prior to the time the indictment is found or the case is certified to the superior court, or if the defendant has previously been convicted of an offense under this section or of an offense under the laws of another state or of the United States which would have been an offense under this section if committed in this state, a person guilty of such offense is punishable by imprisonment in the state prison not exceeding one year and one day, or by imprisonment in the county jail not exceeding one year, or by fine not exceeding five thousand dollars ($5,000), or by both such fine and imprisonment.

(g) An instrument, apparatus, device, plans, instructions or written publication described in subdivision (b) or (c) of this section may be seized under warrant or incident to a lawful arrest, and, upon the conviction of a person for a violation of subdivisions (a), (b), or (c) of this section, such instrument, apparatus, device, plans, instructions or written publication may be destroyed as contraband by the sheriff of the county in which such person was convicted or turned over to the person providing telephone or telegraph service in the territory in which the same was seized.

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## CHAPTER 1128

*An act to amend Sections 13352, 23102, and 23105 of, and to repeal and add Section 23102.2 of, the Vehicle Code, relating to vehicles.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 13352 of the Vehicle Code is amended to read:

13352. The department shall, except for a conviction or finding described in subdivision (a) where the court does not order the department to suspend, immediately suspend or revoke the privilege of any person to operate a motor vehicle upon receipt of a duly certified abstract of the record of any court showing that the person has been convicted of driving a motor vehicle while under the influence of intoxicating liquor or any drug, or while under the combined influence of intoxicating liquor and any drug, or in violation of subdivision (b) of Section 23105, or upon receipt of a report of a judge of the juvenile court, a juvenile traffic hearing officer, or a referee of a juvenile court showing that the person has been found to have committed the offense of operating a vehicle while under the influence of intoxicating liquor or any drug, or while under the combined influence of intoxicating liquor and any drug, or in violation of subdivision (b) of Section 23105. The suspension or revocation shall be as follows:

(a) Upon a first such conviction or finding, other than under Section 23101 or 23106 such privilege shall be suspended for a period of six months, if the court orders the department to suspend such privilege.

(b) Upon a first such conviction or finding under Section 23101 or 23106 such privilege shall be suspended for one year and shall not be reinstated until such person gives proof of ability to respond in damages as defined in Section 16430.

(c) Upon a second conviction or finding of driving a motor vehicle while under the influence of intoxicating liquor or any drug, or under the combined influence of intoxicating liquor and any drug, or in violation of subdivision (b) of Section 23105, or any combination of such convictions or findings within five years, such privilege shall be suspended for one year and shall not be reinstated unless and until such person gives proof of ability to respond in damages as defined in Section 16430.

(d) Upon a second such conviction or finding under Section 23101 or 23106 within three years, such privilege shall be permanently revoked.

(e) Upon a third or subsequent conviction or finding of driving a motor vehicle while under the influence of intoxicating liquor or any drug, or under the combined influence of intoxicating liquor and any drug, or in violation of subdivision (b) of Section 23105, or any combination of such convictions or findings within seven years such privilege shall be revoked and shall not be reinstated for a period of three years and until such person files proof of ability to respond in damages as defined in Section 16430.

For the purposes of subdivision (c), (d), and (e), the finding of the juvenile court judge, the juvenile traffic hearing officer, or the referee of a juvenile court, specified in the first paragraph of this section shall also be considered a conviction.

Each judge of a juvenile court, juvenile traffic hearing officer, or referee of a juvenile court shall immediately report such findings to the department.

SEC. 2. Section 23102 of the Vehicle Code is amended to read:

23102. (a) It is unlawful for any person who is under the influence of intoxicating liquor, or under the combined influence of intoxicating liquor and any drug, to drive a vehicle upon any highway.

(b) It is unlawful for any person who is under the influence of intoxicating liquor, or under the combined influence of intoxicating liquor and any drug, to drive a vehicle upon other than a highway.

The department shall not be required to provide patrol or enforce the provisions of this subdivision.

(c) Any person convicted under this section shall be punished upon a first conviction by imprisonment in the county jail for not less than 48 hours nor more than six months or by fine of not less than two hundred fifty dollars ($250) nor more than five hundred dollars ($500) or by both such fine and imprisonment. If, however, any person so convicted consents to, and does participate and successfully completes, a driver improvement program or treatment program for persons who are habitual users of alcohol, or both such programs, as designed by the court, the court shall punish such person by a fine of not less than one hundred fifty dollars ($150) nor more than five hundred dollars ($500) or by imprisonment in the county jail for not less than 48 hours nor more than six months or by both such fine and imprisonment.

(d) Any person convicted under this section shall be punished upon a second or any subsequent conviction, within five years of a prior conviction, by imprisonment in the county jail for not less than 48 hours nor more than one year and by a fine of not less than two hundred fifty dollars ($250) nor more than one thousand dollars ($1,000). A conviction under this section shall be deemed a second conviction if the person has previously been convicted of a violation of Section 23101.

(e) If any person is convicted of a second or subsequent offense under this section within five years of a prior conviction and is granted probation, it shall be a condition of probation that such person be confined in jail for at least 48 hours but not more than one year and pay a fine of at least two hundred fifty dollars ($250) but not more than one thousand dollars ($1,000).

(f) In no event does the court have the power to absolve a person who is convicted of a second or subsequent offense under this section within five years of a prior conviction from the obligation of spending at least 48 hours in confinement in the county jail and of paying a fine of at least two hundred fifty dollars ($250), except as provided in subdivision (g).

(g) Except in unusual cases where the interests of justice demand an exception, the court shall not strike a prior conviction of an offense under this section for purposes of sentencing in order to

avoid imposing as part of the sentence or term of probation the minimum time in confinement in the county jail and the minimum fine, as provided in subdivision (f).

When such a prior conviction is stricken by the court for purposes of sentencing, the court shall specify the reason or reasons for such striking order.

On appeal by the people from such an order striking such a prior conviction it shall be conclusively presumed that such order was made only for the reasons specified in such order and such order shall be reversed if there is no substantial basis in the record for any of such reasons.

(h) The court may order that any person convicted under this section who is punished by imprisonment in jail, be imprisoned on days other than days of regular employment of the person, as determined by the court.

(i) If the person convicted under this section is under the age of 21 years and the vehicle used in any such violation is registered to such person, the vehicle may be impounded at the owner's expense for not less than one day nor more than 30 days.

SEC. 3. Section 23102.2 of the Vehicle Code is repealed.

SEC. 4. Section 23102.2 is added to the Vehicle Code, to read:

23102.2. (a) In any proceedings to have a prior judgment of conviction of a violation of subdivision (a) or (b) of Section 23102, or of subdivision (a), (b), or (c) of Section 23105, declared invalid on constitutional grounds, the defendant shall state in writing and with specificity wherein he was deprived of his constitutional rights, which statement shall be filed with the clerk of the court and a copy served on the prosecuting attorney at least five court days prior to the hearing thereon.

(b) The court shall, prior to the trial of any pending criminal action against the defendant wherein such prior conviction is charged as such, hold a hearing, outside of the presence of the jury, in order to determine the constitutional validity of the charged prior conviction issue. At such hearing the procedure, the burden of proof and the burden of producing evidence shall be as follows:

(1) The burden of proof remains with the prosecution throughout and is that of beyond a reasonable doubt.

(2) The prosecution shall initially have the burden of producing evidence of the prior conviction sufficient to justify a finding that the defendant has suffered such prior conviction.

(3) In such event, the defendant then has the burden of producing evidence that his constitutional rights were infringed in the prior proceeding at issue.

(4) If the defendant bears this burden successfully, the prosecution shall have the right to produce evidence in rebuttal.

(5) The court shall make a finding on the basis of the evidence thus produced and shall strike from the accusatory pleading any prior conviction found to be constitutionally invalid.

SEC. 5. Section 23105 of the Vehicle Code is amended to read:

23105. (a) It is unlawful for any person who is under the influence of any drug to drive a vehicle upon any highway.

(b) It is unlawful for any person who is under the influence of any drug to drive a vehicle upon other than a highway.

The department shall not be required to provide patrol or enforce the provisions of this subdivision.

(c) It is unlawful for any person who is addicted to the use of any drug, except such a person who is participating in a methadone maintenance treatment program approved pursuant to Section 11655.7 of the Health and Safety Code, to drive a vehicle upon any highway.

(d) Any person convicted under this section shall be punished upon a first conviction by imprisonment in the county jail for not less than 48 hours nor more than six months or by fine of not less than two hundred fifty dollars ($250) nor more than five hundred dollars ($500) or by both such fine and imprisonment. If, however, any person so convicted consents to participate, and does participate and successfully completes, a driver improvement program or a treatment program for persons who are habitual users of drugs, or both such programs, as designated by the court, a court shall punish such person by a fine of not less than one hundred fifty dollars ($150) nor more than five hundred dollars ($500) or by imprisonment in the county jail for not less than 48 hours nor more than six months or by both such fine and imprisonment

(e) Any person convicted under this section shall be punished upon a second or any subsequent conviction, within five years of a prior conviction, by imprisonment in the county jail for not less than 48 hours nor more than one year and by a fine of not less than two hundred fifty dollars ($250) nor more than one thousand dollars ($1,000). A conviction under this section shall be deemed a second or subsequent conviction if the person has previously been convicted of a violation of driving a vehicle while under the influence of intoxicating liquor or any drug, or under the combined influence of intoxicating liquor and any drug.

(f) If any person is convicted of a second or subsequent offense under this section within five years of a prior conviction and is granted probation, it shall be a condition of probation that such person be confined in jail for at least 48 hours but not more than one year and pay a fine of at least two hundred fifty dollars ($250) but not more than one thousand dollars ($1,000).

(g) In no event does the court have the power to absolve a person who is convicted of a second or subsequent offense under this section within five years of a prior conviction from the obligation of spending at least 48 hours in confinement in the county jail and of paying a fine of at least two hundred fifty dollars ($250) except as provided in subdivision (h).

(h) Except in unusual cases where the interests of justice demand an exception, the court shall not strike a prior conviction of an offense under this section for purposes of sentencing in order to

avoid imposing as part of the sentence or term of probation the minimum time in confinement in the county jail and the minimum fine, as provided in subdivision (g).

When such a prior conviction is stricken by the court for purposes of sentencing, the court shall specify the reason or reasons for such striking order.

On appeal by the people from such an order striking such a prior conviction it shall be conclusively presumed that such order was made only for the reasons specified in such order and such order shall be reversed if there is no substantial basis in the record for any of such reasons.

(i) The court may order that any person convicted under this section who is punished by imprisonment in jail, be imprisoned on days other than days of regular employment of the person, as determined by the court.

(j) If the person convicted under this section is under the age of 21 years and the vehicle used in any such violation is registered to such person, the vehicle may be impounded at the owner's expense for not less than one day nor more than 30 days.

SEC. 6. There are no state-mandated local costs in this act that require reimbursement under Section 2231 of the Revenue and Taxation Code because this act consists of technical changes to statutes enacted prior to January 1, 1973.

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## CHAPTER 1129

*An act to amend Sections 3645, 3649, and 3651 of the Public Resources Code, relating to oil and gas.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 3645 of the Public Resources Code is amended to read:

3645. Upon giving his approval to the unit agreement pursuant to Section 3643, the supervisor shall issue an order directing unit operations of the unit area in accordance with the unit agreement, directing the recordation of such agreement in the office of the county recorder in each county in which any part of the unit area is situated, and requiring that the interests of all persons in the unit area be thereafter subject to the unit agreement the same as if all such persons had expressly consented to the unit agreement. An order of the supervisor issued pursuant to this section shall become effective on the date provided for in the order, except that no such order shall become effective until all interests in the unit area for which timely offers of sale have been made pursuant to Section 3647

have been purchased as provided in that section, or until the termination of such offers of sale.

SEC. 2. Section 3649 of the Public Resources Code is amended to read:

3649. Any proposed modification of an approved unit agreement shall be submitted by the unit operator to the supervisor for his review and approval. No modification shall alter or change the basis for allocating production to tracts of land theretofore committed to the unit area without the express written consent of all persons who might be adversely affected thereby. The supervisor shall approve the proposed modification if, after a public hearing, he finds that the proposed unit agreement modification is consented to by persons who own, of record, title to working interests which aggregate at least an undivided three-fourths of the total working interests within the unit area and by persons who own, of record, title to the royalty interest which aggregate at least an undivided three-fourths of the total royalty interest in the unit area, that the proposed modification is in conformity with other provisions of the unit agreement, that it is consistent with the purpose of this chapter, and is fair and reasonable under all the circumstances. Upon approval, the unit agreement modification shall be recorded in the office of the county recorder in each county in which any part of the unit area is situated and thereafter shall be binding upon all persons having any interest in the pool or pools subject to the unit agreement the same as if all such persons had expressly agreed to the modification.

Nothing in this section shall be construed as applying to any modification of a unit operating agreement entered into exclusively by the working interest owners.

SEC. 3. Section 3651 of the Public Resources Code is amended to read:

3651. The supervisor shall issue his order that such further tract or tracts of land insofar as they contain the pool or pools and the interests of all persons therein, upon recordation of such order in the office of the county recorder in each county in which any part of the original unit area or such additional tracts are situated, shall thereafter be subject to unit operations if he finds all of the following:

(a) All or a portion of a further tract or tracts of land do contain a portion of the pool previously ordered unitized by the supervisor.

(b) The unit agreement has been consented to by persons who own, of record, title to working interests which aggregate at least an undivided three-fourths of the working interests in the total area of the pool or pools, as known to exist at the time of the filing of the petition, and by persons who own, of record, title to the royalty interest which aggregates at least an undivided three-fourths of the royalty interest in the total area of the pool or pools, as known to exist at the time of the filing of the petition.

(c) The addition of such further tract or tracts of land insofar as they contain the pool or pools to the unit operations is reasonably necessary in order to prevent waste or to increase the ultimate

recovery of oil and gas.

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## CHAPTER 1130

*An act to amend Sections 12392, 12404.5, 12415, and 12416 of, to add Sections 104 and 12389 to, and to add Article 1 (commencing with Section 12340), Article 3.7 (commencing with Section 12389), Article 5.5 (commencing with Section 12401), Article 5 7 (commencing with Section 12402), Article 6.7 (commencing with Section 12414 13), and Article 6.9 (commencing with Section 12414.20) to Chapter 1 of Part 6 of Division 2 of, and to repeal Sections 104, 12396, 12401, 12402, and 12403 of, and to repeal Article 1 (commencing with Section 12340) of Chapter 1 of Part 6 of Division 2 of, the Insurance Code, relating to title insurance.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 104 of the Insurance Code is repealed.

SEC. 2. Section 104 is added to the Insurance Code, to read:

104. Title insurance means insuring, guaranteeing or indemnifying owners of real or personal property or the holders of liens or encumbrances thereon or others interested therein against loss or damage suffered by reason of:

(a) Liens or encumbrances on, or defects in the title to said property;

(b) Invalidity or unenforceability of any liens or encumbrances thereon; or

(c) Incorrectness of searches relating to the title to real or personal property.

SEC. 3. Article 1 (commencing with Section 12340) of Chapter 1 of Part 6 of Division 2 of the Insurance Code is repealed.

SEC. 4. Article 1 (commencing with Section 12340) is added to Chapter 1 of Part 6 of Division 2 of the Insurance Code, to read:

### Article 1. Definitions

12340. The definitions set forth in this article shall govern the construction of the terms used in this chapter, but shall not affect any other provisions of this code.

12340.1. "Title insurance" means insuring, guaranteeing or indemnifying owners of real or personal property or the holders of liens or encumbrances thereon or others interested therein against loss or damage suffered by reason of:

(a) Liens or encumbrances on, or defects in the title to said property;

(b) Invalidity or unenforceability of any liens or encumbrances thereon; or

(c) Incorrectness of searches relating to the title to real or personal property.

12340.2. "Title policy" means any written instrument or contract by means of which title insurance liability is assumed.

12340.3. "Business of title insurance" includes:

(a) Issuing or proposing to issue any title policy as insurer, guarantor, or indemnitor;

(b) Transacting or proposing to transact any phase of title insurance, including solicitation, negotiation preliminary to execution, or execution of a title policy, insuring and transacting matters subsequent to the execution of a title policy and arising out of such policy, excluding reinsurance;

(c) The performance by a title insurer, an underwritten title company or a controlled escrow company of any service in conjunction with the issuance or contemplated issuance of a title policy including but not limited to the handling of any escrow, settlement or closing in connection therewith;

or the doing of or proposing to do any business, which is in substance the equivalent of any of the above.

12340.4. "Title insurer" means any company issuing title policies as insurer, guarantor or indemnitor.

"Domestic title insurer" means any title insurer organized under the laws of this state.

"Foreign title insurer" means any title insurer organized under the laws of any other jurisdiction.

12340.5. "Underwritten title company" means any corporation engaged in the business of preparing title searches, title examinations, title reports, certificates or abstracts of title upon the basis of which a title insurer writes title policies.

12340.6. (a) "Controlled escrow company" means any person, other than a title insurer or underwritten title company, whose principal business is the handling of escrows of real property transactions in connection with which title policies are issued, which person, if an artificial person, directly or indirectly, is controlled by or controls or is under common control with a title insurer, or controls or is controlled by or is under common control with an underwritten title company, or if a natural person, is employed by or controlled by a title insurer or by an underwritten title company. As used in this section, the term "control" shall have the meaning set forth in subdivision (b) of Section 1215.

(b) Except for Article 6 (commencing with Section 12404) this section does not apply to any person or entity doing business under any law of this state or the United States relating to banks or savings and loan associations.

12340.7. Except as provided in Section 12401.8, and excluding miscellaneous charges, "rate" or "rates" means the charge or charges, whether denominated premium or otherwise, made to the

public by a title insurer, an underwritten title company or a controlled escrow company, for all services it performs in transacting the business of title insurance. As used in this section miscellaneous charges means conveyancing fees, notary fees, inspection fees, tax service contract fees and such other fees as the commissioner by regulation may prescribe.

12340.8. "Advisory organization" means every person or entity (other than a title insurer, underwritten title company, or controlled escrow company) which recommends or prepares policy forms or endorsements (but not including the making of rates, rating plans, or rating systems), or which collects and furnishes to its members or insurance supervisory officials loss and expense statistics or other statistical information and data relating to the business of title insurance and who otherwise acts in an advisory, as distinguished from a ratemaking, capacity. No duly authorized attorney at law acting in the usual course of his profession nor any entity engaging in the above activity on a nationwide basis shall be deemed to be an advisory organization.

12340.9. "Willful" or "willfully" in relation to an act or omission which constitutes a violation of this chapter means with actual knowledge or belief that such act or omission constitutes such violation and with specific intent to commit such violation.

SEC. 5. Article 3.7 (commencing with Section 12389) is added to Chapter 1 of Part 6 of Division 2 of the Insurance Code, to read:

## Article 3.7. Underwritten Title Companies

12389. (a) An underwritten title company as defined in Section 12340.5 of this code, which shall be a stock corporation, may engage in the business of preparing title searches, title reports, title examinations, certificates or abstracts of title, upon the basis of which a title insurer writes title policies, provided that:

(1) Only domestic corporations may be licensed under this section and no underwritten title company, as defined in Section 12340.5, shall become licensed under this section, or change the name under which it is licensed or operates, unless it has first complied with the provisions of Section 881.

(2) Depending upon the county or counties in which the company is licensed to transact business, it shall maintain required minimum net worth as follows:

| Aggregate number of documents recorded and documents filed in the offices of the county recorders in the preceding calendar year in all counties where the company is licensed to transact business | Amount of required minimum net worth |
|---|---|
| Less than 10,000 | $20,000 |
| 10,000 to 50,000 | 30,000 |
| 50,000 to 100,000 | 60,000 |
| 100,000 to 500,000 | 100,000 |
| 500,000 to 1,000,000 | 150,000 |
| 1,000,000 or more | 200,000 |

"Net worth" is defined as the excess of assets over all liabilities and required reserves. It may carry as an asset the actual cost of its title plant provided the value ascribed to such asset shall not exceed the lesser of: (a) the actual cost thereof, or (b) 50 percent of its stated capital, as defined in Section 1900 of the Corporations Code.

Where the information in the title plant is not being kept current, the asset value of such plant shall not exceed the actual cost less 20 percent of the actual cost for each 12-month period, immediately preceding the date such asset is valued for purposes of this subdivision, that the title plant is not actually maintained.

An underwritten title company at all times shall maintain current assets of at least ten thousand dollars ($10,000) in excess of its current liabilities, as such current assets and liabilities may be defined pursuant to regulations made by the commissioner. In making such regulations, the commissioner shall be guided by generally accepted accounting principles followed by certified public accountants in this state.

(3) Such an underwritten title company shall obtain from the commissioner a license to transact its business. Such license shall not be granted until the applicant conforms to the requirements of this section and all other provisions of this code specifically applicable to applicant. After issuance the holder shall continue to comply with the requirements as to its business set forth in this code, in the applicable rules and regulations of the commissioner and in the laws of this state.

Any underwritten title company who possesses, or is required to possess, a license pursuant to this section shall be subject as if an insurer to the provisions of Article 8 (commencing with Section 820) of Chapter 1 of Part 2 of Division 1 of this code and shall be deemed to be subject to authorization by the Insurance Commissioner within the meaning of subdivision (e) of Section 25100 of the Corporations Code.

Such license may be obtained by filing an application on a form prescribed by the commissioner accompanied by a filing fee of one

hundred dollars ($100). Such license when issued shall be for an indefinite term and shall expire with the termination of the existence of the holder, subject to the annual renewal fee imposed under Sections 12415 and 12416.

An underwritten title company seeking to extend its license to an additional county shall pay a one-hundred-dollar ($100) fee for each such additional county, and shall furnish to the commissioner evidence, at least sufficient to meet the minimum net worth requirements of paragraph (2), of its financial ability to expand its business operation to include such additional county or counties.

(4) Such an underwritten title company shall furnish an audit to the commissioner on the forms provided by the commissioner annually, either on a calendar year basis on or before March 31st or, if approved in writing by the commissioner in respect to any individual company, on a fiscal year basis on or before 90 days after the end of the fiscal year. The time for furnishing any such audit may be extended, for good cause shown, on written approval of the commissioner for a period, not to exceed 60 days. Failure to submit an audit on time, or within such extended time as the commissioner may grant, shall be grounds for an order by the commissioner to accept no new business pursuant to subdivision (d). Such audits shall be private, except that a synopsis of the balance sheet on a form prescribed by the commissioner may be made available to the public.

The audits shall be made in accordance with generally accepted auditing standards by an independent certified public accountant or independent licensed public accountant approved by the commissioner specifically for the particular company. Approval of an auditor for a particular company shall not be deemed to be a licensing of the auditor nor approval of the auditor for any other company or any other purpose. Any such approval, or the renewal thereof, shall automatically expire on the first day of January in the fifth calendar year following the date of original or renewal approval. The fee for filing an application for such approval or the renewal thereof shall be ten dollars ($10). The fee for filing the audit shall be twenty-five dollars ($25).

The commissioner may deny or revoke approval or renewal of approval of an auditor for any of the following reasons:

(i) Adverse result in any proceeding before the State Board of Accountancy affecting the auditor's license;

(ii) The auditor has an affiliation with the underwritten title company or any of its officers or directors which would prevent his reports on the company from being reasonably objective;

(iii) The auditor has suffered conviction of any misdemeanor or felony based on his activities as an accountant; or

(iv) Judgment adverse to the auditor in any civil action finding him guilty of fraud, deceit or misrepresentation in the practice of his profession.

Any company which fails to file any audit or other report on or before the date it is due shall pay to the commissioner a penalty fee

of one hundred dollars ($100) and on failure to pay such or any other fee or file the audit required by this section shall forfeit the privilege of accepting new business until the delinquency is corrected.

(b) Such an underwritten title company may engage in the escrow business and act as escrow agent provided that:

(1) All funds deposited with the company in connection with any escrow shall be deposited in a bank in a separate trust account, and such funds shall be the property of the person or persons entitled thereto under the provisions of the escrow and segregated escrow by escrow in the records of the company. Such funds shall not be subject to any debts of the company and shall be used only to fulfill the terms of the individual escrow under which the funds were accepted and none of such funds shall be used until all conditions of the escrow have been met.

Bona fide drafts executed by persons fully responsible financially may at the option of the company, be deemed the equivalent of funds already cleared into such bank deposit unless another law of this state prohibits such persons from tendering such drafts to escrow holders for the purpose of closing escrows.

Any interest received on funds deposited with the company in connection with any escrow which are deposited in a bank shall be paid over to the depositing party to the escrow and shall not be transferred to the account of the company.

(2) It shall maintain record of all receipts and disbursements of escrow funds.

(3) It shall deposit seven thousand five hundred dollars ($7,500) for each county in which it transacts business in some form permitted by Section 12351 with the commissioner who shall forthwith make a special deposit thereof in the State Treasury and such deposit shall be subject to the provisions of Sections 12353, 12356, 12357, and 12358 and as long as there are no claims against the deposit all interest and dividends thereon shall be paid to the depositor. The assets in the deposit shall be subject to final sale, transfer and disposal of the proceeds thereof by the commissioner only on the order of a court of competent jurisdiction, and for the security and protection of persons having lawful claims against the depositor growing out of escrow transactions with it. Such deposit shall be maintained until two years after the company ceases to engage in the escrow business.

(4) It shall obtain and maintain a fidelity bond on file with the commissioner, to cover all officers and employees of the company who participate in any escrow transaction that is handled by the company. Such bond shall be a blanket bond or, with the approval of the commissioner, may be a position or individual bond. The commissioner shall prescribe the amount of the bond which shall not exceed two hundred thousand dollars ($200,000).

(c) The commissioner shall, whenever it appears necessary, examine the business and affairs of a company licensed under this section. All such examinations shall be at the expense of the company.

(d) At any time that the commissioner determines, after notice and hearing, that a company licensed under this section has willfully failed to comply with any of the provisions of this section, the commissioner shall make his order prohibiting the company from conducting its business for a period of not more than one year.

Any company violating such an order is subject to seizure under Article 14 (commencing with Section 1010) of Chapter 1 of Part 2 of Division 1 of this code is guilty of a misdemeanor and may have its license revoked by the commissioner. Any person aiding and abetting any company in a violation of such an order is guilty of a misdemeanor.

The purpose of this section is to maintain the solvency of the companies subject to this section and to protect the public by preventing fraud and requiring fair dealing. In order to carry out such purposes the commissioner may make reasonable rules and regulations to govern the conduct of its business of companies subject to this section.

The name under which each underwritten title company is licensed shall at all times be an approved name. Each such company shall be subject to the provisions of Article 14 (commencing with Section 1010) and Article 14.5 (commencing with Section 1065.1) of Chapter 1 of Part 2 of Division 1 of this code.

Such rules and regulations shall be adopted, amended or repealed in accordance with the procedure provided in Chapter 4.5 (commencing with Section 11371) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 6. Section 12392 of the Insurance Code is amended to read:

12392. If a domestic incorporated title insurer is authorized by its articles of incorporation to act as executor, administrator, guardian, assignee, receiver, depositary, agent or trustee, or to do a general trust business, and if such insurer has a capital paid in of not less than seven hundred thousand dollars ($700,000) it may also do business as a trust company, and maintain a trust department as well as a title insurance department, on compliance with the conditions set forth in this article. Notwithstanding the above minimum paid-in capital requirements, a title insurer which was operating under a certificate of authority which was in effect on July 1, 1971, and which title insurer on such date had a paid-in capital of not less than seven hundred thousand dollars ($700,000), may engage in the activities permitted by this section upon compliance with the following paid-in capital requirements: (a) four hundred fifty thousand dollars ($450,000) until July 1, 1974; (b) thereafter and until July 1, 1975, five hundred thousand dollars ($500,000); (c) thereafter and until July 1, 1976, six hundred thousand dollars ($600,000); and (d) after July 1, 1976, seven hundred thousand dollars ($700,000).

SEC. 7. Section 12396 of the Insurance Code is repealed.

SEC. 8. Article 5.5 (commencing with Section 12401) is added to Chapter 1 of Part 6 of Division 2 of the Insurance Code, to read:

## Article 5.5. Rate Filing and Regulation

12401. The purpose of this article is to promote the public welfare by regulating rates for the business of title insurance as herein provided to the end that they shall not be excessive, inadequate or unfairly discriminatory. It is the express intent of this article to permit and encourage competition between persons or entities engaged in the business of title insurance on a sound financial basis, and nothing in this article is intended to give the commissioner power to fix and determine a rate level by classification or otherwise.

12401.1. Every title insurer, underwritten title company, and controlled escrow company shall file with the commissioner its schedules of rates, all regularly issued forms of title policies to which such rates apply, and every modification thereof which it proposes to use in this state. Every schedule of rates filed by a title insurer shall set forth the entire charge to the public for each type of title policy included within such schedule and shall include without separate statement thereof that portion of the charge, if any, which is based upon work performed by an underwritten title company; there shall be no separate filing by an underwritten title company for such work. Every filing shall set forth its effective date, which shall be not earlier than the 30th day following its receipt by the commissioner, and shall indicate the character and extent of the coverages and services contemplated.

12401.2. Every title insurer, underwritten title company and controlled escrow company shall establish basic classifications of coverages and services to be used as the basis for determining rates.

12401.3. The following standards shall apply to the making and use of rates pertaining to all the business of title insurance to which the provisions of this article are applicable:

(a) Rates shall not be excessive or inadequate, as herein defined, nor shall they be unfairly discriminatory.

No rate shall be held excessive unless (1) such rate is unreasonably high for the insurance or other services provided, and (2) a reasonable degree of competition does not exist in the particular phase of the business of title insurance to which such rate is applicable.

No rate shall be held to be inadequate unless (1) such rate is unreasonably low for the insurance or other services provided and (2) the continued use of such rate endangers the solvency of the person or entity using the same, or unless (3) such rate is unreasonably low for the insurance or other services provided and the use of such rate by the person or entity using same has, or if continued will have, the effect of destroying competition or creating a monopoly.

(b) Consideration shall be given, to the extent applicable, to past and prospective loss experience within and outside this state, to a reasonable margin for profit and contingencies, to past and prospective expenses both countrywide and those specially

applicable to this state, and to all other factors, including judgment factors, deemed relevant within and outside this state.

(c) The systems of expense provisions included in the rates for use by any title insurer, underwritten title company, or controlled escrow company may differ from those of other title insurers, underwritten title companies, or controlled escrow companies to reflect the operating methods of any such person or entity with respect to any kind of insurance, or other service, or with respect to any combination thereof.

(d) For the establishment of rates, risks and services in the business of title insurance may be grouped by classifications into the various types of title policies or services offered. Such classifications may be further divided to produce rates for individual risks or services within a classification in accordance with rating plans or rating systems which establish standards for measuring variations in risks or expense elements, or both. Such standards may measure any differences among risk or expense elements that have a probable effect upon losses or expenses. Such classifications or further divisions thereof may be established based upon any one or more of the following: (1) the size of a transaction and its effect upon the continuing solvency of the person or entity using the rate in question if a loss should occur; (2) expense elements, including the management time that would ordinarily be expended in a typical transaction of a particular size; (3) the geographic location of a transaction, including variations in risk and expense elements attributable thereto; (4) the individual experience of the person or entity using the rate in question; and (5) any other reasonable considerations. Such classifications or further divisions thereof shall apply to all risks and services in the business of title insurance under the same or under substantially the same circumstances or conditions.

12401.4. In order to further uniform administration of rate regulatory laws, the commissioner and every person or entity in the business of title insurance and every advisory organization in this state may exchange information and experience data with insurance supervisory officials of this and other states and rating organizations in other states and may consult with them with respect to such information and data.

12401.5. As a further aid to uniform administration of rate regulatory laws of this state, the commissioner may prescribe by reasonable rules and regulations adaptable to each of the rating systems on file with him, uniform classification of accounts to be observed, statistics to be reported, records to be maintained, and uniform forms for reporting such data by all persons in the business of title insurance in order that the experience of all such persons or entities may be made available in such form and detail as is necessary to aid the commissioner in fulfilling his duties under this article. The commissioner may employ the services of any advisory organization or organizations to assist him in (a) establishing uniform account

classifications, (b) gathering and compiling statistical data, (c) preparing uniform forms for reporting required information, and (d) the analysis, evaluation, and interpretation of information submitted under the provisions of this chapter by persons or entities engaged in the business of title insurance in this state.

12401 6 Nothing in this article shall be construed to prohibit concert of action between entities under the same general management and control.

12401.7. No title insurer, underwritten title company or controlled escrow company shall use any rate in the business of title insurance prior to its effective date nor prior to the filing with respect to such rate having been publicly displayed and made readily available to the public for a period of no less than 30 days in each office of the title insurer, underwritten title company, or controlled escrow company in the county to which such rate applies, and no rate increase shall apply to title policies or services which have been contracted for prior to such effective date.

12401.8. Charges in excess of those set forth in a rate filing which has become effective may be made when such filing includes a statement that such charges may be made in the event unusual insurance risks are assumed or unusual services performed in the transaction of the business of title insurance; provided, that such charges are reasonably commensurate with the risks assumed or the costs of the services performed and provided further that each person or entity obligated to pay all or any part of such charges consents thereto in writing in advance.

12401.9. The schedules of rates which are required to be filed with the commissioner under the provisions of Section 12401.1 shall be printed or typed in type not smaller than 10-point and, so long as they are effective, full copies thereof, showing their effective date or dates, shall be kept at all times available to the public and prominently displayed in a public place in each office of a title insurer, an underwritten title company and a controlled escrow company in the county to which such rates apply. On request, copies of such schedules or adequate summaries of the pertinent part or parts thereof shall be furnished to the public.

12401.10. Nothing in this article shall require the filing of rates by title insurers for reinsurance contracts or agreements or policies of excess coinsurance.

SEC. 9 Section 12401 of the Insurance Code is repealed.

SEC. 10 Section 12402 of the Insurance Code is repealed.

SEC. 11. Section 12403 of the Insurance Code is repealed.

SEC 12. Article 5.7 (commencing with Section 12402) is added to Chapter 1 of Part 6 of Division 2 of the Insurance Code, to read:

Article 5.7. Advisory Organizations

12402. No advisory organization shall conduct its operations in this state without first filing with the commissioner: (a) a copy of its

constitution, articles of agreement or association or certificate of incorporation, and of its bylaws, rules, and regulations governing the conduct of its business; (b) a list of its members; (c) the name and address of a resident of this state upon whom notices or orders of the commissioner or process affecting such advisory organization may be served.

12402.1. Every advisory organization shall adopt bylaws or rules and regulations which will:

(a) Permit any person or entity in the business of title insurance in this state to become a member at a reasonable cost and without discrimination;

(b) Permit any member to withdraw at any time upon written notice;

(c) Prohibit any act or agreement by which any person or entity is restrained from lawfully engaging in the business of title insurance in this state;

(d) Require that the commissioner be given prompt notification of every change in any of the items described in subdivisions (a), (b), and (c) of Section 12402.

12402.2. No bylaw or rule or regulation required by Section 12402.1 shall be effective until filed with the commissioner.

SEC. 13. Section 12404.5 of the Insurance Code is amended to read:

12404.5. As used in this section "personal or controlled insurance" means a policy of title insurance, or insurance as to the identity, due execution and validity of any note or bond secured by mortage, or the identity, due execution, validity and recording of any such mortgage, or any other service afforded by title insurers the rate for which is required to be filed by Article 5.5 (commencing with Section 12401) of this chapter, where the insured or one of the insured under such policy is, or the loss thereunder is payable to, an underwritten title company, a controlled escrow company, or an issuing agent, or

(a) If such underwritten or controlled company or issuing agent is a natural person: (1) his spouse, his employer or his employer's spouse, or (2) any person related to him or the persons mentioned in (1) of this paragraph within the second degree by blood or marriage, or (3) if his employer is a corporation, any person directly or indirectly owning or controlling a majority of the voting stock or controlling interest in such corporation, or (4) if his employer is a partnership or association, any person owning any interest in such partnership or association.

(b) If such underwritten or controlled company or issuing agent is a corporation: (1) any person directly or indirectly owning or controlling a majority of the voting stock or controlling interest in such corporation, or (2) any corporation which is directly or indirectly controlled by a person who also controls the underwritten title company, controlled escrow company, or issuing agent, as described in (1), or (3) any corporation making consolidated returns

for United States income tax purposes with any corporation described in (1) or (2) of this paragraph.

If the fees and charges for personal or controlled insurance so issued in any one calendar year received by an underwritten title company, a controlled escrow company or an issuing agent exceed the fees and charges received for other title insurance issued at the instance or request of such underwritten title company, controlled escrow company or issuing agent in the same year, the excess is an unlawful rebate. Violation of this section by a title insurer shall not be subject to the penalty provided for in Section 12409.

SEC. 14. Article 6.7 (commencing with Section 12414.13) is added to Chapter 1 of Part 6 of Division 2 of the Insurance Code, to read:

Article 6.7. Hearings, Procedure, and Judicial Review

12414.13. Any person aggrieved by any rate charged, rating plan or rating system followed or adopted by a title insurer, underwritten title company, or controlled escrow company may request such person or entity to review the manner in which the rate, plan, system, or rule has been applied with respect to insurance or services afforded him. Such request may be made by his authorized representative, and shall be written. If the request is not granted within 30 days after it is made, the requestor may treat it as rejected. Any person aggrieved by the action of any such person or entity in refusing the review requested, or in failing or refusing to grant all or part of the relief requested, may file a written complaint and request for hearing with the commissioner, specifying the grounds relied upon. If the commissioner has information concerning a similar complaint he may deny the hearing. If he believes that probable cause for the complaint does not exist or that the complaint is not made in good faith he shall deny the hearing. Otherwise, and if he finds that the complaint charges a violation of Article 5.5 (commencing with Section 12401) and that the complainant would be aggrieved if the violation is proved, he shall proceed as provided in Section 12414.14.

12414.14. If after examination of a title insurer, an underwritten title company, or a controlled escrow company, or upon the basis of other information, or upon sufficient complaint as provided in Section 12414.13, the commissioner has good cause to believe that such person or entity, or any rate, rating plan or rating system made or used by any such person or entity does not comply with the requirements and standards of Article 5.5 (commencing with Section 12401) he shall, unless he has good cause to believe such noncompliance is willful, give notice in writing stating therein in what manner and to what extent such noncompliance is alleged to exist and specifying therein a reasonable time, not less than 10 days nor more than 30 days thereafter, in which such noncompliance may be corrected. Notices under this section shall be confidential as

between the commissioner and the parties unless a hearing is held under Section 12414.15.

12414.15. If the commissioner has good cause to believe such noncompliance to be willful, or if within the period prescribed by the commissioner in the notice required by Section 12414.14 the title insurer, underwritten title company, or controlled escrow company does not make such changes as may be necessary to correct the noncompliance specified by the commissioner or establish to the satisfaction of the commissioner that such specified noncompliance does not exist, then the commissioner may hold a public hearing in connection therewith, provided that within a reasonable period of time, which shall be not less than 10 days before the date of such hearing, he shall mail written notice specifying the matters to be considered at such hearing to such title insurer, underwritten title company, or controlled escrow company. Such notice shall conform to the requirements for an accusation as prescribed by Section 11503 of the Government Code. If no notice has been given as provided in Section 12414.14, such notice shall state therein in what manner and to what extent noncompliance is alleged to exist. The hearing shall not include any additional subjects not specified in the notices required by Section 12414.14 or this section.

12414.16. If after a hearing pursuant to Section 12414.15 the commissioner finds:

(a) That any rate, rating plan or rating system violates the provisions of Article 5.5 (commencing with Section 12401), he may issue an order to the person or entity which has been the subject of the hearing specifying in what respects such violation exists and stating when, within a reasonable period of time, the further use of such rate or rating system by such person or entity in the business of title insurance made thereafter shall be prohibited.

(b) That the violation which has been the subject of hearing was willful, he may suspend or revoke, in whole or in part, the certificate of authority of such title insurer or the license of such underwritten title company or controlled escrow company with respect to the transaction of the business of title insurance which has been the subject matter of the hearing.

12414.17. In addition to other penalties provided in this code, the commissioner may suspend or revoke, in whole or in part, the authority of any person or entity to engage in the business of title insurance upon the failure of any such person or entity to comply within the time limited by such order or any extension thereof which the commissioner may grant, with an order of the commissioner lawfully made by him pursuant to Section 12414.16 and effective pursuant to Section 12414.19.

12414.18. Except as otherwise provided in this chapter, all proceedings in connection with the denial, suspension, or revocation of a license or certificate of authority under this chapter shall be conducted in accordance with the provisions of Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2

of the Government Code, and the commissioner shall have all the powers granted to him therein.

12414.19. Any finding, determination, rule, ruling, or order made by the commissioner under this chapter shall be subject to review by the courts of the state and proceedings on review shall be in accordance with the provisions of the Code of Civil Procedure. In such proceedings on review, the court is authorized and directed to exercise its independent judgment on the evidence and unless the weight of the evidence supports the findings, determination, rule, ruling, or order of the commissioner, the same shall be annulled.

Notwithstanding any other provision of law to the contrary, a petition for review of any such finding, determination, rule or order, may be filed at any time before the effective date thereof. No such finding, determination, rule, or order shall become effective before the expiration of 20 days after notice and a copy thereof are mailed or delivered to the person or entity affected, and any finding, determination, rule, or order of the commissioner so submitted for review shall not become effective for a further period of 15 days after the petition for review is filed with the court. The court may stay the effectiveness thereof for a longer period.

SEC. 15. Article 6.9 (commencing with Section 12414.20) is added to Chapter 1 of Part 6 of Division 2 of the Insurance Code, to read:

Article 6.9. Examinations, Penalties and Miscellaneous

12414.20. The commissioner may, as often as may be reasonable and necessary, make or cause to be made an examination of any advisory organization for the business of title insurance in this state.

12414.21. The commissioner may, pursuant to reasonable rules and regulations which he shall prescribe, make or cause to be made an examination of every title insurer, underwritten title company or controlled escrow company engaged in the business of title insurance to ascertain whether such person or entity and every rate and rating system used in the business of title insurance complies with the requirements and standards of Article 5.5 (commencing with Section 12401) of this chapter. Such examination shall not be a part of a periodic general examination participated in by a representative of more than one state.

12414.22. The officers, managers, agents, and employees of any advisory organization, title insurer, underwritten title company, or controlled escrow company may be examined at any time under oath and shall exhibit all books, records, accounts, documents, or agreements governing their method of operation, together with all data, statistics, and information of every kind and character collected or considered by such persons or entities in the conduct of the operations to which such examination relates.

12414.23. The reasonable cost of any examination authorized by this article shall be paid by the advisory organization, title insurer,

underwritten title company, or controlled escrow company to be examined.

12414.24. No person, title insurer, underwritten title company, controlled escrow company, or advisory organization shall willfully withhold information from, or knowingly give false or misleading information to, the commissioner or to any advisory organization which will affect rates for the business of title insurance to which the provisions of this chapter are applicable.

12414.25. (a) Any person, title insurer, underwritten title company, or controlled escrow company who fails to comply with a final order of the commissioner under this chapter shall be liable to the state in an amount not exceeding one hundred dollars ($100), but if such failure is willful he or it shall be liable to the state in an amount not exceeding five thousand dollars ($5,000) for such failure. The commissioner shall collect the amount so payable and may bring an action in the name of the people of the State of California to enforce collection. Such penalties may be in addition to any other penalties provided by law.

(b) A willful violation of the provisions of this chapter is a misdemeanor.

12414.26. No act done, action taken, or agreement made pursuant to the authority conferred by Article 5.5 (commencing with Section 12401) or Article 5.7 (commencing with Section 12402) of this chapter shall constitute a violation of or grounds for prosecution or civil proceedings under any other law of this state heretofore or hereafter enacted which does not specifically refer to insurance.

12414.27. Commencing 120 days following January 1, 1974, no title insurer, underwritten title company or controlled escrow company shall charge for any title policy or service in connection with the business of title insurance, except in accordance with rate filings which have become effective pursuant to Article 5.5 (commencing with Section 12401) of this chapter or as otherwise authorized by such article; provided, however, where a rate is on file with the commissioner and in effect immediately prior to such date, such rate shall continue in effect until a new rate filing is thereafter made and becomes effective in the manner provided in Article 5.5 (commencing with Section 12401) of this chapter.

12414.28. All title policies issued by title insurers shall be subscribed by the president or a vice president and by the secretary or an assistant secretary of the corporation. All such title policies are as binding and obligatory upon the corporation as if executed over the corporate seal. The signatures of such officers, or any one of them, may be in their own handwriting or engraved, lithographed, printed, stamped, or otherwise affixed to such title policies. Any title policy so signed shall be presumed to be duly subscribed, and if the title policy provides for an additional signature and such signature appears thereon a like presumption shall apply.

12414.29. The administration and enforcement of Article 5.5 (commencing with Section 12401) and Article 5.7 (commencing

with Section 12402) of this chapter shall be governed solely by the provisions of this chapter. Except as provided in this chapter, no other law relating to insurance and no other provisions in this code heretofore or hereafter enacted shall apply to or be construed as supplementing or modifying the provisions of such articles unless such other law or other provision expressly so provides and specifically refers to the sections of such articles which it intends to supplement or modify.

SEC. 16. Section 12415 of the Insurance Code is amended to read:

12415. It is the intent of the Legislature that certificated title insurers and licensed underwritten title companies, as defined in Section 12340.5 shall pay to the commissioner an annual renewal fee, as provided in Section 12416, in addition to that provided as to title insurers by Section 705 to cover the costs to the commissioner for administering and enforcing Article 3.7 (commencing with Section 12389), Article 5.5 (commencing with Section 12401), and Article 6 (commencing with Section 12404) of Chapter 1, Part 6, Division 2 of this code and other provisions of this code as may be subsequently incorporated by reference in this article by legislative enactment. Such fee shall be in lieu of all fees provided for in Article 6 (commencing with Section 12404) of Chapter 1, Part 6, Division 2.

SEC. 17. Section 12416 of the Insurance Code is amended to read:

12416. Each certificated title insurer possessing a certificate of authority of indefinite term pursuant to Section 701 shall owe and pay an annual renewal fee of two hundred dollars ($200) in lawful money of the United States. Each underwritten title company possessing a license of indefinite term pursuant to Section 12389 shall owe and pay an annual renewal fee of one hundred dollars ($100) in lawful money of the United States. Such fees shall be for annual periods commencing on July 1 of each year and ending on June 30 of each year, and shall be due on March 1st preceding the annual period for which such fees are charged, and shall be delinquent on and after April 1st next following the date when due.

SEC. 18. Nothing contained in Section 104, as added to the Insurance Code by Section 2 of this act, or in Section 12340.1, as added to the Insurance Code by Section 4 of this act, shall be construed to limit any liability or remedy otherwise applicable prior to the effective date of this act.

SEC. 19. It is the intent of the Legislature that, if both this bill and Senate Bill No. 293 are enacted, and this bill is enacted after Senate Bill No. 293, Senate Bill No. 293 shall not become operative.

SEC. 20. No appropriation is made by this act, nor is any obligation created thereby under Section 2231 of the Revenue and Taxation Code, for the reimbursement of any local agency for any costs that may be incurred by it in carrying on any program or performing any service required to be carried on or performed by it by this act.

## CHAPTER 1131

*An act to amend Section 23102.3 of the Vehicle Code, relating to vehicles, and declaring the urgency thereof, to take effect immediately*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 23102.3 of the Vehicle Code is amended to read:

23102.3. (a) In the case of a first conviction of driving a motor vehicle upon a highway while under the influence of intoxicating liquor, any judge of a court may order a presentence investigation to determine whether a person convicted of such offense would benefit from treatment for persons who are habitual users of alcohol.

(b) Until January 1, 1974, in the case of a second or subsequent conviction of driving a motor vehicle upon a highway while under the influence of intoxicating liquor, any judge of a court may, and on and after January 1, 1974, shall, order a presentence investigation to determine whether a person convicted of such offense would benefit from treatment for persons who are habitual users of alcohol

(c) In any case, the court may order suitable treatment for the person, in addition to imposing any penalties required by this code.

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

It is the intent of the Legislature that the provisions contained in subdivision (c) of Section 23102.3, which relate only to judges in certain counties, be made applicable to judges in all counties of California at the earliest possible time. Thus, it is necessary that this act take immediate effect.

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## CHAPTER 1132

*An act relating to the practice of medicine*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. The Board of Medical Examiners of the State of California shall issue a physician's and surgeon's certificate to anyone who successfully passes a written and clinical examination and who meets all the following requirements:

(a) Is a resident of California.
(b) Is a graduate of a four-year college or university.
(c) Attended an out-of-state osteopathic school of medicine and obtained a doctor of osteopathic degree from such school.
(d) Has performed an internship in a hospital
(e) Has practiced as an osteopathic physician in another state for at least two years.
(f) Has practiced as an osteopathic physician in the State of California at a federal institution for at least three years.
(g) Has been licensed as an osteopathic physician and surgeon in at least five states
(h) Applies for the physician's and surgeon's certificate within 30 days from the effective date of this act.

SEC. 2. This act shall be operative until December 31, 1975, and after that date shall have no force or effect.

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## CHAPTER 1133

*An act to protect the water resources of the state by creating the Central Delta Water Agency and prescribing the boundaries, organization, operation, management, financing, and other powers and duties of the agency.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

### Article 1. General Provisions

SEC. 1.1. This act may be cited as the Central Delta Water Agency Act.

SEC. 1.2 There is hereby created a body politic and corporate of the State of California to be known as the "Central Delta Water Agency" which shall have the boundaries and powers hereafter described.

SEC. 1.3. As used herein, unless otherwise indicated by their context:

(a) "Agency" means the Central Delta Water Agency.
(b) "United States" means and includes the United States of America and all bureaus, commissions, divisions, departments, boards, agencies, and officers of the executive branch thereof.
(c) "State of California" includes the State of California and all bureaus, commissions, divisions, departments, boards, agencies, and officers of the executive branch thereof.
(d) "Board" means the board of directors of the agency.
(e) "Director" means the representative of a division of the agency.

(f) "Chairman" means the chairman of the board of directors.

(g) "Secretary" means the secretary of the board of directors.

(h) "Legal representative" means an official of a corporation owning land, and means a guardian, conservator, or administrator of the estate of the holder of title to land who:

(1) Is appointed under the laws of this state.

(2) Is authorized by the appointing court to exercise the particular right, privilege, or immunity which he seeks to exercise.

(i) "Voter" means the owner of record of the fee title to lands within the agency.

(j) "Division" means those territories separately described in Section 9.2, each of which is represented by a director.

SEC. 1.4. "Land" or "lands" as used herein excludes improvements thereon, and also excludes rights or privileges appertaining to minerals, oil, gas, or other hydrocarbon substances underlying the surface thereof when such rights or privileges are assessed separately from the land.

## Article 2. Elections

SEC. 2.1. Except as otherwise provided herein, the Uniform District Election Law relating to landowner voting districts, shall apply to all elections within the agency.

SEC. 2.2. Each landowner shall have one vote for each dollar's worth of land to which he holds title within the division. The last equalized assessment roll of the county in which the land is located is conclusive evidence of ownership and of the worth of the land for voting purposes.

SEC. 2.3. Every voter or his legal representative may vote at any agency election either in person or by a person duly appointed as his proxy.

SEC. 2.4. No appointment of a proxy shall be valid, accepted, or vote allowed thereon at an agency election unless it meets all of the following requirements:

(a) It is in writing.

(b) It is executed by the person or legal representative of the person who, in accordance with the provisions of Section 2.3 of this act, is entitled to cast the votes for which the proxy is given.

(c) It is acknowledged.

(d) It specifies the election at which it is to be used. An appointment of a proxy shall be used only at the election specified. Every appointment of a proxy is revocable, at the pleasure of the person executing it, at any time before the person appointed as proxy shall have cast a ballot representing the votes for which the appointment was given.

SEC. 2.5. Before a legal representative votes at an agency election, he shall present to the precinct board a certified copy of his authority which shall be kept and filed with the returns of the election.

SEC. 2.6. The ballots used at an agency election shall be provided by the county clerk pursuant to the provisions of the Uniform District Election Law, and shall be in the form prescribed in Section 35106 of the Water Code.

SEC. 2.7. Except as otherwise provided in this act or in the Uniform District Election Law, the procedures to be used at the polls by the precinct board shall be as set forth in Section 35107 of the Water Code.

SEC. 2.8. Any voter may commence the contest of an agency election within 20 days after the result has been declared by filing a complaint in the superior court of the county within which the voter's lands are situated. If no contest is commenced within that time, the declaration of the result as determined from the canvass of the respective county clerks is final and conclusive.

## Article 3. Internal Organization

SEC. 3.1. The government of the agency shall be vested in a board of directors selected as provided in this act, and the powers of the agency, except as otherwise expressly provided, shall be exercised by the board.

SEC. 3.2. The agency shall be divided into three divisions, each of which shall be represented by a director, each of whom shall be an owner of real property, or the legal representative of an owner of real property, within the respective division he represents.

SEC. 3.3. The members representing each division on the first board of directors of the agency shall be appointed within 60 days after the effective date of this act by the board of supervisors of the county in which the division or the greater portion of the division is located, which board of supervisors shall be the supervising authority for the purpose of appointment in lieu of election pursuant to Section 23520 of the Elections Code; provided, however, that the incumbent directors of the Delta Water Agency, on December 31, 1973, representing divisions 9, 10 and 11, shall, without necessity of appointment as provided hereinabove, serve as the first directors of divisions 1, 2, and 3 respectively, of the Central Delta Water Agency.

SEC. 3.4. The terms of office for the first board of directors shall expire in 1975 for those directors appointed to represent even-numbered divisions, and in 1977 for those appointed to represent odd-numbered divisions as designated in Section 9.2 of this act, as provided in the Uniform District Election Law.

SEC. 3.5. All directors shall thereafter be elected, or appointed in lieu of election, in the manner prescribed in Article 2 (commencing with Section 2.1) of this act. The terms of each director other than those appointed pursuant to Section 3.3 shall be four years and until his successor qualifies.

SEC. 3.6. Within 20 days after receiving his certificate of election, or certificate of appointment, each member director shall qualify by taking and subscribing an official oath and filing it in the office of the

agency.

SEC. 3.7. Any vacancy occurring in the office of director shall be filled by appointment by the board of supervisors of the county within which such division or the major portion of such division is located, and such appointee shall serve for the unexpired portion of the term of the office in which such vacancy exists.

SEC. 3.8. The first board shall hold its first meeting as soon as possible after the appointment and qualification of the members of the first board of directors. It shall choose one of its members as chairman, and one of its members as vice chairman, and shall thereupon provide for the time and place of holding its meetings and the manner in which its special meetings may be called.

A majority of the board shall constitute a quorum for the transaction of business.

At its first meeting in January of each year, the board shall choose one of its members as chairman and one of its members as vice chairman, who shall serve as such until the first meeting in January of the immediately following year, or until their respective successors are chosen.

SEC. 3.9. The board shall act only by resolution or motion, which may be adopted by voice vote, but on demand of any member the roll shall be called. No motion or resolution shall be passed or become effective without the affirmative vote of a majority of the members of the board.

SEC. 3.10. The board may adopt reasonable rules and regulations to facilitate the exercise of its duties and powers.

SEC. 3.11. Each of the members of the board shall receive for each attendance at the meetings of the board the sum of twenty-five dollars ($25).

In addition to his compensation for attendance at meetings of the board, each member of the board shall be allowed his actual, necessary, and reasonable expenses incurred in carrying out his duties.

Each member of the board shall receive such compensation as the board determines to be just and reasonable for services, other than attendance at meetings of the board, performed at the direction of the board.

SEC. 3.12. The board may appoint, define the duties, and fix the compensation of such advisors, assistants, and employees as it may deem necessary to efficiently maintain and operate the agency. The exercise of any and all executive, administrative, and ministerial powers may be delegated by the board.

SEC. 3.13. The board shall have the power:

1. To fix the time and place or places at which its regular meetings shall be held, and shall provide for the calling and holding of special meetings.

2. To fix the location of the principal place of business and the location of all offices of the agency.

3. To prescribe a system of business administration; to create any

and all necessary offices; to establish and reestablish the powers and duties and compensation of all officers and employees; and to require and fix the amount of all official bonds necessary for the protection of the funds and property of the agency.

4. To designate depositories for the funds of the agency.

## Article 4. Purposes and Powers

SEC. 4.1. The general purposes of the agency shall be to negotiate, enter into, execute, amend, administer, perform, and enforce one or more agreements with the United States and with the State of California, or with either, which have for their general purposes the following:

(a) To protect the water supply of the lands within the agency against intrusion of ocean salinity; and

(b) To assure the lands within the agency a dependable supply of water of suitable quality sufficient to meet present and future needs.

SEC. 4.2. The agency shall have no authority or power to affect, bind, prejudice, impair, restrict, or limit vested water rights within the agency.

SEC. 4.3. The agency shall also have the following powers:

(a) To have perpetual succession.

(b) To sue and be sued, except as otherwise provided herein or by law, in all actions and proceedings in all courts and tribunals of competent jurisdiction.

(c) To adopt a seal and alter it at pleasure.

(d) To take by grant, purchase, gift, devise, or lease, or dispose of real and personal property of every kind within or without the agency.

(e) To borrow money and incur indebtedness; provided, however, that with the exception of agreements provided for in Section 4.1, the agency shall not at any one time incur indebtedness in excess of the ordinary annual income and revenues of the agency; except that the agency may borrow money for its expenses incurred during the period until the agency first receives tax money.

(f) To employ labor and contract for services.

(g) To cause assessments to be levied, in the manner hereinafter provided, for the purpose of paying expenses and obligations of the agency including its formation expenses and any warrants issued therefor.

(h) To act jointly with or cooperate with the United States and with the State of California to the end that the purposes and activities of the agency may be fully and economically performed.

(i) To make and execute contracts and other instruments necessary or convenient to the exercise of its powers.

(j) To carry on technical and other investigations of all kinds necessary or convenient for the accomplishment of the purposes or powers of the agency.

SEC. 4.4. The agency shall have all powers necessary or

convenient to carry out the purposes of this act, including powers granted by this act and any other provision of law.

## Article 5. Finances

SEC. 5.1. On or before the 30th day of June of each year, the board shall determine, and cause to be thereafter assessed and collected as provided in this act, an amount of money sufficient to meet and pay the estimated expenses and obligations, including a reasonable reserve for contingencies, of the agency, until such time as moneys shall be available to the agency from assessments levied in the next succeeding year; provided, however, that the assessment shall not exceed the rate of one dollar ($1) per one hundred dollars ($100) of the value assessed on the county tax roll of all taxable land within the agency for purposes other than payment under the contracts provided for in Section 4.1 of this act; and provided, further, that the total amount of money assessed during any year pursuant to this act for purposes other than payment under the contracts provided for in Section 4.1 of this act shall not exceed the sum of seventy-five thousand dollars ($75,000).

SEC. 5.2. The agency shall, at the time of making the determinations specified in Section 5.1 of this act, also determine the portion of the amounts to be raised applicable to each county within which lands lying within the agency are located, on the ratio of the assessed valuation of taxable land within the agency within such county to the total assessed valuation of taxable land in the agency, as determined by the agency, and the board shall certify such determinations to the board of supervisors of each county within which lands lying within the agency are located on or before the 30th day of June.

SEC. 5.3. Upon receipt of such certificate of determination, the county auditor, county assessor, and county tax collector of each county shall take such action as may be necessary to collect such amount by prorating it on the basis of the assessed value of the taxable land and located in such county.

SEC. 5.4. The agency shall pay to each county the cost incurred by the county auditor, county assessor, and county tax collector complying with the provisions of this act.

SEC. 5.5. The board of supervisors shall levy an assessment on the lands within the agency in accordance with the determinations made, at the same time county taxes are levied, and its collection shall be at the same time and in the same manner as county taxes. Such assessments shall be a lien on the lands assessed and shall be enforceable in the same manner and by the same means as county taxes.

When collected, the amount, less the cost incurred by the county in complying with the provisions of this act, shall be paid to the treasurer of the agency under the general requirements and penalties provided by law for the settlement of other taxes.

SEC. 5.6. The board may, but need not, appoint as treasurer of the agency the county treasurer of any county situated in whole or in part within the boundaries of the agency. In the event that a county treasurer is appointed, he shall be the depository of the funds of the agency.

The board may issue warrants drawn on the appropriate funds of the agency to pay indebtedness of the agency incurred in carrying out the powers and duties of the agency in anticipation of the collection of assessment levies.

SEC. 5.7. The lands within the agency comprise a portion of the lands lying within the Delta Water Agency, the existence of which agency terminates on December 31, 1973, pursuant to Section 8.1 of the Delta Water Agency Act of 1968 (Chapter 419 of the Statutes of 1968). The successor of the Delta Water Agency, pursuant to Section 56501 of the Government Code, shall hold for the benefit of this agency that portion of the moneys, funds, and other assets of the Delta Water Agency which bears the same ratio to such total moneys, funds, and other assets as the assessed valuation of lands within this agency which were also situated within the Delta Water Agency bears to the total assessed evaluation of lands within the Delta Water Agency, and which remained on hand in the Delta Water Agency after payment of all outstanding obligations of such agency, and shall distribute such portion of the remaining assets to this agency following its initial organization in lieu of the distribution of such assets otherwise provided under Section 56507 of the Government Code.

## Article 6. Validation Proceedings

SEC. 6.1. The agency shall validate any contract entered into with the United States or the State of California under the provisions of Section 4.1 of this act in the manner provided in Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

## Article 7. Approval of Contract by Voters

SEC. 7.1. No contract of the nature and character authorized by Section 4.1 of this act may be entered into by the agency unless first approved by a majority of the votes cast at an election held within the agency.

SEC. 7.2. The election called for the purpose of voting upon such a contract shall be conducted insofar as applicable in the manner provided in Article 2 (commencing with Section 2.1) of this act.

SEC. 7.3. Notice of such a contract approval election shall be published once a week for four successive weeks in a newspaper of general circulation published in each county within which affected lands of the agency are located. Proof of publication shall be filed with the secretary prior to the day of the election.

SEC. 7.4. The notice of the election shall specify:

(a) The time and place of the election.

(b) The purpose of the election.

(c) A brief statement of the general purpose of the contract.

(d) The amount of money to be paid to the United States, or the State of California, or both, under the contract

SEC. 7.5. The ballots at the election shall contain a brief statement of the general purpose of the contract substantially as stated in the notice of election and the amount of money to be paid to the United States or to the State of California, or both, under the contract with the words "Contract—Yes" and "Contract—No."

## Article 8. Dissolution for Failure to Accomplish Purposes

SEC. 8.1. In the event that the agency fails to accomplish on or before December 31, 1978, the purposes of the agency of the character and nature described in Section 4.1 of this act, the agency is dissolved and its existence is automatically terminated, and all of its corporate powers shall cease, except for the purpose of winding up the affairs of the agency.

SEC. 8.2. In the event of such dissolution of the agency and the termination of its existence, its affairs shall be wound up, its successor for the purpose of winding up its affairs determined, and its assets and funds distributed in accordance with the District Reorganization Act of 1965 (Division 1 (commencing with Section 56000) of Title 6 of the Government Code).

## Article 9. Boundaries

SEC. 9.1. The boundaries of the agency are:

Beginning at the intersection of the westerly boundary of the County of San Joaquin with the center line of Victoria Canal; thence northeasterly along said center line of Victoria Canal 4 miles, more or less, to intersection with the center line of Middle River; thence in a general easterly direction along said center line of Middle River 4 miles, more or less, to intersection with the southerly production of the center line of Drexler Tract Levee; thence in a general northerly direction along said southerly production and said center line of Drexler Tract Levee 1 mile, more or less, to intersection with the westerly production of the center line of Kingston School Road; thence easterly along said westerly production and said center line of Kingston School Road 1366 feet, more or less, to the westerly boundary of Reclamation District No. 524, being on High Ridge Levee; thence in a general northeasterly direction along the easterly boundary of Reclamation District No. 524, being along High Ridge Levee, a distance of 4½ miles, more or less, to the westerly bank of Burns Cutoff; thence continue northeasterly along the northeasterly production of said High Ridge Levee, to the center line of said Burns Cutoff; thence along the westerly boundary line of the Stockton-East

Water District the following thirteen (13) courses: (1) northerly and northeasterly along said center line of Burns Cutoff 2.3 miles, more or less, to intersection with the center line of the Stockton Deep Water Channel, (2) northwesterly along said center line of Stockton Deep Water Channel 0.9 mile, more or less, (3) northeasterly at right angles, 300 feet, more or less, to the southerly boundary of Elmwood Tract, (4) easterly and northerly along the southerly and easterly boundary of Elmwood Tract 1.9 miles, more or less, to the southerly levee of Fourteen Mile Slough (5) North 500 feet, more or less, to center line of Fourteen Mile Slough, (6) westerly, northwesterly, and northeasterly along said center line of Fourteen Mile Slough, being along Stockton City Limits line, 0.6 mile, more or less, to the west line of Section 19, T 2 N., R. 6 E., M. D. B. & M., (7) northerly along said west line of Section 19, being along said City Limits Line 0.5 mile, more or less, to the southeasterly corner of Mitchell Slough-Wright Tract Annexation—A-7-67 to the City of Stockton, (8) southwesterly, northwesterly and easterly along Stockton City Limit line, as established by said Mitchell Slough-Wright Tract Annexation—A-7-67 and by Wright Tract Annexation—A-1-62, a distance of 1.6 miles, more or less, to the N.W. corner of said Section 19, (9) easterly along the north line of said Section 19, a distance of 1900 feet, more or less, to the southeast corner of the Shima Tract, (10) leaving said City Limits Line, northerly and westerly along the boundary of said Shima Tract 8100 feet, more or less, to the southeast corner of Atlas Tract, (11) northerly along the easterly boundary of said Atlas Tract 3800 feet, more or less, to the S.W. corner of Section 6, T. 2 N., R. 6 E., M. D. B. & M., (12) north along the west line of said Section 6, 1 mile to the N.W. corner of said Section 6, and (13) East 1 mile to the N.E. corner of said Section 6, being in the center line of Thornton Road; thence in a general northerly direction along the center line of said Thornton Road 11 miles, more or less, to intersection with the southerly boundary of Reclamation District No. 348, being on or at the north line of Section 15, T. 4 N., R. 5 E., M. D. B. & M.; thence westerly along the southerly boundary of said Reclamation District No. 348, being on or adjacent to the north line of said Section 15 and Section 16, T. 4 N., R. 5 E., M. D. B. & M., a distance of 2 miles, more or less, to the N.W. corner of said Section 16; thence along the easterly and southerly boundary line of Reclamation District No. 2086 the following two (2) courses: (1) south along the west line of said Section 16 and the west line of Sections 21 and 28, T. 4 N., R. 5 E., M. D. B. & M., 2 miles, more or less, to the north bank of Hog Slough, and (2) westerly along said north bank of Hog Slough 2.8 miles, more or less, to intersection with the center line of the South Fork of the Mokelumne River; thence in a general southerly and westerly direction along said center line of the South Fork of the Mokelumne River, 9 miles, more or less, to the westerly boundary of the County of San Joaquin; thence in a general southerly direction along said westerly boundary of San Joaquin County 27 miles, more or less, to the point of beginning.

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SEC. 9.2. The area of each division of the agency is as follows:

Division 1

Beginning at the intersection of the northerly boundary of the Central Delta Water Agency with the center line of Little Potato Slough; thence southerly along the center line of Little Potato Slough 2.5 miles, more or less, to intersection with the center line of White Slough; thence southeasterly along the center line of White Slough 3 miles, more or less, to intersection with the center line of Honker Cut; thence southerly along the center line of Honker Cut 1 mile, more or less, to the center line of Disappointment Slough; thence easterly along the center line of Disappointment Slough 3 miles, more or less, to intersection with the waterway separating Shima Tract from Rindge Tract; thence southerly and southeasterly along said waterway, 2.5 miles, more or less, to the center line of Fourteen Mile Slough; thence southwesterly along the center line of Fourteen Mile Slough 2.5 miles, more or less, to intersection with the center line of the Stockton Deep Water Channel; thence southeasterly along the center line of the Stockton Deep Water Channel 2.5 miles, more or less, to intersection with the easterly boundary of said Central Delta Water Agency; thence northerly and westerly and southerly along the easterly and northerly boundary of said Agency to the point of beginning.

Division 2

Beginning at the intersection of the center line of Middle River with the center line of Victoria Canal, being on the southerly boundary of the Central Delta Water Agency; thence leaving said Agency boundary, in a general northerly direction along the center line of Middle River 12 miles, more or less, to intersection with the center line of Columbia Cut; thence northeasterly along the center line of Columbia Cut 1 mile, more or less, to intersection with the center line of Whiskey Slough; thence northerly along the center line of Whiskey Slough 1 mile, more or less, to the San Joaquin River; thence meandering a line between Ward Island and Tinsley Island, crossing the Stockton Deep Water Channel, a distance of 2000 feet, more or less, to intersection with the center line of Little Connection Slough; thence northerly along the center line of Little Connection Slough 2 miles, more or less, to intersection with the center line of Little Potato Slough; thence northerly along the center line of Little Potato Slough 1.75 miles, more or less, to intersection with the center line of White Slough, being on the westerly boundary of Division 1; thence southwesterly along the westerly boundary of Division 1 to the easterly boundary of said Central Delta Water Agency; thence southerly and southwesterly along said Agency boundary to the point of beginning.

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Division 3

Beginning at the intersection of the northerly boundary of the Central Delta Water Agency with the westerly boundary of Division 1; thence southerly along the westerly boundary of Division 1, 2.5 miles, more or less, to the westerly boundary of Division 2; thence southerly along the westerly boundary of Division 2 to the southerly boundary of said Central Delta Water Agency; thence southwesterly, northerly and easterly along the southerly, westerly and northerly boundary of said Agency to the point of beginning.

SEC. 10. Notwithstanding Section 2231 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to this section nor shall there be any appropriation made by this act because self-financing authority is provided in this act to cover such costs.

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## CHAPTER 1134

*An act to amend Sections 73101, 73101.5, and 74131 of, and to add Section 74131.5 to, the Government Code, relating to courts.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 73101 of the Government Code is amended to read:

73101. The San Bernardino County Municipal Court District shall consist of the following divisions, embracing that territory which is within the following judicial districts in the County of San Bernardino on the date specified, and as such divisions are thereafter modified by the board of supervisors or operation of law.

(a) On November 8, 1967:

(1) East Division—that territory within the Redlands Judicial District.

(2) Central Division—that territory within the San Bernardino Judicial District.

(3) Valley Division—that territory within the Fontana and Rialto Judicial Districts.

(4) West Valley Division—that territory within the West Valley Municipal Court District.

(5) Victorville Division—that territory within the Victor Judicial District.

(b) On August 5, 1973:

(1) Barstow Division—that territory within the Barstow and Yermo-Belleville Judicial Districts.

Any reference in this or any other code to the Desert Division of the San Bernardino County Municipal Court District shall be

deemed to refer to the Victorville Division of such district.

SEC. 2. Section 73101.5 of the Government Code is amended to read:

73101.5. There shall be the following number of judges in the divisions of the San Bernardino County Municipal Court District: in the East Division, one; in the Central Division, four; in the Valley Division, one; in the West Valley Division, three; in the Victorville Division, one; and in the Barstow Division, one.

SEC. 3. Section 74131 of the Government Code is amended to read:

74131. (a) There shall be four judges in the Riverside Judicial District, which shall include the City of Riverside. There shall be two judges in the Desert Judicial District, which shall include the Cities of Palm Springs and Indio There shall be one judge in the Corona Judicial District, which shall include the City of Corona.

(b) Notwithstanding subdivision (a), on and after July 1, 1974, there shall be five judges in the Riverside Judicial District.

SEC. 4. Section 74131.5 is added to the Government Code, to read:

74131.5. Notwithstanding any other provision of law, on and after July 1, 1974, at least one regular session of the Riverside Judicial District shall be held within the territory embraced by the Jurupa Judicial District on June 30, 1974

SEC. 5. Notwithstanding Section 2231 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to this section nor shall there be any appropriation made by this act because this act is in accordance with the request of a local government entity or entities which desired legislative authority to act to carry out the program specified in this act.

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## CHAPTER 1135

*An act to add Section 20935.3 to, and to amend Sections 17666.2, 20935, 20936, 20937, 20938, and 25416 of, the Education Code, to amend Section 16148 of the Government Code, and to amend Section 25 of Chapter 209 of the Statutes of 1973, relating to community college districts, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 17666.2 of the Education Code is amended to read:

17666.2. (a) Except for a community college district which qualifies under subdivision (b), for each community 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 11475 and 11501, subject to the provisions of Section 17611, by one thousand twenty dollars ($1,020) for the 1973–74 fiscal year, by one thousand eighty dollars ($1,080) for the 1974–75 fiscal year, by one thousand one hundred forty-three dollars ($1,143) for the 1975–76 fiscal year, by one thousand two hundred nine dollars ($1,209) for the 1976–77 fiscal year, and by an amount cumulatively increased by sixty-six dollars ($66) for each succeeding fiscal year thereafter, unless revised by the Legislature prior to July 1, 1977.

(b) For each community college district which has an average daily attendance of less than 1,001 and qualifies as a necessary small community college district as defined in Section 17666.3, the Superintendent of Public Instruction shall make one of the following computations selected with regard only to the number of certificated employees employed or average daily attendance, whichever provides the lesser amount

| Average daily attendance | Minimum number of full-time certificated employees | Amount to be computed in each fiscal year | | | |
|---|---|---|---|---|---|
| | | 1973–74 | 1974–75 | 1975–76 | 1976–77 |
| 1 – 150 | 12 | $274,000 | $290,000 | $307,000 | $325,000 |
| 151 – 200 | 15 | 357,000 | 378,000 | 400,000 | 423,000 |
| 201 – 300 | 18 | 440,000 | 466,000 | 493,000 | 522,000 |
| 301 – 400 | 21 | 523,000 | 554,000 | 586,000 | 620,000 |
| 401 – 500 | 24 | 606,000 | 642,000 | 679,000 | 718,000 |
| 501 – 600 | 27 | 689,000 | 730,000 | 772,000 | 817,000 |
| 601 – 700 | 30 | 771,000 | 816,000 | 864,000 | 914,000 |
| 701 – 800 | 33 | 854,000 | 904,000 | 957,000 | 1,012,000 |
| 801 – 900 | 36 | 937,000 | 992,000 | 1,050,000 | 1,111,000 |
| 901 – 1,000 | 39 | 1,020,000 | 1,080,000 | 1,143,000 | 1,209,000 |

(c) For purposes of this section and Section 17851, the average daily attendance of a community college district shall, subject to the provisions of Section 17611, be computed in the manner prescribed by Sections 11475 and 11501, except that there shall be excluded from the computation the attendance of all students deemed "nonresident" as defined in Section 22813.

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 5756, 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.

(d) For fiscal year 1977–78 and subsequent years, he shall make adjustments in the foundation program amounts pursuant to subdivision (b) proportionate to the foundation program determined pursuant to subdivision (a).

SEC. 2. Section 20935 of the Education Code is amended to read:

20935. (a) For the 1974–75 fiscal year and each fiscal year thereafter, the maximum general purpose tax rate shall be computed pursuant to this section by the county superintendent of schools for each community college district in the county.

(b) The foundation program for 1974–75 fiscal years and subsequent fiscal years is as prescribed in Sections 17666.2 and 17951.

(c) The revenue limit per foundation program unit of average daily attendance for the district for the prior fiscal year shall be divided into the appropriate inflated foundation program amount per unit of average daily attendance for the prior year. If the quotient is greater than 1, it shall be deemed to be 1.

(d) The foundation program per unit of average daily attendance for the prior year used as the dividend in subdivision (c) shall be as specified pursuant to Section 17666.2 for the appropriate fiscal year.

(e) For the fiscal years 1974–75, 1975–76, 1976–77, and fiscal years thereafter, the increase in the foundation program amount per unit of average daily attendance for the budget year compared with the preceding year shall be determined for each district in accordance with Section 17666.2.

(f) The amount determined pursuant to subdivision (e) shall be multiplied by the quotient determined pursuant to subdivision (c). The resultant amount shall constitute the revenue limit inflation adjustment of the district.

(g) The revenue limit inflation adjustment for a district shall be added to the prior year revenue limit per foundation program unit of average daily attendance of the district. The sum shall be multiplied by the estimated foundation program units of average daily attendance of the budget year. The product shall be the revenue limit of the district for the budget year.

The average daily attendance for purposes of this subdivision shall include adults and other-than-adults resident students, but shall exclude residents of other districts, nondistrict residents, and nonresident students.

(h) Any district which has a revenue limit computed pursuant to subdivision (g) which is less than the foundation program computed for the budget year may increase its revenue limit computed pursuant to subdivision (g) to the lesser of the foundation program level of the district or the prior year revenue limit increased by 15 percent.

Notwithstanding the preceding paragraph if, due to changes in federal legislation or administrative policy, the entitlement under Public Law 81-874 is reduced or discontinued and is not replaced by other federal funding, and if a district experiencing such loss has a revenue limit less than the budget year foundation program, it shall be allowed to increase the revenue limit for fiscal years 1973–74, 1974–75, and 1975–76, by an amount equal to the difference between the Public Law 81-874 income per foundation program average daily attendance of the prior year and the estimated Public Law 81-874 income per foundation program average daily attendance of the

budget year, if any, multiplied by the estimated foundation program average daily attendance of the budget year. Such increased revenue limit shall not exceed the foundation program of the budget year.

(i) From the amount computed pursuant to subdivision (g) or (h), there shall be subtracted the basic and equalization aid to be received for the budget year and the amount of income to be received from the equalization offset tax pursuant to Section 17263.1.

(j) The amount determined pursuant to subdivision (i) shall be adjusted sufficiently to allow for the mandated increases for district contributions for the State Teachers' Retirement System as required by Section 14100. Such adjustment, together with any rate levied in any prior year pursuant to Section 14111, shall not exceed the revenue derived by the tax rate provided in Section 14111. The adjusted amount shall be the local revenue limit of the district for the budget year.

(k) From the amount computed pursuant to subdivision (j), there shall be subtracted the amount of money collected or to be collected as taxes on property on the unsecured roll of the budget year, excluding the amounts collected through the levy of taxes provided in Section 1905, 15517, 15518, 16750, 19443, 19619, 20755, 20801, 22101, or 25541 5 (except that portion levied for interdistrict attendance tuition agreements pursuant to that section) of the Education Code and Section 5302.5 of the Streets and Highways Code.

(*l*) For the purposes of this subdivision, the assessed valuation used in computing the maximum tax rate is defined as the total actual assessed valuation, including business inventory and homeowners exemption and exclusive of the assessed valuation increment used to allocate tax receipts to a redevelopment agency pursuant to Article 6 (commencing with Section 33670) of Chapter 6 of Part 1 of Division 24 of the Health and Safety Code.

The amount determined pursuant to subdivision (k) shall be divided by the amount of actual assessed valuation of the district on the secured roll after due allowance for delinquencies, pursuant to Section 20704. The quotient multiplied by 100 shall be the tax rate on each one hundred dollars ($100) of such assessed valuation and shall be the maximum general purpose rate which may be levied in the district during the 1973–74 fiscal year, exclusive of taxes provided in Section 1905, 15517, 15518, 16750, 19443, 19619, 20755, 20801, 22101, or 25541.5 (except that portion levied for interdistrict attendance tuition agreements pursuant to that section) of the Education Code and Section 5302.5 of the Streets and Highways Code. The revenue limit in subdivision (h) notwithstanding, in no case for districts receiving equalization aid, shall the tax rate be reduced below thirty-five cents ($0.35).

SEC. 3. Section 20936 of the Education Code is amended to read:

20936. New community college districts without an operating tax rate for 1972–73 shall develop a base revenue figure for 1973–74, subject to approval of the Chancellor's office and the Department of Finance. This base revenue shall include payment of any obligation

incurred under the terms of interdistrict attendance agreements during that year. The 1973–74 base revenue amount shall be based on data from districts which are comparable on such factors as population density, projected assessed valuation per average daily attendance, enrollment and enrollment projections, and socioeconomic composition of the district. After 1973–74, the procedure for determining annual adjustments to the 1973–74 base revenue for such districts shall be the same as that for all other districts.

SEC. 4. Section 20937 of the Education Code is amended to read:

20937. Any proposal for the formation of a new community college district after July 1, 1973, shall include base revenue and tax rate estimates for the first full year of district operation. This base revenue estimate shall be an inherent part of the proposition at the election for the adoption or rejection of the plans and recommendations for the formation of the new community college district.

SEC. 5. Section 20938 of the Education Code is amended to read:

20938. (a) A community college district may add in Sections 20934 and 20935 for purposes of increasing its revenue limit for the budget year when it is anticipated that the second principal apportionment units of average daily attendance, excluding summer sessions and adults as defined in Section 5756, will be less than those of the preceding year, an estimated number of units of average daily attendance determined as follows:

(1) When such reduction is less than 1 percent, no adjustment.

(2) When such reduction is more than 1 percent but less than 2 percent, the allowable estimated units of average daily attendance shall be the actual estimated units of average daily attendance increased by the fraction of a percent by which the percentage reduction of estimated units of average daily attendance exceeds 1 percent reduction

(3) When such percentage estimated reduction is more than 2 percent, the allowable estimated units of average daily attendance shall be the actual estimated units of average daily attendance increased by half of the estimated numerical percentage reduction anticipated.

(b) This adjustment in estimated units of average daily attendance shall be allowed without requiring a reduction in the revenue limit of the district in the subsequent year which otherwise would be required pursuant to Section 20936.5. However, to the extent that actual data differ from the estimated units of average daily attendance used in this section, Section 20936.5 shall apply. Adjustments are on a year-to-year basis and are not cumulative.

SEC. 6. Section 20935.3 is added to the Education Code, to read:

20935.3. Commencing with the 1973–74 fiscal year and thereafter, notwithstanding the provisions of Sections 20934, 20935, and 22855, and for the purpose of crediting attendance for apportionments from the State School Fund and computing the revenue limit of any school

district maintaining a community college, students lawfully admitted to the United States for permanent residence in accordance with all applicable laws of the United States and enrolled at a community college in a class in English and citizenship for foreigners as provided in Education Code Section 5757 shall be counted as resident students to the extent of their enrollment in such classes.

SEC. 7 Section 25416 of the Education Code is amended to read:

25416. (a) The governing board of each community college district shall hold an annual organizational meeting on a day within the period of July 1 to July 15, inclusive. Unless otherwise provided by rule of the governing board, the day and time of the annual meeting shall be selected by the board at its regular meeting held immediately prior to such July 1, and the board shall notify the county superintendent of schools of the day and time selected. The secretary of the board shall, within 15 days prior to the date of the annual meeting notify in writing all members and members-elect of the date and time selected for the meeting.

If the board fails to select a day and time for the meeting, the county superintendent of schools having jurisdiction over the district shall, prior to July 1 and after the regular meeting of the board held immediately prior to July 1, designate the day and time of the annual meeting. The day designated shall be within the period of July 1 to July 15, inclusive. He shall notify in writing all members and members-elect of the date and time.

At the annual meeting, the governing board of the community college district shall organize by electing a president from its members and a secretary.

(b) As an alternative to the procedures set forth in subdivision (a), in a community college district the boundaries of which are coterminous with the boundaries of a city and county, the governing board members of which district are elected in accordance with a city and county charter, the annual organizational meeting of the governing board may be held between January 8 and January 31, inclusive, as provided in rules and regulations adopted by the board. At the annual organizational meeting each such community college district governing board shall organize by electing a president and vice president from its members.

SEC. 8. Section 16148 of the Government Code is amended to read:

16148. The Superintendent of Public Instruction shall determine the amount by which the school district tax rate for general fund purposes for each school district in which land assessed pursuant to Section 423 or 423.5 of the Revenue and Taxation Code is situated exceeds:

(a) Two dollars and twenty-three cents ($2.23) for each elementary district.

(b) One dollar and sixty-four cents ($1.64) for each high school district.

(c) Three dollars and eighty-seven cents ($3.87) for each unified

district maintaining grades kindergarten through 12.

(d) Thirty-nine cents ($0.39) for each community college district. The Superintendent of Public Instruction shall then determine the product of such amount multiplied by the open-space adjustment determined pursuant to Section 16149.

SEC. 9. Section 25 of Chapter 209 of the Statutes of 1973 is amended to read:

Sec. 25. This act supersedes Item 304 of the Budget Act of 1973. If this act is enacted after July 1, 1973, any apportionments made to community college districts pursuant to Item 304 of the Budget Act of 1973 shall be deducted from the apportionments made under this act.

SEC. 10. This act is an urgency statute necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In order that the attendance of foreign students lawfully admitted to the United States for permanent residence in accordance with all applicable laws of the United States and enrolled at a community college in a class in English and citizenship may be credited to the community college for purposes of 1973–74 state apportionments, and in order that the remedial and technical changes made by this act may be applicable as early as possible in the 1973–74 fiscal year and so facilitate the orderly and effective administration of community college finance in California, it is necessary that this act go into effect immediately.

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## CHAPTER 1136

*An act relating to state employee salary increases, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Any moneys appropriated by Items 86, 87, 88, 317, and 324 of the Budget Act of 1973 which are not expended during the 1973–74 fiscal year shall be retained in or transferred to for retention in the Salary Increase Fund until appropriated by the Legislature.

SEC. 2. The provisions of this act shall not be construed to prohibit any appropriations made by Assembly Bill No. 2605 for the payment of employee retirement contributions.

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

Because of federal limitations upon salary increases for state employees provided for by the Budget Act of 1973, funds appropriated for such purpose will revert to the General Fund and special funds from which they were drawn unless this act takes effect immediately.

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## CHAPTER 1137

*An act to add Section 4027 to, and to add Chapter 2.5 (commencing with Section 5675) to Part 2 of Division 5 of, the Welfare and Institutions Code, relating to alcoholism, and making an appropriation therefor.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973.]

I am reducing the appropriation contained in Section 2 of Senate Bill No 204 from $12,000,000 to $9,000,000

I am in support of the alcoholism prevention and rehabilitation programs which will reduce the tragic social and economic toll on the citizens of California caused by this serious health problem SB 204 will provide additional support and administrative authority to the California Alcoholism Program However, the $12 million appropriated for this program is excessive and cannot be effectively utilized during the initial 18 months as provided in the bill Trained manpower and facilities are not presently available to support programs at this level I am informed that $9 million will be sufficient to support the new and expanded programs during their initial stage of development

With the above reduction, I approve Senate Bill No 204

RONALD REAGAN, Governor

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

SECTION 1. The Legislature declares that alcoholism is:

(a) The most serious drug problem in California; and

(b) The cause of a great toll of death, permanent disability and property damage on our highways; and

(c) Often the cause of job loss, absenteeism, reduced productivity and industrial accidents; and

(d) A drain on law enforcement, the courts and prison system; and

(e) An important cause of marital dissolution and other domestic problems adversely affecting countless Californians, including many children; and

(f) Harmful to health when consumed in excessive amounts with resultant effects on the liver, brain and muscles.

SEC. 2. There is hereby appropriated from the General Fund to the Office of Alcohol Program Management a sum sufficient to make the following expenditures:

(a) For the period of January 1, 1974, to June 30, 1975, the sum of twelve million dollars ($12,000,000). It is the intention of the Legislature that it shall review such funding and take appropriate action with respect thereto for the fiscal year 1975–76 and each fiscal year thereafter, so that counties can effectively implement

alcoholism prevention and rehabilitation programs and projects with some confidence in the continuity of this funding source for those projects and programs which prove successful.

(b) Such funds shall be allocated for alcoholism prevention and rehabilitation programs as follows:

(1) Seventy-five percent for the state's share under the county Short-Doyle plan of the local alcoholism program pursuant to Chapter 2.5 (commencing with Section 5675) of Part 2 of Division 5 of the Welfare and Institutions Code.

(2) Twenty-five percent for (i) occupational alcoholism programs for public and private employees pursuant to Section 4027 of the Welfare and Institutions Code under such county Short-Doyle plan; (ii) reimbursement for that portion of health insurance premiums attributable to alcoholism rehabilitation care for public and private employees pursuant to Section 4027 of the Welfare and Institutions Code; and (iii) educational and early detection programs for the purpose of the prevention of alcoholism pursuant to Section 4027 of the Welfare and Institutions Code under such county Short-Doyle plan. Any funds not utilized for such programs or reimbursement pursuant to this subdivision shall be reallocated by the Office of Alcohol Program Management for the purposes provided in paragraph (1) of this subdivision.

Funds appropriated pursuant to this section shall not be used to replace existing or future state appropriations for any presently existing alcoholism program.

SEC. 3. Section 4027 is added to the Welfare and Institutions Code, to read:

4027. The Program Director of the Office of Alcohol Program Management may authorize the payment of funds made available pursuant to paragraph (2) of subdivision (b) of Section 2 of the act adding this section at the 1973–74 Regular Session to defray the costs of occupational alcoholism programs, for reimbursement for that portion of health insurance premiums attributable to alcoholism rehabilitation care, or for education and early detection programs pursuant to standards established by the Program Director. Such reimbursement for health insurance premiums shall be made pursuant to a pilot program undertaken by any public agency, business entity, labor organization, or other organization. Occupational alcoholism programs are in-house self-help programs undertaken by any public agency, business entity, labor organization, or other organization for their employees with alcohol-related problems which meet the criteria established by the Program Director. The standards established by the Program Director for participation in the program shall be designed to reduce lost man-hours, increase knowledge concerning alcoholism, and undertake new and experimental activities designed to prevent alcoholism and effect treatment and rehabilitation.

Any public agency is authorized to establish and maintain an occupational alcoholism program pursuant to this section with funds

made available from the Program Director for that purpose.

SEC. 4. Chapter 2.5 (commencing with Section 5675) is added to Part 2 of Division 5 of the Welfare and Institutions Code, to read:

## CHAPTER 2.5 ALCOHOL—PREVENTION AND REHABILITATION PROGRAM

5675. As used in this chapter:

(a) "Coordinator" means the county alcoholism prevention and rehabilitation coordinator designated pursuant to Section 5677.

(b) "Alcoholism Program" means the separate alcohol prevention and rehabilitation program established pursuant to this chapter under the county Short-Doyle plan.

(c) "Board" means the Alcoholism Advisory Board established pursuant to Section 5679.

5676. Funds allocated to the county pursuant to paragraph (1) of subdivision (b) of Section 2 of the act adding this section at the 1973–74 Regular Session shall be used exclusively for development, support and expansion of alcoholism programs and these funds shall be in addition to any state funds allocated to counties for such alcoholism programs as of the effective date of this chapter.

5677. The head of the county agency responsible for the overall health services for the county shall serve as the coordinator unless the board of supervisors determines otherwise. In such instance, the board of supervisors shall designate the local mental health director as the coordinator.

5678. The coordinator shall:

(a) Prepare and administer the alcoholism program.

(b) Exercise general supervision over the alcoholism program services provided under the county Short-Doyle plan.

(c) Recommend to the board of supervisors, after consultation with the board, what services and facilities are necessary or desirable in accomplishing the purposes of this chapter.

(d) Submit an annual report to the board of supervisors reporting all activities of the alcoholism program, including a financial accounting of expenditures and a forecast of anticipated needs for the ensuing year.

(e) Administer all alcoholism program funds allocated to the county under this part. No alcoholism program funds allocated to the counties under this part shall be expended without the prior approval of the coordinator.

(f) Make such studies as may be appropriate for the discharge of his duties.

(g) Be responsible for the ongoing coordination of all public and private alcoholism programs and services in the county with the alcoholism program established pursuant to this chapter.

(h) Be responsible to the board of supervisors, through administrative channels designated by such board, for the alcoholism program.

5679. Each county shall have an alcoholism advisory board consisting of 15 members appointed by the board of supervisors for terms of three years. The board may be either independent or under the jurisdiction of the advisory board established pursuant to Section 5604, at the option of the board of supervisors. The membership of the board shall be composed of representatives of public agencies and private organizations, including at least three persons who have received aid from such agencies and organizations, concerned with the prevention of alcoholism and the rehabilitation of persons suffering from alcoholism.

The board shall:

(a) Review and evaluate the alcoholism program needs, services, and facilities.

(b) Review the alcoholism program portion of the county Short-Doyle plan.

(c) After the adoption of the alcoholism program, continue to act in an advisory capacity to the coordinator.

(d) Report its findings and recommendations to the coordinator and board of supervisors.

The board shall designate one member to serve as chairman. The board shall meet at least bimonthly and may meet at such other times as may be deemed necessary by the chairman or coordinator. The members of the board shall serve without compensation, but shall be reimbursed for any actual and necessary expenses incurred in connection with their duties under this chapter. All meetings of the board shall be open to the public.

5680. The alcoholism program under this chapter may include, but is not limited to, any service, care, treatment, rehabilitation, counseling, vocational training, maintenance treatment, detoxification treatment, or other medication services for detoxification and treatment, and any other services which are provided by either public agencies or private organizations, whether free of charge or for compensation, which are intended in any way to alleviate in whole or in part the problems of persons suffering from alcoholism.

5681. Alcoholism projects which meet the criteria and standards established by the program director and which are funded pursuant to the alcoholism program shall include, but are not limited to:

(a) Recovery houses, which are those places which provide a residential setting and provide detoxification, counseling, care, treatment, and rehabilitation services in a live-in facility.

(b) Information and referral centers, which are places which are established for the purpose of providing counseling, advice or a social setting for one or more persons who are attempting to alleviate personal, interpersonal, or occupational problems of alcoholism, or problems arising from those conditions.

(c) Nonhospital treatment programs, which are established for the purpose of detoxification or rehabilitation from alcoholism, regardless of whether or not medications are administered or

detoxification takes place in a live-in facility or on an outpatient basis. Such programs may include, but are not limited to, screening or evaluation centers.

(d) Presentencing investigation services and treatment services provided by a county pursuant to Section 23102.3 of the Vehicle Code.

(e) Any other alcoholism projects which are not specifically mentioned above, but which provide prevention of alcoholism or treatment or rehabilitation services to those persons suffering from alcoholism which are either physiological or psychological in nature.

5682. A county is required to designate a coordinator pursuant to Section 5677 and establish a board pursuant to Section 5679 only if the county applies for funds under this chapter.

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## CHAPTER 1138

*An act to add and repeal Section 24053.8 of the Education Code, relating to higher education, and making an appropriation therefor.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973.]

I am deleting the $15,800,000 appropriation contained in Section 2 of Senate Bill No. 779

The $15,800,000 appropriation deleted from this bill does not reflect subsequent federal funding for student financial aid nor does it reflect the availability of additional aid funds from other sources

With the above deletion, I approve Senate Bill No. 779

RONALD REAGAN, Governor

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

SECTION 1. Section 24053.8 is added to the Education Code, to read:

24053.8. Notwithstanding any other provision of law, the Trustees of the California State University and Colleges may initiate on a pilot basis, an exemption for two university campuses from salary savings requirements. This exemption is authorized in order to determine if a more effective administration of allocated resources can be implemented without fixed salary savings restrictions. In the event funds are necessary to support such an exemption, funds may be transferred from funds appropriated to the California State University and Colleges and the State Emergency Fund. Provisions for such exemption, if initiated, shall be developed by the Trustees of the California State University and Colleges, subject to the approval of the Department of Finance and in cooperation with the office of the Legislative Analyst.

This section shall be operative from June 30, 1974, until June 30, 1976, and as of the latter date is repealed.

SEC. 2. There is hereby appropriated from the General Fund to the Emergency Fund in augmentation of Item 90 of the Budget Act of 1973 the sum of fifteen million eight hundred thousand dollars ($15,800,000) to be used solely for the purpose of paying claims made pursuant to Section 19.8 of the Budget Act of 1973.

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## CHAPTER 1139

*An act relating to purchase and exchange of northern California coastal lands for inclusion in the state park system, and making an appropriation therefor.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

I am reducing the appropriation contained in Section 6 of Senate Bill No 959 from $5,000,000 to $1,000,000

The reduced appropriation is sufficient to make acquisitions of high priority coastal lands

With the above reduction, I approve Senate Bill No 959

RONALD REAGAN, Governor

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

SECTION 1. The Legislature finds and declares as follows: (a) Coastal lands lying between the City and County of San Francisco and the Oregon border will be of increasing importance to the people of the state for recreation and scenic enjoyment and for scientific research.

(b) Beach and coastal park acquisition and development projects near southern California population centers have traditionally received priority in state funding.

(c) The public will benefit from the early acquisition of lands to augment the state park system in the north coast region.

(d) There are small parcels of land under State Lands Commission jurisdiction, removed from the coast and which may be of little recreation or wildlife value.

SEC. 2. The Department of Parks and Recreation shall identify lands located along the northern portion of the state's coastline suitable for inclusion in the state park system. The department may, subject to the provisions of the Property Acquisition Law (Part 2 (commencing with Section 15850) of Division 3 of Title 2 of the Government Code), acquire such lands either directly by purchase or by the purchase and exchange of lands as provided in Sections 3 and 4 of this act

SEC. 3. For the purposes of this act, the Department of Parks and Recreation may purchase, at fair market value, vacant state school lands which are under the jurisdiction of the State Lands Commission.

SEC. 4. The Department of Parks and Recreation may exchange

lands purchased pursuant to Section 3 of this act, on a fair market value basis, for privately or publicly owned lands.

SEC. 5. The Department of Parks and Recreation shall, pursuant to this act, acquire the following lands on a priority basis for inclusion in the state park system:

(a) Russian Gulch and Willow Creek additions to the Sonoma Coast State Beach, Sonoma County.

(b) Usal Ranch near Rockport, Mendocino County.

(c) Big River estuary beach near Mendocino, Mendocino County.

(d) Elk Creek beach and estuary near Elk, Mendocino County.

(e) North and south additions, between the ocean and highway, Patricks Point State Park, Humboldt County.

(f) North addition, Van Damme State Park, Mendocino County.

(g) Northwest addition, Russian Gulch State Park, Mendocino County.

(h) North addition, to Alder Creek and highway, Manchester State Beach, Mendocino County.

(i) Coast and upland, south and west addition, Fort Ross State Historic Park, Sonoma County

SEC. 6. There is hereby appropriated from the General Fund in the State Treasury to the Department of Parks and Recreation the sum of five million dollars ($5,000,000) for the purposes of this act.

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## CHAPTER 1140

*An act making an appropriation to the University of California at Los Angeles, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

I am reducing the appropriation contained in Section 4 of Senate Bill No 1026 from $2,000,000 to $1,200,000

I am in support of medical manpower training programs which will enhance health services to residents of California This measure will provide much needed training activities in the health sciences However, I have been advised by the Health and Welfare Agency that the entire amount appropriated by this bill will not be required to carry out the intent of the measure

With this reduction, I approve Senate Bill No 1026

RONALD REAGAN, Governor

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

SECTION 1. The Legislature finds that the activities of the Charles R. Drew Postgraduate Medical School provide a valuable service to the people of the State of California by operating programs for the continuing education of physicians, dentists, other health professionals, and consumers of health services by training medical and dental interns and residents, and other health professionals, including physician assistants, and by organizing activities relating to

health services delivery and research, all of which serve to enhance the health and access to health services of residents of Los Angeles and of the entire State of California.

The Legislature further finds that state funding for the Charles R. Drew Postgraduate Medical School is necessary in order for that program to continue to carry out and to expand its beneficial activities, and that such support would be best carried out in conjunction with the University of California which is the designated state institution for medical education programs.

SEC. 2. Funds appropriated by this act shall be used to support a University of California program of clinical health sciences education, research, and public service in conjunction with the Charles R. Drew Postgraduate Medical School for the purpose of implementing the following programs:

(a) A program of continuing education of physicians and other health professionals and consumers of health services.

(b) A program of community medicine designed to improve the health status of the citizenry, the health care delivery system and health sciences education program.

(c) A program of internship and residencies including, specifically, a family practice residency program at the Martin Luther King Hospital and such other facilities and clinics as may be appropriate.

(d) Such other programs of clinical health sciences education, research, and public service as the regents and the Charles R. Drew Postgraduate Medical School deem in the public interest, provided that the programs herein specified are first funded.

SEC. 3. The university and the Charles R. Drew Postgraduate Medical School shall make maximum feasible use of nonstate and nonuniversity funds in carrying out the purposes and intent of this act.

SEC. 4. The sum of two million dollars ($2,000,000) is hereby appropriated from the General Fund to the Regents of the University of California for the purpose of carrying out the provisions of this act.

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

In order that the university and the Charles R. Drew Postgraduate Medical School may begin to plan for the expenditure of the funds allocated by this measure and begin solving the urgent need for enhanced medical services by the 1974–75 academic year, it is necessary that this act take effect immediately.

## CHAPTER 1141

*An act to add Sections 20750.29, 20750.32, 20750.87 and 20862.5 to the Government Code, relating to Public Employees' Retirement System.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 20750.29 is added to the Government Code, to read:

20750.29. An employer's contribution to the retirement fund in respect to state patrol members provided by any and all other provisions of this chapter is increased by a sum equal to 0.30 percent of the compensation paid such members by such employer.

SEC. 2. Section 20750.32 is added to the Government Code, to read:

20750.32. An employer's contribution to the retirement fund in respect to state safety members provided by any and all other provisions of this chapter is increased by a sum equal to 0.30 percent of the compensation paid such members by such employer.

SEC. 3. Section 20750.87 is added to the Government Code, to read:

20750.87. The state shall make contributions on account of liability for benefits under Section 20862.5 for state miscellaneous members in addition to those otherwise specified in this chapter in a sum equal to 0.23 percent of compensation paid such members.

SEC. 4. Section 20862.5 is added to the Government Code, to read:

20862.5. A state member, whose effective date of retirement is within four months of separation from state employment, shall be credited at his retirement with 0.004 year of service credit for each unused day of sick leave certified to the board by his employer.

Notwithstanding provisions of this part subjecting school members and local miscellaneous members to provisions applicable to state miscellaneous members, this section shall not apply to school members or local miscellaneous members.

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## CHAPTER 1142

*An act to amend Section 25425 of, and to add Section 25424.7 to, the Education Code, relating to community colleges.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 25424.7 is added to the Education Code, to read:

25424.7. The governing board of any district maintaining a community college may provide health supervision and services and operate a student health center or centers wherein students in grades 13 and 14 and other persons authorized by the governing board may be diagnosed and treated. School physicians shall be authorized to provide medical treatment at such centers.

SEC. 2. Section 25425 of the Education Code is amended to read:

25425. (a) The governing board of a district maintaining a community college may require of pupils in attendance in grades 13 and 14, the payment of a fee in the total amount of not more than ten dollars ($10) for the regular school year for health supervision and services, or the operation of a student health center or centers, authorized by Section 25424.7, or both.

(b) If pursuant to this section a fee is required, the governing board of a district shall decide the amount of the fee, if any, that a part-time student is required to pay.

(c) The governing board of a district maintaining a community college shall adopt rules and regulations that either exempt low-income students from any fee required pursuant to subdivision (a) or provide for the payment of the fee from other sources.

(d) The governing board of a district maintaining a community college shall adopt rules and regulations that exempt students who depend exclusively upon prayer for healing in accordance with the teachings of a bona fide religious sect, denomination, or organization and students who are attending a community college under an approved apprenticeship training program from any fee required pursuant to subdivision (a).

(e) All of such fees shall be deposited in the general fund of the district, and shall be expended only for the purposes for which such fees were collected.

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## CHAPTER 1143

*An act to amend Sections 8756 and 8757 of the Government Code, relating to the California Arts Commission, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 8756 of the Government Code is amended to read:

8756. The commission shall have the powers and authority

necessary to carry out the duties imposed upon it by this chapter including the power, but not limited to the following:

(a) To adopt rules and regulations in accordance with the provisions of the Administrative Procedure Act necessary for proper execution of the powers and duties granted to and imposed upon the commission by this chapter.

(b) To employ such administrative, technical and other personnel as may be necessary for the performance of its powers and duties.

(c) To fix the salaries of the personnel employed pursuant to this section which salaries shall be fixed as nearly as possible to conform to the salaries established by the State Personnel Board for classes of positions in the state civil service involving comparable duties and responsibilities.

(d) To hold hearings, make and sign any agreements and to do or perform any acts which may be necessary, desirable or proper to carry out the purposes of this chapter.

(e) To request and obtain from any department, division, board, bureau, commission, or other agency of the state such assistance and data as will enable it properly to carry out its powers and duties hereunder.

(f) To appoint such advisory committees as it deems advisable and necessary to the carrying out of its powers and duties hereunder.

(g) To accept any federal funds granted, by act of Congress or by executive order, for all or any of the purposes of this chapter.

(h) To accept any gifts, donations, bequests, or grants of funds from private and public agencies for all or any of the purposes of this chapter.

(i) To grant funds for programs and projects for the purpose of promoting and supporting the arts.

SEC. 2. Section 8757 of the Government Code is amended to read:

8757. The commission shall:

(a) Make a comprehensive survey of public and private institutions engaged within the state in artistic and cultural activities, including but not limited to, music, theater, film, literature, dance, painting, sculpture, architecture and allied arts and crafts, and of such other cultural resources in the state as are contemplated by this chapter.

(b) Determine the legitimate needs and aspirations culturally and artistically of our citizens in all parts of the state.

(c) Ascertain how these resources, including those already in existence and those which should be brought to existence, are to serve the cultural needs and aspirations of the citizens of the state.

(d) Assist and support public and private institutions and communities within the state engaged in the visual and performing arts and community services in originating, creating and maintaining cultural and artistic programs.

(e) Submit a report to the Governor and to the Legislature not later than March 30th of each year concerning such studies it has

made and such actions it has taken and recommending such legislation and other action as is necessary for the implementation and enforcement of this chapter.

SEC. 3. There is hereby appropriated from the General Fund to the California Arts Commission the sum of seven hundred seventy-seven thousand eight hundred nineteen dollars ($777,819) to be allocated as follows:

(A) Seven hundred fifty-two thousand eight hundred nineteen dollars ($752,819) to be used for the purpose of supporting the arts in California, in addition to any funds appropriated to the commission by the Budget Act of 1973; provided, that the commission shall not fund any programs or projects of public and private institutions and communities referred to in Section 8757 of the Government Code unless such institutions and communities match the funding by the commission on a two-for-one basis or, upon special findings by the commission, on not less than a dollar-for-dollar basis; provided, further, that no funds appropriated in this section may be expended for any purpose unless not more than two hundred thousand dollars ($200,000) are used to defray the administrative costs of funding such programs and projects, and unless 100 percent of the funds received by or allocated to the commission from all other sources, including, but not limited to, the General Fund, the National Endowment for the Arts, and private contributors, during the fiscal year 1973–74, and any funds not used to defray the administrative costs of funding such programs and projects, are used to fund such programs and projects on a matching basis as provided for in this section.

(a) Such institutions and communities shall match the funding by the commission with services or products or funds received from any source including, but not limited to, the federal government, cities, counties, or private contributors.

(b) Programs and projects funded by the commission on a matching basis pursuant to this section shall include, but are not limited to, at least one or more of the following:

(1) Programs and projects, including new and experimental ones, which have substantial artistic and cultural significance and emphasize creativity and the maintenance and encouragement of professional excellence.

(2) Programs and projects, including touring productions, which meet professional standards or standards of cultural or ethnic authenticity, are of significant merit and which, without support and assistance, would otherwise be unavailable to our citizens in many areas of the state.

(3) Programs and projects which encourage the artistic development or enjoyment of the amateur, student or other nonprofessional, or promote scholarship and teaching, including internships and training programs with professional arts organizations.

(4) Programs and projects in an educational framework which

encourage students, their parents and teachers, and the public, to experience, participate, and relate to the arts, including artists-in-schools programs, where artists work in residence at an educational or cultural institution.

(5) Programs and projects created by regional or community based organizations utilizing the talents of peoples of diverse cultural backgrounds which increase community involvement in the arts on a local, regional, statewide or multistate basis, including development of regional and community arts councils.

(6) Programs and projects which encourage research in the arts including audience development, expansion of private support for the arts and comprehensive surveys of our cultural resources.

For the purposes of this chapter, "institutions" and "communities" include, but are not limited to, (i) any arts department, council, commission or nonprofit foundation of a city or county, (ii) a regional organization composed of representatives of cities or counties, (iii) public institutions of learning, and (iv) any nonprofit society, institution, organization, association, museum, or establishment in the state, whether or not incorporated and only if no part of its net earnings inures to the benefit of any private stockholder or stockholders, or individual or individuals, and donations to such entities are allowable as a charitable contribution under the standards of subsection (c) of Section 170, Title 26, United States Code.

(c) Applications for grants for funding programs and projects shall be made to the commission in such form and subject to such conditions as the commission may prescribe, and funds may be disbursed to the applicant upon approval by the commission of the application. Records shall be maintained by the applicant to support expenditures of granted funds. The State Controller shall make such audit as he deems necessary for the purpose of determining that the grant has been expended for the purposes and under the conditions authorized by this chapter.

(d) The commission may accept funds allocated by the National Endowment for the Arts to the commission during the fiscal year 1973–74 in an amount not to exceed twenty thousand dollars ($20,000) on a nonmatching basis for the costs of staff pursuant to conditions agreed upon by the endowment and the commission.

(B) Twenty-five thousand dollars ($25,000), in addition to any funds appropriated to the commission by the Budget Act of 1973, to be used for the costs of staff, and expenses incidental thereto, for the purpose of providing expertise and coordination to projects and programs funded entirely by sources other than the commission where the sponsor or sponsors of such programs or projects request assistance from the commission.

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

This bill provides for funding activities during fiscal year 1973–74. Unless this bill goes into effect immediately, it will not be effective until after period of funding provided for.

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## CHAPTER 1144

*An act to add Article 1 (commencing with Section 13959) to Chapter 5 of Part 4 of Division 3 of Title 2 of, and to repeal Article 1 (commencing with Section 13960) of Chapter 5 of Part 4 of Division 3 of Title 2 of, the Government Code, relating to victims of crimes.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Article 1 (commencing with Section 13960) of Chapter 5 of Part 4 of Division 3 of Title 2 of the Government Code is repealed.

SEC. 2. Article 1 (commencing with Section 13959) of Chapter 5 of Part 4 of Division 3 of Title 2 is added to the Government Code, to read:

### Article 1. Victims of Crime

13959. It is in the public interest to indemnify and assist in the rehabilitation of those residents of the State of California who as the direct result of a crime suffer a pecuniary loss which they are unable to recoup without suffering serious financial hardship.

13960. As used in this article:

(a) "Victim" shall mean:

(1) A person who sustains physical injury or death as a direct result of a crime of violence;

(2) Anyone legally dependent for his support upon a person who sustains physical injury or death as a direct result of a crime of violence; and

(3) In the event of a death caused by a crime of violence, any individual who legally assumes the obligation, or who voluntarily pays the medical or burial expenses incurred as a direct result thereof.

(b) "Crime of violence" shall mean a crime or public offense as defined in Section 15 of the Penal Code which results in physical injury to a resident of this state, including such a crime or public offense, wherever it may take place, when such resident is temporarily absent from the state. No act involving the operation of a motor vehicle, aircraft, or water vehicle which results in injury or death shall constitute a crime of violence for the purposes of this

article, except that a crime of violence shall include:

(1) Injury or death intentionally inflicted through the use of a motor vehicle, aircraft, or water vehicle; or,

(2) Injury or death sustained in an accident caused by a driver in violation of Section 20001, 23101, 23102, or 23106 of the Vehicle Code.

(c) "Board" shall mean the State Board of Control.

(d) "Pecuniary loss" shall mean the amount of medical or medical related expense and loss of income or support that the victim has incurred or will incur as a direct result of an injury or death to the extent that the victim has not been or will not be indemnified from any other source. Said loss shall be in an amount of more than one hundred dollars ($100) or shall be equal to 20 percent or more of the victim's net monthly income, whichever is less.

13961. (a) A victim of a crime of violence may file an application for assistance with the board provided that the victim was a resident of California at the time the crime was committed and either:

(1) The crime was committed in California; or

(2) The person whose injury or death gave rise to the application was a resident of California who was injured or killed while temporarily outside the state

(b) The board shall supply and make available application forms for this purpose.

(c) The period prescribed for the filing of an application for assistance shall be one year after the date of the crime, unless an extension is granted by the board, except that such period may be extended by the State Board of Control for good cause shown by the victim.

(d) The application for assistance shall be verified and shall contain the following:

(1) A description of the date, nature, and circumstances of the crime or public offense.

(2) A complete financial statement including but not limited to the cost of medical care or burial expense and the loss of wages or support the victim has incurred or will incur and the extent to which the victim has been or may be indemnified for these expenses from any source.

(3) When appropriate, a statement indicating the extent of any disability resulting from the injury incurred.

(4) An authorization permitting the Attorney General to verify the contents of the application.

(5) Such other information as the board may require.

13962. (a) The staff of the board shall appoint a clerk to review all applications for assistance in order to insure that they are complete. If the application is not complete, it shall be returned to the victim with a brief statement of the additional information required. The victim, within 30 days of receipt thereof, may either supply the additional information or appeal such action to the board which shall review the application to determine whether or not it is complete.

(b) If the application is accepted, it shall be referred to the Attorney General who shall promptly verify its contents and shall return the application for assistance and a report of his investigation to the board for its consideration. The board thereupon shall consider the application at a hearing at a time and place of its choosing. The board shall notify all interested persons, including the Attorney General, not less than five days prior to the date of the hearing.

(c) The victim shall cooperate with the Attorney General in the verification of the information contained in the application. Failure so to cooperate shall be reported to the board, which, in its discretion, may reject the application on this ground alone.

13963. (a) At the hearing, the board shall:

(1) Review the application for assistance and the report prepared by the Attorney General thereon and any other evidence obtained as a result of his investigation.

(2) Receive such other evidence as the board finds necessary or desirable properly to evaluate the application.

(b) If the victim chooses not to appear at the hearing, the board may act solely upon the application for assistance, the Attorney General's report, and such other evidence as appears in the record.

13964. After having heard the evidence relevant to the application for assistance, the board shall approve the application if a preponderance of the evidence shows that as a direct result of the crime the victim incurred an injury which resulted in a pecuniary loss which the victim is unable to recoup without suffering serious financial hardship. However, no victim shall be eligible for assistance under the provisions of this article if:

(a) The board finds that the victim or the person whose injury or death gave rise to the application knowingly and willingly participated in the commission of the crime;

(b) The victim or the person whose injury or death gave rise to the application failed to cooperate with a law enforcement agency in the apprehension and conviction of the criminal committing the crime;

(c) The board finds that the victim should not be allowed to recover because of the nature of his involvement in the events leading to the crime or the involvement of the persons whose injury or death gave rise to the application; or

(d) The board finds that the victim will not suffer serious financial hardship, as a result of the loss of earnings or support and out-of-pocket expense incurred as a result of the injury which gave rise to the application for assistance pursuant to this article. In determining such serious financial hardship, the board shall consider all of the financial resources of the victim. The board shall establish specific standards by rule for determining such serious financial hardship.

13965. (a) If the application for assistance is approved, the board shall determine what type of state assistance will best aid the victim. The board may take any or all of the following actions:

(1) Authorize a cash payment to or on behalf of the victim equal to the pecuniary loss attributable to medical or medical related expenses directly resulting from the injury but not to exceed ten thousand dollars ($10,000);

(2) Authorize a cash payment to the victim equal to the pecuniary loss resulting from loss of wages or support directly resulting from the injury, but not to exceed ten thousand dollars ($10,000);

(3) Authorize cash payments not to exceed three thousand dollars ($3,000) to or on behalf of the victim for job retraining or similar employment-oriented rehabilitative services

(b) Assistance granted pursuant to this article shall not disqualify an otherwise eligible victim from participation in any other public assistance program.

Cash payments made pursuant to this article may be on a one time or periodic basis. If periodic, the board may increase, reduce, or terminate the amount of assistance according to need, subject to the maximum limits provided in paragraphs (1), (2), and (3) of subdivision (a).

(c) The board may also authorize payment of attorney's fees representing the reasonable value of legal services rendered to the applicant, but not to exceed 10 percent of the amount of the award, or five hundred dollars ($500), whichever is less.

No attorney shall charge, demand, receive, or collect any amount for services rendered in connection with any proceedings under this article except as awarded under this section.

13966. The State of California shall be subrogated to the rights of the victim to whom cash payments are granted to the extent of the cash payments granted, less the amount of any fine imposed by the court on the perpetrator of the crime. Such subrogation rights shall be against the perpetrator of the crime or any person liable for the pecuniary loss.

The state also shall be entitled to a lien in the amount of such cash payments on any recovery made by or on behalf of the victim. The state may recover this amount in a separate action, or may intervene in an action brought by or on behalf of the victim.

13967. Upon a person being convicted of a crime of violence committed in the State of California resulting in the injury or death of another person, if the court finds that the defendant has the present ability to pay a fine and finds that the economic impact of the fine upon the defendant's dependents will not cause such dependents to be dependent on public welfare the court shall, in addition to any other penalty, order the defendant to pay a fine commensurate with the offense committed, and with the probable economic impact upon the victim, but not to exceed ten thousand dollars ($10,000). The fine shall be deposited in the Indemnity Fund in the State Treasury, hereby continued in existence, and the proceeds of which shall be available for appropriation by the Legislature to indemnify persons filing claims pursuant to this article.

13968. (a) The Board of Control is hereby authorized to make all

needful rules and regulations consistent with the law for the purposes of carrying into effect the provisions of this article.

(b) It shall be the duty of every hospital licensed under the laws of this state to display prominently in its emergency room posters giving notification of the existence and general provisions of this chapter. The board shall set standards for the location of such display and shall provide posters, application forms and general information regarding the provisions of this chapter to each hospital and physician licensed to practice in the State of California.

(c) It shall be the duty of every local law enforcement agency to inform victims of violent crimes of the provisions of this chapter and to provide application forms to victims who desire to seek assistance pursuant to this article. The board shall provide application forms and all other documents which local law enforcement agencies may require to comply with this section. The Attorney General shall set standards to be followed by local law enforcement agencies for this purpose and may require them to file with him a description of the procedures adopted by each agency to comply.

13969. Claims under this article shall be paid from a separate appropriation made to the State Board of Control in the Budget Act and as such claims are approved by the board.

SEC. 3. Notwithstanding Section 2231 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to this section nor shall there be any appropriation made by this act because duties, obligations, or responsibilities imposed on local governmental entities by this act are such that related costs are incurred as a part of their normal operating procedures.

SEC. 4. This act shall become operative on July 1, 1974.

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## CHAPTER 1145

*An act to add Chapter 17.5 (commencing with Section 9100) to Division 3 of the Business and Professions Code, and to add Section 15459.1 to the Education Code, relating to construction inspectors, and making an appropriation therefor.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. The purpose of this act is to declare the existence of a public interest in the workmanship, materials, and manner of construction of buildings and structures, or portions of buildings and structures and appurtenances, and to provide for the regulation of persons who inspect the workmanship, materials, and manner of construction of buildings and structures, or portion of buildings and structures and appurtenances thereto, to determine whether

requirements prescribed by the plans, specifications, contract documents, codes, ordinances or other statutory provisions are met by such workmanship, materials, and manner of construction.

SEC. 2. Chapter 17.5 (commencing with Section 9100) is added to Division 3 of the Business and Professions Code, to read:

## CHAPTER 17.5. REGISTERED CONSTRUCTION INSPECTORS

### Article 1. General Provisions

9100. This chapter constitutes the law on registered construction inspectors. It may be cited as the Registered Construction Inspectors Law.

9100.5. Unless the context otherwise requires, the definitions in this article govern the construction of this chapter.

9101. "Registered construction inspector" means a person registered under this chapter, in one of the divisions of construction inspection established by this chapter or by the board, to engage in the function of inspecting the workmanship, materials, and manner of construction of buildings and appurtenant structures, or portions of such buildings and structures, to determine whether requirements prescribed by the plans, specifications, contract documents, codes, ordinances or other statutory provisions are met by such workmanship, materials, and manner of construction.

9102. "Board" means the State Board of Registered Construction Inspectors.

9103. "Director" means the Director of Consumer Affairs.

9104. Only a person registered under the provisions of this chapter shall use the title or term "registered inspector."

### Article 2. Administration

9115. There is in the Department of Consumer Affairs a State Board of Registered Construction Inspectors consisting of 12 members appointed by the Governor. One member shall be a licensed architect, one a registered civil engineer, one a registered structural engineer, one a registered mechanical engineer, one a licensed contractor, and one a registered electrical engineer. Four members shall be construction inspectors, each from a different division of construction inspection. Two members shall be public members. Except for the public members, each member shall have had at least five years' active experience in his profession or vocation prior to his appointment. All members shall be citizens of the United States, residents of California, and of good moral character.

9116. The terms of the members first appointed shall expire as follows: three on June 1, 1975; three on June 1, 1976; three on June 1, 1977; and three on June 1, 1978. Appointments thereafter shall be for four-year terms. Vacancies shall be filled by appointment for the unexpired term, and the Governor shall give consideration to the

persons nominated by the board. Each member shall continue in office until the appointment and qualification of his successor or until one year has elapsed since the expiration of his term, whichever first occurs. No member shall serve more than two consecutive terms.

9117. The first four construction inspectors appointed to the board by the Governor shall upon appointment become registered construction inspectors, provided they meet the requirements of this chapter. The four construction inspectors thereafter shall be selected from the various divisions established by the board. After the board has established the divisions of construction inspection, members of the board who are registered construction inspectors shall make application pursuant to Section 9160 for a registered construction inspectors certificate in the division or divisions of construction inspection for which he is qualified.

9118. The board may select from its members a president to hold office for one year. The board, with the approval of the director, shall appoint an executive officer at a salary to be fixed and determined by the board with approval of the Director of Consumer Affairs and the Director of Finance. The board shall give consideration to persons nominated by the director for appointment as executive officer.

9119. The executive officer shall keep an accurate record of all proceedings of the board.

9120. The board shall meet at such times as necessary for the transaction of its business, except that the approval of the director shall be required for any meetings in excess of six in any calendar year. The director or his deputy shall be entitled to attend all meetings of the board.

9121. All regular meetings of the board shall be preceded by 30 days' notice to the public. Such meetings shall be held, whenever possible, in public buildings.

9122. Seven members of the board shall constitute a quorum for the transaction of business.

9123. The board shall prosecute all persons guilty of violating the provisions of this chapter. All investigations shall be performed by personnel of the Department of Consumer Affairs assigned to the Division of Investigation. The director shall appoint and assign such inspectors, special agents, investigators, and clerical assistants as may be necessary to carry into effect the provisions of this chapter. With the approval of the director, the board may employ and fix the compensation of such additional personnel and incur such additional expenses as may be necessary.

9124. The board may, in accordance with the provisions of Chapter 4.5 (commencing with Section 11371) of Part 1 of Division 3 of Title 2 of the Government Code, make such rules and regulations as are reasonably necessary to carry out the provisions of this chapter.

9125. The board shall, consistent with the purposes of this chapter, by regulation establish the divisions of construction inspection.

9126. The board may, by regulation, provide for the division of the certification of registration into different specialties, taking into consideration existing specialties and categories used by political subdivisions throughout the state.

9127. The board may classify a registered construction inspector to act as a registered inspector in all of the divisions provided by Section 9126 in any political subdivision as determined by the requirements of that political subdivision and as to the extent of the various divisions covered by this chapter. An applicant for the category of registered inspector shall be qualified in each of the divisions provided in Section 9126 to the extent that the board shall by rule require, taking into consideration demonstrated general proficiency. Nothing in this section shall prohibit a person from being registered in one or more of the other divisions provided by Section 9126.

9128. The board may appoint such committees as are necessary to perform duties as the board may direct. Such committees shall be composed of registered construction inspectors, except that until the first anniversary of the effective date of this chapter, qualified construction inspectors may serve.

Membership on all such committees is at the pleasure of the board.

No member of any such committee shall receive any compensation other than his necessary expenses, as approved by the board, connected with the performance of his duties as a member of any such committee.

9129. The board shall establish relations with public agencies of this state or any other state which regulate the practice of inspection, or closely related functions, and may establish relations with such public agencies in other countries for the purpose of working toward (1) uniformly high professional or vocational standards and (2) mutual recognition of registration.

9130. The board shall, consistent with the purposes of this chapter, do all of the following:

(a) Promulgate necessary rules and regulations of uniform and general applicability.

(b) Provide leadership and coordinate resources for the improvement of inspection education.

(c) Develop objective, independently verifiable standards of measurement and evaluation of inspection competence as it relates to inspector registration.

(d) Develop and recommend to the Legislature for its consideration, any necessary or desirable legislation to require the continuing education of registered personnel.

9131. The board may approve any institution of higher education whose inspector education program meets the standards prescribed by the board.

## Article 3. Application of Chapter

9150. It is a misdemeanor, punishable by a fine of not less than fifty dollars ($50) nor more than five hundred dollars ($500) or by imprisonment in the county jail not exceeding six months, or by both such fine and imprisonment, for any person, to either use the title or term "registered construction inspector," without being registered pursuant to this chapter, or to purport to be registered in a division of inspection for which he has not been registered by the board, unless exempted from the provisions of this chapter.

9151. All reports or documents where a registered construction inspector's verification is required shall be signed by the registered construction inspector, and he shall bear all responsibility for them.

## Article 4 Registration

9160. Subject to the rules and regulations governing examinations, a candidate for registration as a construction inspector in any one or more of the divisions of construction inspection established by this chapter or by the board shall be entitled to an examination for such registration if he meets the qualifications prescribed by this article. Before taking this examination, he shall file his application therefor with the secretary and pay the application fee fixed by this chapter.

9161. The applicant for registration as a construction inspector shall have a high school education or the equivalent thereof, be of good moral character, and meet one of the following qualifications:

(a) Have been in the building and construction trades for at least four years, at least two of which were as a foreman, and in addition have had at least two years of service as a construction inspector in the division of construction inspection covered by the registration for which he is making application.

(b) Have been a journeyman craftsman in the building and construction trades for at least four years and have had at least three years of service as a construction inspector in the division of construction inspection covered by the registration for which he is making application.

(c) Have had at least five years of construction inspection experience in the division of construction inspection covered by the registration for which he is making application.

(d) Be a contractor who has at least four years of experience in the division of construction covered by the registration for which he is making an application.

9162. With respect to applicants for registration as construction inspectors, the board:

(a) May give credit as experience, not in excess of two years, for satisfactory training in a school of engineering, architecture, or inspection training where the curriculum has been approved by the board.

(b) May give credit as experience, not in excess of two years, for construction inspection teaching.

(c) May give credit as experience, not in excess of four years, for having been a licensed general contractor.

9163 Applicants who desire to be registered in more than one division of construction inspection shall be required to file an application for each division.

9164 An applicant failing in an examination may be examined again upon filing a new application and the payment of the application fee fixed by this chapter.

9165. A temporary authorization for the use of the title "registered construction inspector" in a division of construction inspection may be granted, for a specific project, upon application and payment of the fee prescribed in this chapter for a period not to exceed 60 consecutive days in any calendar year, provided:

(a) The applicant maintains no place of business in this state.

(b) The applicant is legally qualified to use the title in that division of inspection in the state or country where he maintains a place of business

(c) The applicant demonstrates by means of an individual appearance before the board satisfactory evidence of his knowledge in the division of construction inspection for which the applicant requests registration under the temporary authorization.

If the applicant can satisfy the board that the completion of the specific project for which the authorization is granted will require more than 60 consecutive calendar days, the board may extend the authorization to a period not to exceed 120 consecutive days.

9166. Any applicant who has passed the examination and has otherwise qualified pursuant to this chapter as a registered construction inspector, upon payment of the registration fee fixed by this chapter, shall have evidence of registration issued to him as a registered contruction inspector in the particular division for which he is found qualified.

9167. Each inspector registered under this chapter may, upon registration, obtain a seal of the design authorized by the board bearing the registrant's name, number of his certificate, and the legend "registered construction inspector".

9168. A duplicate certificate of inspector registration to replace one lost, destroyed or mutilated may be issued subject to the rules and regulations of the board. The duplicate certificate fee fixed by this chapter shall be charged.

9169. An unsuspended, unrevoked and unexpired certificate and endorsement of registry made under this chapter is presumptive evidence in all courts and places that the person named therein is legally registered.

9170. Any applicant who is denied registration or authorization shall, in writing, be so notified and informed of the reason therefor. Within 60 days after service of the notice, such applicant may make written request to the board for a hearing which, if granted, shall be

conducted as specified in Section 9181.

## Article 5. Disciplinary Proceedings

9180. The board shall receive and investigate complaints against registered construction inspectors and persons granted temporary authorizations pursuant to Section 9165, and make findings thereon.

By a majority vote, the board may reprove, privately or publicly, or may suspend for a period not to exceed two years, or may revoke the certificate of any inspector registered hereunder, or may reprove, privately or publicly, or revoke the authorization granted to any person pursuant to Section 9165 who has done any of the following:

(a) Who has been convicted of a felony arising from or in connection with the practice of inspection.

(b) Who has committed any deceit, misrepresentation, violation of contract, fraud or negligence in his practice.

(c) Who has committed any fraud or deceit in obtaining his certificate.

(d) Who has aided or abetted any person in the violation of any provisions of this chapter.

(e) Who has violated any provision of this chapter.

9181. The proceedings under this article shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the board shall have all the powers granted therein.

9182. The board may reissue a certificate of registration, certification, or authority, to any person whose certificate has been revoked, if a majority of the members of the board vote in favor of such reissuance.

9183. A plea or verdict of guilty or a conviction following a plea of nolo contendere made to a charge of a felony or a crime involving moral turpitude is deemed to be a conviction of a felony within the meaning of this article. The board may order the certificate or authorization suspended or revoked, or may decline to issue a certificate or authorization, when the time for appeal has elapsed, or the judgment of conviction has been affirmed on appeal, or when an order granting probation is made suspending the imposition of sentence, irrespective of a subsequent order under the provisions of Section 1203.4 of the Penal Code allowing such person to withdraw his plea of guilty and to enter a plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusation, information or indictment.

## Article 6. Offenses Against the Chapter

9190. The board shall investigate violations of the provisions of this chapter. The secretary of the board under direction of the board shall aid any prosecutor in the enforcement of this chapter.

9191. Every person who does any of the following is guilty of a misdemeanor.

(a) Presents or attempts to file as his own the certificate of registration of another.

(b) Gives false evidence of any kind to the board, or to any member thereof, in obtaining a certificate of registration.

(c) Impersonates or uses the seal of any other practitioner.

(d) Uses an expired or revoked certificate of registration.

(e) Violates any of the provisions of this chapter.

A person guilty of a misdemeanor under this section is punishable by a fine of not more than five hundred dollars ($500) or by imprisonment in the county jail for three months, or by both such fine and imprisonment.

9192. Whenever any person has engaged in or is about to engage in any act which constitutes or which, in the opinion of the board, will constitute an offense against this chapter, the superior court of the county in which the offense has occurred or is about to occur, on application of the board, may issue an injunction or other appropriate order restraining such act or practice.

The proceedings authorized by this section shall be in accordance with the provisions contained in Chapter 3 (commencing with Section 525) of Title 7 of Part 2 of the Code of Civil Procedure, except that no undertaking or bond shall be required.

## Article 7. Renewal

9200. A certificate of registration as an inspector expires at 12 p.m. on June 30 of each even-numbered year, if not renewed. To renew an unexpired certificate, the certificate holder shall, on or before June 30 of each even-numbered year, apply for renewal on a form prescribed by the board and pay the renewal fee prescribed by this chapter.

9201. Except as otherwise provided in this article, certificates of registration as a registered construction inspector may be renewed at any time within five years after expiration, on filing an application for renewal on a form prescribed by the board and payment of the renewal fee in effect on the last preceding regular renewal date. If the certificate is renewed more than 30 days after its expiration, the certificate holder, as a condition precedent to renewal, shall also pay the delinquency fee prescribed by this chapter. Renewal under this section shall be effective on the date on which the application is filed, on the date on which the renewal fee is paid, or on the date on which the delinquency fee, if any, is paid, whichever last occurs. If so renewed, the certificate shall continue in effect through the date which is provided in Section 9200 which next occurs after the effective date of the renewal, when it shall expire if it is not again renewed.

9202. A suspended certificate is subject to expiration and shall be renewed as provided in this article, but such renewal does not entitle

the holder of the certificate, while it remains suspended and until it is reinstated, to engage in the activity to which the certificate relates, or in any other activity or conduct in violation of the order or judgment by which it was suspended.

9203. A revoked certificate is subject to expiration as provided in this article, but it may not be renewed. If it is reinstated after its expiration, the holder of the certificate, as a condition precedent to its reinstatement, shall pay a reinstatement fee in an amount equal to the renewal fee in effect on the last regular date before the date on which it is reinstated, plus the delinquency fee, if any, accrued at the time of its revocation.

9204. Certificates of registration as an inspector which are not renewed within five years after expiration may not be renewed, restored, reinstated or reissued thereafter. The holder of such certificate may apply for and obtain a new certificate, however, if he meets all of the following:

(a) He is of good moral character.

(b) No fact, circumstance, or condition exists which, if the certificate were issued, would justify its revocation or suspension.

(c) He takes and passes the examination, if any, which would be required of him if he were then applying for the certificate for the first time.

## Article 8. Revenue

9220. The board shall set fees as prescribed by the following schedule:

(a) The fee for filing each application for registration as a registered construction inspector shall be not less than twenty dollars ($20) nor more than forty dollars ($40).

(b) The registration fee for registered construction inspector shall be not less than twenty-eight dollars ($28).

(c) The duplicate certificate fee shall not be less than five dollars ($5) nor more than ten dollars ($10).

(d) The temporary registration fee for registered construction inspector shall not be less than fifty dollars ($50) nor more than one hundred dollars ($100).

(e) The renewal fee for a registered construction inspector shall be fixed by the board at not more than forty dollars ($40) nor less than twenty-eight dollars ($28) for each division of registered inspection in which registration is held.

(f) The penalty for delinquency of the renewal fee is ten dollars ($10).

(g) The fee for reinstatement of a suspended certificate is ten dollars ($10).

9221. The department shall receive and account for all money derived from the operation of this chapter and, within 10 days after the beginning of every month, shall report such money to the State Controller and shall pay it to the State Treasurer, who shall keep the

money in the Construction Inspectors Registration Board Fund which is hereby created in the State Treasury The fees and revenues contained in this fund are continuously appropriated to the board for purpose of this chapter.

SEC. 3. Section 15459.1 is added to the Education Code, to read:

15459.1. As of January 1, 1976, any person employed to inspect the construction, reconstruction or alteration of any school building shall be a person who is registered as a construction inspector in the division in which he is to be used, as defined by Section 9101 of the Business and Professions Code. This section shall not apply to any architect, structural engineer, civil engineer, land surveyor, mechanical engineer, engineering geologist, or electrical engineer, who holds a valid certificate of registration in this state, insofar as he is practicing within the provisions of the law under which he is registered.

SEC. 4. No appropriation is made by this act, nor is any obligation created thereby under Section 2164.3 of the Revenue and Taxation Code, for the reimbursement of any local agency for any costs that may be incurred by it in carrying on any program or performing any service required to be carried on or performed by it by this act because the Legislature recognizes that during any legislative session a variety of changes to laws relating to crimes and infractions may be enacted that serve to cause both increased and decreased costs to local governmental entities which, in the aggregate, do not result in significant identifiable cost changes.

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## CHAPTER 1146

*An act to amend Sections 1102, 1104, 1111, 1111.3, 1111.4, 1111.5, 1111.7, 1162, and 25471.5 of the Education Code, to amend Sections 22030 and 23509 of the Elections Code, to add and repeal Section 2504 of the Elections Code, and to amend Sections 23380, 23705, 23710, 23711, 23722, 34457, 34902, 35122, 36503, and 61121 of the Government Code, Section 6447 of the Health and Safety Code, Section 9125 of the Public Resources Code, Sections 2962, 11641, 15761, 15951, 27011, 27426, 27502, 29681, 40501, 98401, and 98402 of the Public Utilities Code, Section 19090 of the Streets and Highways Code, and Sections 30291, 60111, 71162, and 74093 of the Water Code, relating to elections*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 2504 of the Elections Code is repealed:

SEC 2. Section 2504 is added to the Elections Code, to read:

2504 Three regular election dates shall be established each

even-numbered year and two election dates established in each odd-numbered year as follows:

(1) One on the first Tuesday after the first Monday in March of both the even- and odd-numbered years.

(2) One on the first Tuesday after the first Monday in June in each even-numbered year.

(3) One on the first Tuesday after the first Monday in November of both the even- and odd-numbered years.

Elections held in June and November in each even-numbered year shall be statewide elections, and these dates shall be considered statewide election dates. Notwithstanding any other provision of law, all state, county, municipal, district, and school district elections shall be held on the established election date nearest to the date on which they would be held in the absence of this election. If the election is held on a statewide election date it shall be consolidated with the statewide election. The procedural requirements prescribed for any such election shall be construed as if the provisions of this section were specifically set forth in the provisions relating to that election.

This section shall not apply to any election called by the Governor, elections held in chartered cities in which the charter provisions are inconsistent with the provisions of this section, school governing board elections consolidated pursuant to Section 1111.6 of the Education Code, or county, municipal, district, and school district initiative, referendum, or recall elections.

SEC. 3. Section 22030 of the Elections Code is amended to read:

22030. The election board conducting local, special, or consolidated elections, or statewide elections other than the direct primary, presidential primary, or general election, may, for the purpose of the election, divide the territory within which the election is to be held into special election or consolidated election precincts by consolidating existing precincts, or otherwise, subject to the provisions of Section 1568, and may change and alter the precincts for such elections as often as occasion requires. Not more than six existing precincts may be consolidated into one special election or consolidated election precinct. The polling place used for a consolidated precinct shall be located within the boundaries of the consolidated precinct.

SEC. 4. Section 23509 of the Elections Code is amended to read:

23509. A general district election shall be held in each district on the first Tuesday after the first Monday in November in each odd-numbered year to choose a successor for each elective officer the term of whose office will expire on the following last Friday in November.

SEC. 5. Section 1102 of the Education Code is amended to read:

1102. In newly formed unified school districts there shall be no interim governing board, but the county superintendent of schools having jurisdiction over the particular district shall call an election for the purpose of choosing the first governing board of the district.

In unified school districts the call shall be issued not later than the

fourth Tuesday of January next succeeding the creation of the district. The election shall be held on the first Tuesday after the first Monday in March next succeeding the call. The first members of the governing board of either form of district shall take office on the day the canvass of the election is certified by the county superintendent of schools. The first meeting of the governing board shall be called by the county superintendent of schools not later than the third Monday following the election. The term of office of subsequent members of the board shall begin on July 1st following their election.

SEC. 6. Section 1104 of the Education Code is amended to read:

1104. In newly formed districts for which an interim governing board is appointed by the county superintendent of schools, a governing board member election shall be held:

(a) When the action necessary for the formation of a new school district is completed on or before the first of February of any odd-numbered year, on the first Tuesday after the first Monday in March of such year.

(b) When the action necessary for the formation of a new school district is completed after the first of February of any year, whether even-numbered or odd-numbered, on the first Tuesday after the first Monday in March of the next succeeding year.

The terms of the members elected at the initial election shall begin on the first day of July, and the terms of their predecessors shall expire on the 30th day of June, following the election.

SEC. 7. Section 1111 of the Education Code is amended to read:

1111. After the initial election of governing board members in any school district, a governing board member election shall be held biennially on the first Tuesday after the first Monday in March of each succeeding odd-numbered year to fill the offices of members whose terms expire on June 30th next succeeding the election. Except as provided in this chapter, or in Chapter 5 (commencing with Section 1201) of this division, the elections shall be held and conducted in accordance with the provisions of Chapter 6 (commencing with Section 1301) of this division.

SEC. 8. Section 1111.3 of the Education Code is amended to read:

1111.3. Notwithstanding the provisions of Sections 1105 and 1111, in the case of a unified school district formed in an even-numbered year, where in connection with the formation of which the first governing board was elected in such even-numbered year, all of the members of such first elected governing board shall serve until June 30th of the second succeeding odd-numbered year. Their successors shall be elected at an election conducted on the first Tuesday after the first Monday in March of such second succeeding odd-numbered year. The majority of such successors receiving the highest number of votes shall serve until June 30th of the second odd-numbered year thereafter succeeding. The other members' terms shall expire on June 30th of the first odd-numbered year thereafter succeeding.

SEC. 9. Section 1111.4 of the Education Code is amended to read:

1111.4. Notwithstanding the provisions of Sections 1105 and 1111

to the contrary, when the first elected board of any newly formed district is elected on the same date that the election is held for adopting the proposal for the formation of the new district and when the terms of several members of the first governing board would expire prior to the date on which the district becomes effective for all purposes, no election shall be held in April of that odd-numbered year, but the several members whose terms expire shall serve until June 30 of the next succeeding even-numbered year. A governing board election shall be held, on the first Tuesday after the first Monday in March of that even-numbered year to fill the offices of such members whose terms expire on June 30 next succeeding the election. The terms of office of the members so elected shall expire on June 30 of the second succeeding odd-numbered year. Their successors shall be elected pursuant to Section 1111.

SEC. 10. Section 1111.5 of the Education Code is amended to read:

1111.5. An annual election for members of the board of education shall be held in each unified district which is coterminous with or includes in its boundaries all or any portion of a chartered city or city and county the charter of which provides for a board of education, of five members with five-year terms, with the term of one member expiring each year. The election shall be held annually on the first Tuesday after the first Monday in March The election shall be called, held and conducted by the county superintendent of schools in substantially the same manner as prescribed by Section 1111.

SEC. 11. Section 1111.7 of the Education Code is amended to read:

1111.7. When an elementary, unified, high school, community college district, or community college district trustee area includes within its boundaries the same territory, or territory that is in part the same, as a city which holds a city election on the first Tuesday after the first Monday in March in each even-numbered year, the consolidated governing board member elections of the elementary, unified, high school, community college district, or community college district trustee area shall be held on the first Tuesday after the first Monday in March in the even-numbered year and may be further consolidated with the city election pursuant to Chapter 4 (commencing with Section 23300) of Part 2 of Division 12 of the Elections Code. Such consolidation shall be effected by the county superintendent of schools having jurisdiction of the elementary, unified, high school, or community college district upon the written request of the governing board of the elementary, unified, high school, or community college district, with the written consent of the legislative body of the city and the written consents of all of the governing boards of the districts whose governing board member elections are affected. The provisions of this section shall be controlling in the event of any conflict with a prior order of the county superintendent of schools made pursuant to Section 1331.

Successors to incumbents holding office upon adoption of this

section, who in the absence of this section would have been elected at a different time, shall be chosen for office at the election nearest the time the terms of office of such incumbents would have otherwise expired. If an incumbent's term of office is extended because of this section, he shall hold office until a successor qualifies therefor, but in no event shall the term of an incumbent be extended to exceed four years.

SEC. 12. Section 1162 of the Education Code is amended to read.

1162. Whenever a vacancy occurs, or whenever a resignation has been filed with the county superintendent of schools containing a deferred effective date, the county superintendent of schools having jurisdiction shall immediately call a special election to elect a successor to serve during the remainder of the term in which the vacancy occurs or will occur. The special election shall be held on the next established election date not less than 74 days after the written resignation is filed with the county superintendent of schools. The election shall be called and conducted in as nearly the same manner as practicable as other governing board member elections.

SEC 13. Section 25471 5 of the Education Code is amended to read:

25471.5. If a petition protesting against the annexation, signed by 20 percent or more of the qualified electors of the high school district, as shown by the affidavit of one of the petitioners, is filed at the meeting, the board of supervisors shall order an election in the high school district to be held on the next established election date not less than 74 days after the making of the order, to determine the question. The election shall be called and held in the same manner as the elections for high school district bonds, except that the words to appear upon the ballot shall be "For annexation to (insert name of) community college district—Yes" and "For annexation to (insert name of) community college district—No," and except that the returns shall be made to the board of supervisors.

SEC. 14. Section 23380 of the Government Code is amended to read:

23380. Within two weeks after its determination of the truth of the allegations of the petition for the formation of a new county, the board shall order and give proclamation and notice of an election in the county in which the petition is filed to be held on the next established election date not less than 74 days thereafter, for the purpose of determining whether the territory described in the petition shall be established and organized into a new county.

SEC. 15. Section 23705 of the Government Code is amended to read:

23705. Upon the adoption of such ordinance, or the presentation of such petition, the governing body shall order the holding of a special election for the purpose of electing a charter commission, which special election shall be held on the next established election date not less than 74 days after the adoption of the ordinance or the presentation of the petition to the governing body.

SEC. 16. Section 23710 of the Government Code is amended to read:

23710. The proposed charter or revised charter shall be submitted by the governing body to the qualified electors of the county at a special election held on the next established election date not less than 74 days after the completion of the publication, or posting provided for in Section 23709.

SEC. 17. Section 23711 of the Government Code is amended to read:

23711. As an alternative to the procedure provided for in Sections 23700 through 23710 of this article, the governing body of any county, on its own motion may propose or cause to be proposed or revise or cause to be revised, a proposed charter and submit the proposal for adoption to the electors at either a special election called for that purpose or at any general or special election. Any charter so submitted shall be advertised in the same manner as provided for the advertisement of a charter proposed by a charter commission; and the election on such charter shall be held on the next established election date not less than 74 days after the completion of the advertising in the official paper.

SEC. 18. Section 23722 of the Government Code is amended to read:

23722. Upon the presentation of a petition, or upon its own submission of a proposal to amend or repeal the charter, the governing body shall submit the amendment or amendments proposed or the question of the repeal of the charter to the qualified electors of the county at a special election held on the next established election date not less than 74 days after the publication of such proposal in the same manner as that provided in Section 23709 for a proposed or revised charter. In submitting the question of charter repeal or amendment, any alternative article or proposition may be presented for the choice of the electors, and may be voted on separately without prejudice to others.

SEC. 19. Section 34457 of the Government Code is amended to read:

34457. The proposed or revised charter shall be submitted to the electors of the city or city and county at a special election to be held on the next established election date not less than 74 days from the completion of the publication of the charter as provided in this article.

SEC. 20. Section 34902 of the Government Code is amended to read:

34902. If a majority of the votes cast on the proposition is for it, the office of mayor shall thereafter be an elective office. At the next succeeding general municipal election held in the city one of the offices of city councilman, to be filled at such election, shall be designated as the office of mayor, to be filled at such election. The person elected at such election as mayor shall hold office from the Tuesday succeeding his election, and until his successor is elected

and qualifies.

In the case of a vacancy in the office of the mayor for any reason, the council shall fill the vacancy by appointment. If the council fails to fill it within 30 days, it shall call an election to fill the vacancy to be held on the next established election date to be held not less than 74 days thereafter. A person appointed or elected to fill a vacancy shall hold office for the unexpired term of the former incumbent.

SEC. 21. Section 36503 of the Government Code is amended to read:

36503. Unless otherwise required by Section 34329.1 of this code, a general municipal election shall be held on the first Tuesday after the first Monday in March in each even-numbered year. Except as otherwise provided in this title, city councilmen, the city clerk, and the city treasurer shall be elected by the city electors at a general municipal election. City councilmen, the city clerk, and the city treasurer shall hold office for four years from the Tuesday succeeding their election, and until their successors are elected and qualified.

SEC. 22. Section 35122 of the Government Code is amended to read:

35122. If it finds by resolution adopted pursuant to Section 35121.1 that a majority protest is not made as prescribed in Section 35121, the city legislative body shall call a special election without delay and submit to the electors residing in the territory the question whether it shall be annexed to and incorporated within the city. Such election shall be held on the next established election date not less than 74 days after the termination of the hearing on protest or supplemental protests.

If it finds that the value of the territory proposed to be annexed equals one-half, or more, of that within the city, as shown by the last equalized assessment rolls, or that the number of qualified electors of the territory equals one-half, or more, of the number of qualified electors within the city, as shown by the county registration of voters, then the city legislative body shall also call a special election and submit to the electors residing in the city the same question at the same time as that submitted to the electors residing within the territory proposed to be annexed.

The city legislative body, as an alternative to the foregoing, may by its resolution thereupon terminate the proceedings without the necessity of calling such election. If proceedings are terminated hereunder, no further proceedings shall be taken for the annexation pursuant to this article of any of such territory by the city for one year.

SEC. 23. Section 61121 of the Government Code is amended to read:

61121. The election shall be held on the next established election date not less than 74 days from the date of the final hearing on the formation petition, except that in any area declared by the Governor to be a disaster area because of the December 1964 floods such election shall be held not less than 10 days nor more than 90 days

from the date of such hearing.

SEC. 24. Section 6447 of the Health and Safety Code is amended to read:

6447. The order shall:

(a) Fix the day of the election, which shall be held on the next established election date not less than 74 days from the date of the order.

(b) State that at the election there shall be elected a district assessor, and five members of the board.

SEC. 25. Section 9125 of the Public Resources Code is amended to read:

9125. Upon the making of an order granting a petition for formation and establishing the boundaries of a district the board shall forthwith call an election in the district upon the question of formation of the district and for the election of the first board of directors of the district, excepting those districts formed under Section 9095, subsection (b), of this code, to be held on the next established election date not less than 74 days from the date of the order.

SEC. 26. Section 2962 of the Public Utilities Code is amended to read:

2962. A special election shall be held on the next established election date not less than 74 days after the adoption of the ordinance of intention, or the presentation of the petition to the legislative body.

SEC. 27. Section 11641 of the Public Utilities Code is amended to read:

11641. Upon receipt of certified copies of the resolutions or of a sufficient petition, the board of supervisors to whom they are presented shall call an election within the proposed district without delay, to be held on the next established election date not less than 74 days after the date of the order calling the election, for the purpose of determining whether the proposed district will be created and established, and for the purpose of electing the first board of directors therefor in case the district is created.

SEC. 28. Section 15761 of the Public Utilities Code is amended to read:

15761. The special election shall be called by ordinance by each board of supervisors. The ordinance shall specify the purpose and time of the election, establish the election precincts, and designate the polling places and the names of the election officers for each precinct. The election shall be held on the next established election date not less than 74 days after completion of publication of the ordinance.

SEC. 29. Section 15951 of the Public Utilities Code is amended to read:

15951. At an election held in the district on the next established election date not less than 74 days after its formation a board of directors shall be elected, to consist of as many members as there are

territorial units in the district and as many additional members, not less than three nor more than four, as are required to constitute a board composed of an odd number of directors. Where the district lies entirely in one county the number of directors shall be three, elected at large.

SEC. 29 5. Section 27011 of the Public Utilities Code is amended to read:

27011. The board shall cause an election to be held in the territory proposed to be annexed on the next established election date not less than 74 days after it has finally approved the terms and conditions of annexation to determine whether the territory shall be annexed to the district upon the terms and conditions stated in the ordinance.

SEC. 30. Section 27426 of the Public Utilities Code is amended to read:

27426. The board shall call the election required by Sections 27421 and 27422 to be held on the next established election date not less than 74 days after the petition or resolution is filed with the secretary of the district.

SEC. 31. Section 27502 of the Public Utilities Code is amended to read:

27502. The election for the purpose of submitting to the voters of the district the question of whether or not the district shall be dissolved shall be held on the next established election date not less than 74 days next succeeding the date on which the petition is filed.

SEC. 32. Section 29681 of the Public Utilities Code is amended to read:

29681. Such election shall be held on the next established election date not less than 74 days after the board's approval of the creation of the special service district.

SEC. 33. Section 40501 of the Public Utilities Code is amended to read:

40501. The election for the purpose of submitting to the voters of the district the question of whether or not the district shall be dissolved shall be held on the next established election date not less than 74 days next succeeding the date on which the petition is filed

SEC. 34. Section 98401 of the Public Utilities Code is amended to read:

98401. The election for the purpose of submitting to the voters of the district the question of whether or not the district shall be dissolved shall be held on the next established election date not less than 74 days next succeeding the date on which the petition is filed.

SEC 35. Section 98402 of the Public Utilities Code is amended to read:

98402. Notice of any election for dissolution, whether called because of the filing of a petition or ordered by the board without petition, shall be published. The election shall be held on the next established election date not less than 74 days from the date of the first publication of the notice.

SEC. 36. Section 19090 of the Streets and Highways Code is amended to read:

19090. Within 30 days after acquiring jurisdiction to proceed, the board of supervisors shall by resolution order that an election be held in the proposed district to determine whether or not the district shall be formed. The board may establish one or more voting precincts within the district and appoint one inspector, one judge, and two clerks residing in the district for each voting precinct to conduct the election, which must be held on the next established election date not less than 74 days after the date of the resolution ordering it to be held.

SEC. 37. Section 30291 of the Water Code is amended to read:

30291. The election shall be held on the next established election date not less than 74 days from the date of the final hearing on the formation petition.

SEC. 38. Section 6011 of the Water Code is amended to read:

60111. When such order dividing the proposed district into five (5) divisions is made, said board of supervisors shall call and provide for the holding of an election to be held in said proposed district for the purpose of determining whether or not the same shall be incorporated, and for the purpose of electing the first board of directors, if the district is incorporated. The election shall be held on the next established election date not less than 74 days from the date of the adoption of the resolution or ordinance calling the election. The notice of such election shall describe the boundaries of the proposed district, as modified by the report of the department, and of the divisions thereof as so established, and shall state the proposed name of the proposed district (which name shall contain the words "_____ Water Replenishment District"), and shall state that the first directors will be elected at such election, who shall take office if the district is incorporated, and shall set forth the names of the candidates of the offices of the directors from the respective divisions. The notice of election shall be published in each affected county pursuant to Section 6061 of the Government Code. Publication shall be complete at least seven, but not more than 28, days prior to the date of election.

SEC. 39. Section 71162 of the Water Code is amended to read:

71162. The formation election shall be held on the next established election date not less than 74 days from the date of adoption of the resolution or ordinance calling the election.

For purposes of this election the board of supervisors may consolidate election precincts of one or more divisions.

SEC. 40. Section 74093 of the Water Code is amended to read:

74093. The formation election shall be held on the next established election date not less than 74 days after the date of filing the formation petition.

SEC. 41. The amendments to Section 36503 of the Government Code in Section 21 of this act shall not take effect in the event Assembly Bill No. 996 of the 1973–74 Regular Session is enacted into

law and also amends Section 36503 of the Government Code.

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## CHAPTER 1147

*An act to amend Section 4600 of the Labor Code, relating to workmen's compensation, and making an appropriation therefor.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 4600 of the Labor Code is amended to read:

4600. Medical, surgical, and hospital treatment, including nursing, medicines, medical and surgical supplies, crutches, and apparatus, including artificial members, which is reasonably required to cure or relieve from the effects of the injury shall be provided by the employer. In the case of his neglect or refusal seasonably to do so, the employer is liable for the reasonable expense incurred by or on behalf of the employee in providing treatment.

In accordance with the rules of practice and procedure of the appeals board, the employee, or the dependents of a deceased employee, shall be reimbursed for expenses reasonably, actually, and necessarily incurred for X-rays, laboratory fees, medical reports, and medical testimony to prove a contested claim. The reasonableness of and necessity for incurring such expenses to prove a contested claim shall be determined with respect to the time when such expenses were actually incurred. Expenses of medical testimony shall be presumed reasonable if in conformity with the fee schedule charges provided for impartial medical experts appointed by the administrative director.

Where at the request of the employer, the employer's insurance carrier, the administrative director, the appeals board or a referee, the employee submits to examination by a physician, he shall be entitled to receive in addition to all other benefits herein provided all reasonable expenses of transportation, meals and lodging incident to reporting for such examination, together with one day of temporary disability indemnity for each day of wages lost in submitting to such an examination. "Reasonable expenses of transportation" includes mileage fees from the employee's home to the place of the examination and back at the rate of fourteen cents ($0.14) a mile, plus any bridge tolls. Such mileage and tolls shall be paid to the employee at the time he is given notification of the time and place of the examination.

SEC. 1.3. Section 4600 of the Labor Code is amended to read:

4600. Medical, surgical, and hospital treatment, including nursing, medicines, medical and surgical supplies, crutches, and apparatus, including artificial members, which is reasonably

required to cure or relieve from the effects of the injury shall be provided by the employer. The employer based on qualified medical advice may, or at the request of the employee shall, designate the area of medical specialty and provide the injured employee with a panel of five physicians from the discipline involved. The employee may select one of the five or may in preference select a licensed physician from the employer-designated specialty who practices within a reasonable geographical area. In the case of his neglect or refusal seasonably to do so, the employer is liable for the reasonable expense incurred by or on behalf of the employee in providing treatment.

In accordance with the rules of practice and procedure of the appeals board, the employee, or the dependents of a deceased employee, shall be reimbursed for expenses reasonably, actually, and necessarily incurred for X-rays, laboratory fees, medical reports, and medical testimony to prove a contested claim. The reasonableness of and necessity for incurring such expenses to prove a contested claim shall be determined with respect to the time when such expenses were actually incurred. Expenses of medical testimony shall be presumed reasonable if in conformity with the fee schedule charges provided for impartial medical experts appointed by the administrative director.

Where at the request of the employer, the employer's insurance carrier, the administrative director, the appeals board or a referee, the employee submits to examination by a physician, he shall be entitled to receive in addition to all other benefits herein provided all reasonable expenses of transportation, meals and lodging incident to reporting for such examination, together with one day of temporary disability indemnity for each day of wages lost in submitting to such an examination. "Reasonable expenses of transportation" includes mileage fees from the employee's home to the place of the examination and back at the rate of fourteen cents ($0.14) a mile, plus any bridge tolls. Such mileage and tolls shall be paid to the employee at the time he is given notification of the time and place of the examination.

SEC. 1.5. Section 4600 of the Labor Code is amended to read:

4600. Medical, surgical, and hospital treatment, including nursing, medicines, medical and surgical supplies, crutches, and apparatus, including artificial members, which is reasonably required to cure or relieve from the effects of the injury shall be provided by the employer. In the case of his neglect or refusal seasonably to do so, the employer is liable for the reasonable expense incurred by or on behalf of the employee in providing treatment.

In accordance with the rules of practice and procedure of the appeals board, the employee, or the dependents of a deceased employee, shall be reimbursed for expenses reasonably, actually, and necessarily incurred for X-rays, laboratory fees, medical reports, and medical testimony to prove a contested claim. The reasonableness of and necessity for incurring such expenses to prove a contested claim

shall be determined with respect to the time when such expenses were actually incurred. Expenses of medical testimony shall be presumed reasonable if in conformity with the fee schedule charges provided for impartial medical experts appointed by the administrative director.

Where at the request of the employer, the employer's insurance carrier, the administrative director, the appeals board or a workmen's compensation judge, the employee submits to examination by a physician, he shall be entitled to receive in addition to all other benefits herein provided all reasonable expenses of transportation, meals and lodging incident to reporting for such examination, together with one day of temporary disability indemnity for each day of wages lost in submitting to such an examination. "Reasonable expenses of transportation" includes mileage fees from the employee's home to the place of the examination and back at the rate of fourteen cents ($0.14) a mile, plus any bridge tolls. Such mileage and tolls shall be paid to the employee at the time he is given notification of the time and place of the examination.

SEC 1.8. Section 4600 of the Labor Code is amended to read:

4600. Medical, surgical, and hospital treatment, including nursing, medicines, medical and surgical supplies, crutches, and apparatus, including artificial members, which is reasonably required to cure or relieve from the effects of the injury shall be provided by the employer. The employer based on qualified medical advice may, or at the request of the employee shall, designate the area of medical specialty and provide the injured employee with a panel of five physicians from the discipline involved. The employee may select one of the five or may in preference select a licensed physician from the employer-designated specialty who practices within a reasonable geographical area. In the case of his neglect or refusal seasonably to do so, the employer is liable for the reasonable expense incurred by or on behalf of the employee in providing treatment.

In accordance with the rules of practice and procedure of the appeals board, the employee, or the dependents of a deceased employee, shall be reimbursed for expenses reasonably, actually, and necessarily incurred for X-rays, laboratory fees, medical reports, and medical testimony to prove a contested claim. The reasonableness of and necessity for incurring such expenses to prove a contested claim shall be determined with respect to the time when such expenses were actually incurred. Expenses of medical testimony shall be presumed reasonable if in conformity with the fee schedule charges provided for impartial medical experts appointed by the administrative director.

Where at the request of the employer, the employer's insurance carrier, the administrative director, the appeals board or a workmen's compensation judge, the employee submits to examination by a physician, he shall be entitled to receive in addition

to all other benefits herein provided all reasonable expenses of transportation, meals and lodging incident to reporting for such examination, together with one day of temporary disability indemnity for each day of wages lost in submitting to such an examination. "Reasonable expenses of transportation" includes mileage fees from the employee's home to the place of the examination and back at the rate of fourteen cents ($0.14) a mile, plus any bridge tolls. Such mileage and tolls shall be paid to the employee at the time he is given notification of the time and place of the examination.

SEC. 2. The sum of twenty-eight thousand dollars ($28,000) is hereby appropriated from the General Fund to the State Controller for payments to local agencies pursuant to Section 2232 of the Revenue and Taxation Code to reimburse them for costs incurred pursuant to this act. This appropriation shall be available until June 30, 1974.

Payments shall be made to local agencies in accordance with the following provisions:

Each local agency to which the mandate is applicable shall submit to the State Controller, within 45 days of the operative date of the mandate, a claim for reimbursement based upon its estimate of the units of work to be performed during the 1973–74 fiscal year.

Computation of amounts claimed for units of work shall be on the basis of a unit cost in the amount of two cents ($0.02) per mile traveled by employee for the purpose of medical examination requested by employer which shall be the unit of work. The State Controller shall pay each claimant as reimbursement for units of work an amount determined by multiplying:

(1) The unit cost of work as specified herein, by

(2) The number of units of work estimated to be performed by the claimant.

Any payment, adjustment, or audit of claims by the State Controller shall be on the basis of units of work, rounded to the nearest whole unit, and at the unit costs specified herein rather than actual costs. The State Controller

(1) May reduce any claim which he determines is excessive or unreasonable,

(2) May audit the records of any local agency to verify the actual units of work performed, and

(3) Shall make any adjustments necessary to correct for underpayments or overpayments which occurred in the 1973–74 fiscal year.

Claims for reimbursement shall be prepared in the form, and payments made at the time, specified by the State Controller. No claim or amendment to a claim shall be accepted by the State Controller after the time prescribed herein for filing of claims.

In the event that the amount appropriated for reimbursement purposes pursuant to this act is not sufficient to pay all claims filed timely, the State Controller shall pay such claims on a pro rata basis

and notify the Director of Finance of the deficiency.

SEC. 3. It is the intent of the Legislature that if this bill and Assembly Bill No. 1516 or Assembly Bill No. 804, or both, are chaptered, become effective January 1, 1974, and amend Section 4600 of the Labor Code, and this bill is chaptered last, that amendments proposed by each of the bills which are chaptered be given effect as follows:

(a) If this bill and Assembly Bill No. 1516 are both chaptered, become effective January 1, 1974, and amend Section 4600 of the Labor Code, but Assembly Bill No. 804 is not chaptered or as chaptered does not amend that section, and this bill is chaptered after Assembly Bill No. 1516, the amendments proposed by both bills shall be given effect and incorporated in Section 4600 in the form set forth in Section 1.3 of this act. Therefore, if Assembly Bill No. 1516 is chaptered before this bill and both bills amend Section 4600 and Assembly Bill No. 804 is not chaptered or as chaptered does not amend that section, Section 1.3 of this act shall be operative and Sections 1, 1.5, and 1.8 of this act shall not become operative.

(b) If this bill and Assembly Bill No. 804 are both chaptered, become effective January 1, 1974, and amend Section 4600 of the Labor Code, but Assembly Bill No. 1516 is not chaptered or as chaptered does not amend that section, and this bill is chaptered after Assembly Bill No. 804, the amendments proposed by both bills shall be given effect and incorporated in Section 4600 in the form set forth in Section 1.5 of this act. Therefore, if Assembly Bill No. 804 is chaptered before this bill and both bills amend Section 4600, and Assembly Bill No. 1516 is not chaptered or as chaptered does not amend that section, Section 1.5 shall be operative and Sections 1, 1.3, and 1.8 of this act shall not become operative.

(c) If this bill and Assembly Bill No. 1516 and Assembly Bill No. 804 are all chaptered, and all three bills become effective January 1, 1974, and amend Section 4600 of the Labor Code, and this bill is chaptered after Assembly Bill No. 1516 and Assembly Bill No. 804, the amendments proposed by all three bills shall be given effect and incorporated in Section 4600 in the form set forth in Section 1.8 of this act. Therefore, if Assembly Bill No. 1516 and Assembly Bill No. 804 are both chaptered before this bill and all three bills amend Section 4600 of the Labor, Section 1.8 of this act shall be operative and Sections 1, 1.3 and 1.5 of this act shall not become operative.

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## CHAPTER 1148

*An act to add Sections 9027, 9028, 9029, 9030, 9031, and 9032 to the Government Code, relating to meetings of the Legislature.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 9027 is added to the Government Code, to read:

9027. All meetings of the Assembly and Senate and the committees and subcommittees thereof, and any conference committee on the budget, shall be open and public and all the proceedings shall be conducted openly so that the public may remain informed, except as otherwise provided in this article.

SEC. 2. Section 9028 is added to the Government Code, to read:

9028. Any such meetings at which the discussion or adoption of any proposed resolution, rule, regulation, or formal action occurs, or at which a majority or quorum of the body is in attendance, shall be held only after full and timely notice to the public as provided by the Joint Rules of the Senate and Assembly.

SEC. 3. Section 9029 is added to the Government Code, to read:

9029. Nothing contained in this article shall be construed to prevent: the Assembly or the Senate or a committee or subcommittee thereof from holding executive sessions to consider the appointment of members to committees or to the chairmanship or vice chairmanship thereof, or to consider the appointment, employment or dismissal of a public officer or employee or to hear complaints or charges brought against such officer or employee, or an elected public official, or to consider matters relating to internal house management, or to consider assignment of bills to committee, or affecting the safety and security of the State Capitol or Members of the Legislature, its staff and employees, or the Members of the Assembly or the Senate from meeting privately in caucus with members of their own political party, or a legislative conference committee, other than on the budget, consisting of members of both houses duly appointed and meeting to consider legislation when the first house refused to concur in amendments of the second house.

SEC. 4. Section 9030 is added to the Government Code, to read:

9030. Each Member of the Legislature who attends a meeting of the Assembly, the Senate, or any committee or subcommittee thereof, where action is taken in violation of Section 9027, with knowledge of the fact that the meeting is in violation thereof, is guilty of a misdemeanor.

SEC. 5. Section 9031 is added to the Government Code, to read:

9031. Any interested person may commence an action by mandamus, injunction or declaratory relief for the purpose of stopping or preventing violations or threatened violations of Section 9027 by Members of the Legislature or to determine the applicability of this chapter to actions or threatened future action of the Legislature.

SEC. 6. Section 9032 is added to the Government Code, to read:

9032. If any provision of this article, or the application thereof, to any person or circumstance is held invalid, the validity of the remainder of such article and the application of such provision to

other persons and circumstances shall not be affected thereby.

SEC. 7. This act shall be known and may be cited as the "Grunsky-Burton Open Meeting Act."

SEC. 8. Notwithstanding Section 2231 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to that section nor shall there be any appropriation made by this act because the Legislature recognizes that during any legislative session a variety of changes to laws relating to crimes and infractions may cause both increased and decreased costs to local government entities and school districts which, in the aggregate, do not result in significant identifiable cost changes.

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## CHAPTER 1149

*An act to add Section 21023.6 to, the Government Code, relating to disability retirement, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973.]

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

SECTION 1. Section 21023.6 is added to the Government Code, to read:

21023.6. Notwithstanding any other provision of this part, a local safety member shall be retired for disability only upon his employer's determination that he is incapacitated physically or mentally for the performance of the duties of his position and termination of his employment for that reason. The employer or, on application of either the employer or the member in the event of dispute, the Workmen's Compensation Appeals Board in accordance with this article shall determine whether the disability is industrial. Notwithstanding Section 21025.5, in the event of a dispute over the effective date of the disability retirement, the retirement shall be effective on the date the employee's condition is permanent and stationary as found by the Workmen's Compensation Appeals Board. Any local safety member retired for disability shall not be reinstated from retirement except upon the determination of the employer from whose employment he was retired that he is no longer incapacitated for the duties of the position held when retired.

SEC. 2. Notwithstanding Section 2164.3 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to this act nor shall there be any appropriation made by this act because there are minor savings as well as minor costs in this act which, in the aggregate, do not result in significant identifiable cost changes.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health or safety within

the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In order that certain disabled peace officers may be able to enter into immediate retirement and be replaced by nondisabled personnel it is necessary that this act be given immediate effect.

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## CHAPTER 1150

*An act to amend Section 18201 of, to add Sections 18003.2, 18203.7, and 18669.2 to, and to add Chapter 10 (commencing with Section 19100) to Division 7 of, the Financial Code, relating to mortgage bankers.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973]

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

SECTION 1. Section 18003.2 is added to the Financial Code, to read:

18003.2. "Mortgage banker" means any industrial loan company incorporated under this division which, by the terms of its authority to engage in the industrial loan business, is not permitted to issue or sell investment certificates and the business of which is limited to that set forth in Chapter 10 (commencing with Section 19100) of this division.

SEC. 2. Section 18201 of the Financial Code is amended to read:

18201. The articles of incorporation of a corporation formed under this division shall include a statement that such corporation is incorporated under this division.

The articles of incorporation of any corporation formed under this division as a premium finance agency or mortgage banker shall include reference to that fact.

SEC. 3. Section 18203.7 is added to the Financial Code, to read:

18203.7. The capital stock of any mortgage banker shall be not less than one hundred thousand dollars ($100,000) and need not exceed that sum regardless of the number of branch offices or business locations which may be authorized under the provisions of this division.

SEC. 4. Section 18669.2 is added to the Financial Code, to read:

18669.2. The provisions of subdivisions (b) and (c) of Section 18200.2, subdivision (a) of Section 18200.3, and subdivision (a) of Section 18422, and of Sections 18203, 18205, 18207, 18208, 18209, 18211, 18211.1, 18405, 18405.1, 18405.2, 18405.3, 18406.1, 18406.2, 18406.3, 18407, 18408, 18412, 18413, 18613, 18615, 18623, 18624, 18627, 18650, 18652, 18653, 18654, 18655, 18657, 18658, 18660.1, 18660.5, 18667, 18668.2, 18668.3, 18670, 18671, 18672, 18675, 18676, 18677, 18678, 18681, 18682, 18683, and 18684 shall not apply to a mortgage banker or to any

loan made by a mortgage banker.

SEC. 5. Chapter 10 (commencing with Section 19100) is added to Division 7 of the Financial Code, to read:

## CHAPTER 10. MORTGAGE BANKERS

### Article 1. Definitions

19100. As used in this chapter, "mortgage banking" means the activities of a company engaging in the business of making mortgage banking loans.

19101. As used in this chapter, "company" means a mortgage banker.

19102. A mortgage banking loan is a loan made to a corporation or partnership secured directly or collaterally solely by a lien on real property, except furniture and fixtures which have a direct bearing on the economic value of the real property which secures such loan, in the principal amount of one hundred thousand dollars ($100,000) or more, and any extensions, modifications or forbearances thereof or additional advances thereunder. For purposes of Section 19130, the date of the execution of the first note or other agreement shall be deemed to be the date of execution of the loan and any extension, modification, or forbearance thereof or additional advances thereunder.

19103. As used in this chapter, "servicing" is the collection of payment of interest and principal and other sums due on a mortgage banking loan and the performance of bookkeeping and accounting functions incident thereto.

### Article 2. General Provisions

19130. No mortgage banking loan shall be assigned or otherwise transferred within 90 days after the date of execution. Thereafter, a mortgage banking loan may be assigned to a third party, whether or not licensed under this division, so long as the servicing of the loan is always performed by a mortgage banker, which may or may not be the mortgage banker making the loan. The rights of a mortgage banker, under this chapter, shall also accrue to the assignee or transferee of a mortgage banking loan.

None of the foregoing shall prohibit a mortgage banker from agreeing, prior to making a loan to assign or otherwise transfer the loan subject to the foregoing limitations.

19131. In the event of any conflict in the provisions of this chapter with the provisions of any other chapter in the division, the provisions of this chapter shall control with regard to mortgage banking. The transfer or assignment of a mortgage banking loan shall not affect the regulatory powers of the commissioner over the mortgage banker with respect to the loan.

# CHAPTER 1151

*An act to amend Section 11161.5 of the Penal Code, relating to minors.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 11161.5 of the Penal Code, as amended by Chapter 421 of the Statutes of 1972, is amended to read:

11161.5. (a) In any case in which a minor is brought to a physician and surgeon, dentist, resident, intern, podiatrist, chiropractor, or religious practitioner for diagnosis, examination or treatment, or is under his charge or care, or in any case in which a minor is observed by any registered nurse when in the employ of a public health agency, school, or school district and when no physician and surgeon, resident, or intern is present, by any superintendent, any supervisor of child welfare and attendance, or any certificated pupil personnel employee of any public or private school system or any principal of any public or private school, by any teacher of any public or private school, by any licensed day care worker, by an administrator of a public or private summer day camp or child care center, or by any social worker, and it appears to the physician and surgeon, dentist, resident, intern, podiatrist, chiropractor, religious practitioner, registered nurse, school superintendent, supervisor of child welfare and attendance, certificated pupil personnel employee, school principal, teacher, licensed day care worker, by an administrator of a public or private summer day camp or child care center or social worker from observation of the minor that the minor has physical injury or injuries which appear to have been inflicted upon him by other than accidental means by any person, he shall report such fact by telephone and in writing, within 36 hours, to both the local police authority having jurisdiction and to the juvenile probation department; or, in the alternative, either to the county welfare department, or to the county health department. The report shall state, if known, the name of the minor, his whereabouts and the character and extent of the injuries

Whenever it is brought to the attention of a director of a county welfare department or health department that a minor has physical injury or injuries which appear to have been inflicted upon him by other than accidental means by any person, he shall file a report without delay with the local police authority having jurisdiction and to the juvenile probation department as provided in this section.

No person shall incur any civil or criminal liability as a result of making any report authorized by this section.

Copies of all written reports received by the local police authority shall be forwarded to the Department of Justice. If the records of the Department of Justice maintained pursuant to Section 11110 reveal

any reports of suspected infliction of physical injury upon the same minor or upon any other minor in the same family by other than accidental means, or if the records reveal any arrest or conviction in other localities for a violation of Section 273a inflicted upon the same minor or any other minor in the same family, or if the records reveal any other pertinent information with respect to the same minor or any other minor in the same family, the local reporting agency and the local juvenile probation department shall be immediately notified of the fact.

Reports and other pertinent information received from the department shall be made available to: any licensed physician and surgeon, dentist, resident, intern, podiatrist, chiropractor, or religious practitioner with regard to his patient or client; any director of a county welfare department, school superintendent, supervisor of child welfare and attendance, certificated pupil personnel employee, or school principal having a direct interest in the welfare of the minor; and any probation department, juvenile probation department, or agency offering child protective services.

(b) If the minor is a person specified in Section 600 of the Welfare and Institutions Code and the duty of the probation officer has been transferred to the county welfare department pursuant to Section 576.5 of the Welfare and Institutions Code and the report is made to the local police authority having jurisdiction, then the report required by subdivision (a) of this section shall be made to the county welfare department.

(c) As used in this section, "minor" means a person 12 years of age or under.

SEC. 2. There are no state-mandated local costs in this act that require reimbursement under Section 2231 of the Revenue and Taxation Code because (a) there are no duties, obligations, or responsibilities imposed on local governments by this act, (b) this act consists of technical changes to statutes enacted prior to January 1, 1973, and (c) this act merely affirms for the state that which has been declared existing law or regulation through action by the federal government.

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## CHAPTER 1152

*An act to repeal and add Part 2 (commencing with Section 3301) of Division 3 of the Food and Agricultural Code, to amend Section 11200 of the Government Code, and to add Section 830.31 to the Penal Code, relating to expositions and fairs.*

[Approved by Governor October 2, 1973. Filed with Secretary of State October 2, 1973.]

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

SECTION 1. Part 2 (commencing with Section 3301) of Division 3 of the Food and Agricultural Code is repealed.

SEC. 2. Part 2 (commencing with Section 3301) is added to Division 3 of the Food and Agricultural Code, to read:

## PART 2. CALIFORNIA EXPOSITION AND STATE FAIR

### CHAPTER 1. GENERAL PROVISIONS

3301. There is in the Department of Parks and Recreation a Division of Exposition and State Fair to administer the California Exposition and State Fair.

3302. There is in the division the California State Fair Advisory Commission. The advisory commission shall consist of nine members appointed by the Governor. The terms of office of the members of the commission shall be for four years, except that the members first appointed to the commission shall classify themselves by lot so that the terms of office of three members shall expire at the end of two years after the effective date of this article; the terms of office of three members shall expire at the end of three years after the effective date of this article; and the terms of office of three members shall expire at the end of four years after the effective date of this article. The members shall have a demonstrated interest in, and knowledge of, livestock, poultry, and other agricultural animals, the production and marketing of all types of agricultural products, the conduct and management of state and local fairs, the operations of local government, the conducting of horseracing meetings, industries and industrial products of the state, commercial products exported and imported through the ports of the state, labor, and the arts.

3303. The advisory commission shall annually elect a chairman and vice chairman from among its members.

3304. The Director of Parks and Recreation shall appoint the secretary of the advisory commission.

3305. The members of the advisory commission shall serve without compensation, but each of the members shall be reimbursed for all necessary expenses actually incurred in the performance of his duties.

3306. The advisory commission shall provide information and advice to the department with respect to the operation and management of the annual California State Fair.

3307. As used in this part "department" means the Department of Parks and Recreation.

3308. As used in this part "California Exposition and State Fair" means the fair conducted at the fair site in Sacramento County adjacent to the American River.

## CHAPTER 2. POWER AND DUTIES

3321. The department shall manage the California Exposition and State Fair, and provide for an annual fair in one or more seasonal divisions in Sacramento County of the industries and industrial products of this state and commercial products exported and imported through the ports of this state. The fair shall be designated as the California State Fair.

3322. The Division of Exposition and State Fair may contract with any nonprofit corporation for the administration of the California Exposition and State Fair.

3323. The Director of General Services may lease for such term as he deems advisable, or sell, any portion of the exposition site for commercial or industrial development in areas of the exposition site which are designated in writing by the department, subject to such consideration and other provisions as the Director of General Services deems will best serve the interests of the state. Any consideration which is received from sale or lease of the property shall be credited to the State Fair Fund, except to the extent any consideration from any such property which is leased is permitted, with the approval of the Director of General Services, to be assigned for value received by the corporation. The Director of General Services may make any conveyance which is necessary to effectuate and implement such sale or lease, including, but not limited to, any easement which is necessary to permit utilization of the property by a lessee or vendee.

3324. The Director of Parks and Recreation may appoint all necessary marshals and police to keep order and preserve peace at the California Exposition and State Fair. The officers who are so appointed shall be vested with the same authority as peace officers for the preservation of order and peace at the California Exposition and State Fair. The primary duty of any such peace officer shall be the enforcement of the rules and regulations of the department for the California Exposition and State Fair and to arrest persons for the commission of any public offense within the California Exposition and State Fairgrounds. The authority and powers of any such peace officer shall be limited to those conferred by law on peace officers as specified in Section 830.31 of the Penal Code.

The department may establish rules and regulations not inconsistent with law for the government and administration of the California Exposition and State Fair.

3325. The department shall submit a report to the Legislature and Governor on or before January 30, 1975, and every two years thereafter, respecting the financial condition, present operations, and future planned activities of the exposition. The department shall require the corporation to furnish any information or material which is necessary to make such report.

CHAPTER 3. FUNDING

3351. The Division of Exposition and State Fair shall be funded on a two-year basis and shall be subject to the provisions of Section 12016 of the Government Code.

3352. All money which is received by, or appropriated to, the State Fair Fund shall be transferred to the Department of Parks and Recreation to carry out the provision of this part.

3353. The Department of Parks and Recreation shall assume all of the obligation for any revenue bonds issued pursuant to Chapter 1072 of the Statutes of 1957.

Nothing in this part shall impair any of the rights given the holders of bonds sold by the State Public Works Board pursuant to the State Building Construction Act of 1955, Part 10b (commencing with Section 15800) of Division 3, Title 2 of the Government Code.

SEC. 2. Section 11200 of the Government Code is amended to read:

11200. The Governor, upon recommendation of the director of the following state departments, may appoint not to exceed two chief deputies for the Directors of the Departments of Finance, Transportation, General Services, and Health, and not to exceed one chief deputy for the Directors of the Departments of Social Welfare, Food and Agriculture, Insurance, Human Resources Development, Motor Vehicles, Consumer Affairs, Water Resources, and Parks and Recreation.

The deputies provided for in this section shall be in addition to those authorized by any other law.

SEC. 3. Section 830.31 is added to the Penal Code, to read:

830.31. Marshals and police appointed by the Director of Parks and Recreation pursuant to Section 3324 of the Food and Agricultural Code are peace officers, provided that the primary duty of any such peace officer shall be the enforcement of the law as prescribed in Section 3324 of the Food and Agricultural Code and the authority of any such officer extends to any place in the state; provided, that except as provided in Section 830.6, or Section 1509.7 of the Military and Veterans Code, any such peace officer shall be deemed a peace officer only for purposes of his primary duty, and shall not act as a peace officer in enforcing any other law except:

(1) When in pursuit of any offender or suspected offender; or

(2) To make arrests for crimes committed, or which there is probable cause to believe have been committed, in his presence while he is in the course of his employment; or

(3) When, while in uniform, such officer is requested, as a peace officer, to render such assistance as is appropriate under the circumstances to the person making such request, or to act upon his complaint, in the event that no peace officer otherwise authorized to act in such circumstances is apparently and immediately available and capable of rendering such assistance or taking such action.

# CHAPTER 1153

*An act to amend Section 1202.5 of the Public Utilities Code, to amend Sections 190 and 2102 of, to add Sections 191, 2104.1, and 2107.1 to, to add Chapter 8 (commencing with Section 2400) to Division 3 of, and to repeal Sections 189, 190.01, 190.1, 190.2, 190.3, 190.4, 190.5, and 191 of, the Streets and Highways Code, and to amend Sections 8352 and 8352.2 of, and to add and repeal Section 8352.8 to, the Revenue and Taxation Code, relating to streets and highways.*

[Approved by Governor October 2, 1973. Filed with Secretary of State October 2, 1973.]

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

SECTION 1. The Legislature hereby finds and declares that:

(a) Concern for public safety and convenience makes it desirable that an expanded program be undertaken that places the highest priority on eliminating the most hazardous railroad-highway grade crossings that continue to take the lives of the people of this state.

(b) Previous programs designed to accomplish the removal of hazardous grade crossings in this state have proven to be inadequate for the following reasons:

(1) A disproportionate amount of the total funds made available for such projects has been used by the larger local governmental agencies, while smaller local agencies have not been able to accumulate the local matching funds required to take advantage of the program.

(2) Preexisting law did not permit the use of such funds to eliminate equally serious and hazardous grade crossings along conventional state highways.

(3) Preexisting law required the imposition of cumbersome administrative procedures which discouraged many of the state's smaller local agencies from taking advantage of the program.

(c) The prior methods used to develop the construction priority list for these projects too often fail to identify the most hazardous crossing locations because inordinate emphasis is given to those projects which can be readily funded by the local agency.

(d) Because of the defects in the preexisting law, approximately twenty-five million dollars ($25,000,000) has accumulated in the fund set aside by the Legislature to carry out this essential program for the removal of hazardous grade crossings.

SEC. 1.5. Section 1202.5 of the Public Utilities Code is amended to read:

1202.5. In prescribing the proportions in which the expense of construction, reconstruction, alteration, or relocation of grade separations shall be divided between railroad or street railroad corporations and public agencies, in proceedings under Section 1202, the commission, unless otherwise provided in this section, shall be governed by the following standards:

(a) Where a grade separation project, whether initiated by a public agency or a railroad, will not result in the elimination of an existing grade crossing, located at or within a reasonable distance from the point of crossing of the grade separation, the commission shall require the public agency or railroad applying for authorization to construct such grade separation to pay the entire cost.

(b) Where a grade separation project initiated by a public agency will directly result in the elimination of one or more existing grade crossings, located at or within a reasonable distance from the point of crossing of the grade separation, the commission shall apportion against the railroad 10 percent of the cost of the project. The remainder of such costs shall be apportioned against the public agency or agencies affected by such grade separation.

(c) Where a grade separation project initiated by a railroad will directly result in the elimination of an existing grade crossing, located at or within a reasonable distance from the point of crossing of the grade separation, the commission shall apportion 10 percent of the cost, attributable to the presence of the highway facilities, against the public agency or agencies affected by the project, and the remainder thereof to the railroad or railroads applying for authorization to construct such grade separation.

(d) Where the project consists of an alteration or reconstruction of an existing grade separation for the purpose of increasing the capacity of the structure for highway purposes, the commission shall apportion 10 percent of the cost against the railroad and the balance against the public agency or agencies affected by such grade separation.

Where the project consists of an alteration or reconstruction of an existing grade separation for the purpose of increasing the capacity of the structure for railway purposes, the commission shall apportion 10 percent of the cost against the public agency or agencies affected and the balance against the railroad applying for authorization to alter or reconstruct such grade separation.

(e) In the event the commission finds that a particular project does not clearly fall within the provisions of any one of the above categories, the commission shall make a specific finding of fact on the relation of the project to each of the categories, and in apportioning the costs, it shall assess against the railroad a reasonable percentage, if any, of the cost not exceeding the percentage specified in subsection (b), dependent on the findings of the commission with respect to the relation of the project to each category. The remainder of such cost shall be apportioned against the public agency or agencies affected by the project.

(f) In the event the commission finds that the respective shares of any apportionment should be divided between two or more railroads or two or more public agencies, the commission, to the extent that it has jurisdiction to do so in a particular proceeding before it, shall divide the shares between the railroads or the public agencies, or both, on any reasonable basis, to be decided by the

commission, but in so doing shall follow the standards hereinabove prescribed for apportionment between railroads and public agencies, respectively.

(g) The standards herein prescribed for apportionment of costs of grade separations shall not be applicable where federal funds are used. On such projects, the apportionments shall be in accordance with federal law and the rules, regulations, and orders of the federal agency administering such law, where applicable.

(h) No provision of this section or of the Public Utilities Code shall be construed as in any way limiting the right of public agencies or railroads to negotiate agreements apportioning costs of grade separations, and the validity of any and all such agreements is hereby recognized for all purposes regardless whether the method of apportionment prescribed therein conforms to the standards hereinabove prescribed.

As used in this section "public agency" includes a separation of grade district, as well as the state, a county, city, or other political subdivision.

SEC. 2 Section 189 of the Streets and Highways Code is repealed.

SEC. 3. Section 190 of the Streets and Highways Code is amended to read:

190. In each annual budget report prepared by the commission and the department under Section 143.1, commencing with the 1974–75 fiscal year, the sum of fifteen million dollars ($15,000,000), which sum may include federal funds available for grade separation projects, shall be set aside for allocations to grade separation projects, in accordance with the provision of Chapter 8 (commencing with Section 2400) of Division 3. Commencing with the 1974–75 fiscal year, the funds set aside for such purposes by this section each fiscal year, or by any other provision of law, shall be available for allocation and expenditure without regard to fiscal years.

SEC. 4. Section 190.01 of the Streets and Highways Code is repealed.

SEC. 5. Section 190.1 of the Streets and Highways Code is repealed.

SEC. 6. Section 190.2 of the Streets and Highways Code is repealed.

SEC. 7. Section 190.3 of the Streets and Highway Code is repealed.

SEC. 8. Section 190.4 of the Streets and Highways Code is repealed.

SEC. 9. Section 190.5 of the Streets and Highways Code is repealed.

SEC. 10. Section 191 of the Streets and Highways Code is repealed.

SEC. 10.3. Section 191 is added to the Streets and Highways Code, to read:

191. Prior to July 15, 1975, and each year thereafter, the department shall prepare and forward to the State Controller a

report identifying the amounts to be deducted from the allocations under Sections 2104 and 2107 as provided in Sections 2104.1 and 2107.1 Such amounts shall be a proration of five million dollars ($5,000,000), less the sum available from federal subventions for grade separation projects in the preceding fiscal year in excess of three million dollars ($3,000,000) The proration shall be based on the ratio that grade separation allocations to cities, and grade separation allocations to counties, bears to the total allocations in the preceding fiscal year.

SEC. 10.5. Section 2104 1 is added to the Streets and Highways Code, to read:

2104.1. Commencing with the 1976–77 fiscal year, the State Controller shall deduct annually, from the amount apportioned pursuant to Section 2104, the amount identified as applicable to counties in the report submitted to him in the preceding fiscal year pursuant to Section 191, and shall transfer such amount to the State Highway Account in the State Transportation Fund.

SEC. 10.7. Section 2107 1 is added to the Streets and Highways Code, to read:

2107.1. Commencing with the 1976–77 fiscal year, the State Controller shall deduct annnually, from the amount apportioned pursuant to Section 2107, the amount identified in the report as applicable to cities submitted to him in the preceding fiscal year pursuant to Section 191, and shall transfer such amount to the State Highway Account in the State Transportation Fund.

SEC. 11. Section 2102 of the Streets and Highways Code is amended to read:

2102. Net revenue derived from a tax means the amount of revenue derived from a tax that is deposited into the Highway Users Tax Account in the Transportation Tax Fund.

SEC. 12. Chapter 8 (commencing with Section 2400) is added to Division 3 of the Streets and Highways Code, to read:

## CHAPTER 8. GRADE SEPARATION PROJECTS

2400. For purposes of this chapter:

(a) "Grade separation" means the structure which actually separates the vehicular roadway from the railroad tracks.

(b) "Project" means the grade separation and all approaches, ramps, connections, drainage, and other construction required to make the grade separation operable and to effect the separation of grades. Such grade separation project may include provision for separation of nonmotorized traffic from the vehicular roadway and the railroad tracks. On any project where there is only one set of railroad tracks in existence, the project shall be built so as to provide for expansion to two sets of tracks when the Director of Transportation determines that the project is on an existing or potential major railroad passenger corridor. Such project may consist of:

(1) The alteration or reconstruction of existing grade separations.

(2) The construction of new grade separations to eliminate existing or proposed grade crossings.

(3) The removal or relocation of highways or railroad tracks to eliminate existing grade crossings.

(c) "Highway" means city street, a county highway, or a state highway which is not a freeway as defined in Section 257.

(d) "Railroad" means a railroad corporation.

2401. For purposes of this chapter, "local agency" includes city, county, and any other public entity which provides rail passenger transportation services.

2402. Prior to July 1 of each year, commencing with 1974, the Public Utilities Commission shall establish a list, in order of priority, of projects which the commission determines to be most urgently in need of separation or alteration. Such priority list shall be determined on the basis of criteria established by the Public Utilities Commission. Where a project involves the relocation of railroad tracks or highways and the closure of grade crossings, the Public Utilities Commission shall indicate on the priority list which of the grade crossings eliminated would have been considered urgently in need of a grade separation.

2403. From the funds set aside pursuant to Section 190, as well as from any other funds that may be set aside for purposes of this chapter, the California Highway Commission shall make allocations for projects contained in the latest priority list established pursuant to Section 2402. Such allocations shall be made for preconstruction costs and construction costs; provided, that where allocations are made to a local agency, the requirements of Sections 2406 and 2407 shall first be met.

2404. Allocations made pursuant to Section 2403 shall be made on the basis of the following:

(a) An allocation of 80 percent of the estimated cost of the project shall be made

(b) An allocation of 50 percent of the estimated cost of the project shall be made for a proposed crossing.

(c) No allocation shall be made in excess of 50 percent of the estimated cost of the project unless the grade crossing to be eliminated has been in existence for at least 10 years prior to the date of allocation

(d) On projects which eliminate an existing crossing, no allocation shall be made unless the railroad agrees to contribute 10 percent of the cost of the project.

(e) Where a project does not include a grade separation, but eliminates existing grade crossing or crossings, the allocation shall not exceed the estimated allocation that would have been made for the grade separation which is no longer needed because of the elimination of the grade crossing by the project and which are indicated on the priority list to be urgently in need of grade separation.

(f) Where the project includes the separation of a highway and a railroad passenger service operated by a city or county, the operating agency shall contribute 20 percent of the cost of the project. The priority listing for such projects shall be in accordance with criteria established for such railroad passenger service by the Public Utilities Commission.

Notwithstanding any of the above provisions of this section or any other provision of law, when the state or local agency uses funds derived from federal sources in financing its share of project costs, the railroad contribution, where required by federal law or regulation, shall be computed pursuant to federal law. However, the allocation made pursuant to this chapter shall be computed as though such matching contribution was derived from nonfederal sources and shall be computed as though the railroad had made its contribution pursuant to state law rather than pursuant to federal law. Provided however, that where the contribution of the railroad is computed according to federal law or regulation because of the use of federal funds in the allocation for a project, the allocation shall be increased by the amount the share of the railroad is reduced below 10 percent of the estimated cost of the project.

2405. After an allocation is made to a local agency by the commission, the local agency and the department shall enter into an agreement concerning the handling and accounting of funds, including procedures to permit prompt payment for the work accomplished, and relative to any other phase of the work. The procedures providing for prompt payment of work accomplished shall be drawn in such a manner as to avoid the necessity for the local agency to utilize funds in an amount greater than the local agency's share of the project costs. Such agreement may establish procedures for the programming of the work of the project in order to assure optimum cash flow utilitization of funds made available by the Legislature for purposes of this chapter.

2406. An allocation for construction costs, including preconstruction costs if not already allocated, shall be made only to a local agency that furnishes evidence satisfactory to the department that all necessary orders of the Public Utilities Commission have been executed, that sufficient local funds will be made available as the work of the project progresses, that all necessary agreements with affected railroad or railroads have been executed, that, if required, all environmental impact reports have been prepared and approvals obtained, and that all other matters prerequisite to the award of the construction contract can be accomplished within one year after the allocation. Local funds shall be deemed available to the amount of any general obligation bonds authorized but unsold if it is determined that such bonds may be issued and sold by the local agency at any time.

2407. Preconstruction costs (engineering, right-of-way, preparation of environmental impact reports, and utility relocation) expended by a local agency prior to any allocation shall be included

in the total cost of the project even though expended prior to an allocation. Allocations shall be made for preconstruction costs to a local agency that submits evidence satisfactory to the department that the local agency will be able to meet the requirements for an allocation for construction costs, and that preconstruction costs will exceed the local share of the cost of the project. A local agency may also proceed with the advertising for bids and the construction of a project without prejudice to its right to receive an allocation if an allocation is, in fact, made for such project within the same fiscal year that the construction contract was awarded.

2408. Except as provided in this section, allocations shall remain available until expended. If a construction contract has not been awarded within one year after an allocation for construction costs, the commission may order the allocation canceled and such funds shall revert to the fund set aside for purposes of this chapter. All or any part of an allocation for preconstruction costs may be canceled and such funds shall revert to the fund set aside for purposes of this chapter upon a finding that insufficient progress is being made to complete the project. Where an allocation is canceled pursuant to this section, the local agency shall reimburse the fund set aside for purposes of this chapter the portion of the allocation which is not reverted as set forth in this section. The department shall determine, with the local agency, as to the time of repayment.

2409. If the actual cost of the project is less than estimated, the allocations made for such project shall be reduced accordingly and the excess shall revert to the fund set aside for the purposes of this chapter. If the actual and necessary cost of the project exceeds the estimate, the allocations made for such project shall be augmented proportionately by a supplemental allocation. An allocation, however, need not be made for a supplemental allocation, unless the commission is satisfied that funds would have been allocated for the project had the actual costs been used in determining its ranking on the priority list.

2410. If more projects comply with the requirements of this chapter than can be financed from funds set aside for purposes of this chapter, allocations shall be made to those projects highest on the priority list established pursuant to Section 2402. The commission may make allocations for any project when it determines, at the time of allocation, that sufficient funds are available for all projects which are higher on the priority list and which are, or are reasonably expected to become, eligible during the fiscal year.

2411. Allocations for specific projects on the state highway system only shall be deemed expenditures within the county in which the project is situated for the purpose of compliance by the department and the commission with Sections 188, 188.8, and 188.9.

SEC. 13. Section 8352 of the Revenue and Taxation Code is amended to read:

8352. Subject to the provisions of any budget bill heretofore or hereafter enacted and Section 11006 of the Government Code, the

money deposited to the credit of the Motor Vehicle Fuel Account is hereby appropriated for expenditure, allocation, or transfer as provided in this chapter.

SEC. 14. Section 8352.2 of the Revenue and Taxation Code is amended to read:

8352.2. Subject to the provisions of this chapter, the money deposited to the credit of the Motor Vehicle Fuel Account shall be transferred to the State Transportation Fund, which is hereby created, as provided in this chapter.

SEC. 15. Section 8352.8 is added to the Revenue and Taxation Code, to read:

8352.8. Subject to the provisions of Sections 8352 and 8352.1, during the 1974–75 and 1975–76 fiscal years, there shall be transferred from the Motor Vehicle Fuel Account to the State Highway Account in the State Transportation Fund the amount of five million dollars ($5,000,000) each such fiscal year for allocation without regard to fiscal years, for grade separation projects in accordance with the provisions of Section 190 and Chapter 8 (commencing with Section 2400) of Division 3 of the Streets and Highways Code.

SEC. 16. Grade separation projects for which funds have been allocated prior to July 1, 1974, shall continue to be subject to the law in effect immediately prior to that date.

SEC. 17. This act shall become operative on July 1, 1974.

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## CHAPTER 1154

*An act to add Chapter 20.4 (commencing with Section 9889.50) to Division 3 of the Business and Professions Code, and to add Section 39118 to the Health and Safety Code, and to add Sections 4602.1, 24007.3, and 24011.7 to the Vehicle Code, relating to air pollution, and making an appropriation therefor.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Chapter 20.4 (commencing with Section 9889.50) is added to Division 3 of the Business and Professions Code, to read:

### CHAPTER 20.4. MANDATORY VEHICLE EMISSION INSPECTION AND TESTING PROGRAM

9889.50. (a) The Legislature finds and declares that air pollution constitutes a significant detriment to public health and welfare; that exhaust emissions from motor vehicles are the major source of air pollution in the principal population centers of California; and that the South Coast Air Basin, as defined by the State Air Resources

Board, is subjected to the most severe air pollution in the state.

(b) The Legislature further finds and declares that an effective system of periodic motor vehicle inspection and maintenance and consumer education will reduce the level of vehicular air pollution and provide motorists with objective maintenance information regarding their vehicles.

(c) The Legislature further finds and declares that the federal government has delegated to the several states the ultimate responsibility for periodic motor vehicle inspection and maintenance, and that federal funds from various sources are available for approved demonstration programs.

(d) It is, therefore, the intent and purpose of the Legislature, in enacting this chapter, to establish a demonstration program in Los Angeles, Orange, Riverside, San Bernardino, Santa Barbara, and Ventura Counties for the periodic inspection of motor vehicles.

9889.51. (a) The department shall, with the cooperation of the State Air Resources Board and the Department of the California Highway Patrol, design and adopt a program for the mandatory periodic exhaust emission inspection of all motor vehicles registered in Los Angeles, Orange, Riverside, San Bernardino, Santa Barbara, and Ventura Counties, and of all motor vehicles owned by governmental entities and public utilities and registered elsewhere in the state but garaged in such counties, except that:

(1) The department shall exempt from the exhaust emission inspection portion of the program every motorcycle, as defined in Section 400 of the Vehicle Code, and every motor vehicle weighing over 6,001 pounds, until such time when the department, in conjunction with the State Air Resources Board, determines that the inclusion of such vehicles is technologically and economically feasible.

(2) The department may, by regulation, exempt from the program classes of specialized motor vehicles which the department, in conjunction with the State Air Resources Board, determines would present prohibitive inspection problems.

The exhaust emission inspection of each motor vehicle shall include all of the following:

(1) A determination that all exhaust emission control equipment and devices required by state and federal law are installed and functioning correctly, and that the vehicle's engine is functioning correctly with respect to its level of emissions over its full normal range of operation.

(2) A measurement of the vehicle's hydrocarbon, carbon monoxide, and oxides of nitrogen emissions, performed with a dynamometer, or equivalent device, using a probe or other device to sample the vehicle's exhaust.

(3) A determination as to whether the vehicle complies with the exhaust emission standards for that vehicle's class and model year as prescribed by the State Air Resources Board pursuant to Section 39118 of the Health and Safety Code; and

(4) Where applicable, a written indication to the vehicle's owner of the probable cause of any malfunction or misadjustment responsible for the vehicle's failure to comply with such standards and of any maintenance or repairs recommended to correct such malfunction or misadjustment.

9889.52. (a) The department shall implement and conduct the inspection program adopted pursuant to Section 9889.51, and shall hire, train, and organize the staff necessary to effect this purpose.

(b) The department shall conduct a series of orientation seminars to familiarize automobile mechanics and owners of motor vehicles subject to the provisions of this chapter with procedures and forms to be utilized in the inspection program and, in particular, with maintenance and repair procedures recommended by the department for performance on vehicles failing to pass inspections. Such seminars shall be conducted at locations in each of the counties subject to this chapter selected on the basis of convenience of participants' access. Any automotive mechanic employed by an automotive repair dealer registered pursuant to Section 9884, or by a motor vehicle pollution control device installation and inspection station licensed pursuant to Section 9888.3, shall be required to attend an orientation seminar conducted by the department prior to performing the maintenance or repairs of a motor vehicle which were recommended by the department pursuant to Section 9889.51 to correct the malfunction or maladjustment responsible for the vehicle's failure of an inspection conducted pursuant to this chapter.

(c) The department shall acquire and construct such facilities as are necessary to establish inspection stations; provided, however, that in the interests of expediency and economy, whenever possible, existing state installations, surplus state property, and leased property shall be utilized.

(d) The department shall ascertain whether a sufficient number of qualified persons are available to perform the motor vehicle repairs and maintenance which may be recommended by the department pursuant to motor vehicle inspection program established pursuant to this chapter. No such program shall be implemented until the department determines that there are enough qualified persons available to perform such repairs and maintenance.

(e) Notwithstanding any other provision of this section, the department shall authorize any owner of a fleet of 100 or more motor vehicles subject to this chapter, who so elects, to implement and conduct the inspections of his own vehicles required by this chapter, on his own premises utilizing his own facilities and personnel, subject to the following conditions:

(1) The owner's inspection system shall conform, in the department's determination, with all provisions of Section 9889.51, and with all regulations adopted by the department pursuant thereto.

(2) The authorization shall be suspended or rescinded by the

department whenever the department determines, on the basis of random spot checks of the owner's inspection system and fleet vehicles, that the system fails so to conform. Any owner authorized to conduct his own inspections under this subdivision shall be deemed to have consented to provide the department with whatever access, information and other cooperation the department reasonably determines are necessary to facilitate the random spot checks required by this paragraph.

9889.53. The department shall, with the cooperation of the State Air Resources Board, the Department of the California Highway Patrol, and the Department of Motor Vehicles, prepare a consumer handbook for the benefit of the owners of motor vehicles subject to the provisions of this chapter. The handbook shall explain the inspection program, the owner's responsibilities under the program, and the most common adjustments and repairs likely to be required in order for the owner's vehicle to pass inspection. The handbook shall be distributed by the Department of Motor Vehicles to all owners of motor vehicles subject to the provisions of this chapter free of charge.

9889.54. Notwithstanding any other provision of this chapter, the department may contract with public or private entities to design and implement, but not conduct, the inspection program adopted by the department pursuant to Section 9889.51.

9889.55. The provisions of this chapter shall take effect in accordance with the following schedule:

(a) The inspection program shall be designed by the department during 1974 and adopted no later than December 31, 1974.

(b) The inspection program shall be implemented by the department during 1974 and 1975, and a series of trial inspections of motor vehicles conducted by the department in order to refine inspection standards and procedures adopted under the program shall be completed by no later than December 31, 1975. Such trial inspections shall be limited to the Counties of Orange, Riverside, and San Bernardino, or any portion of one or more of these counties as the department may specify, and to one or more classes of vehicles subject to the provisions of this chapter, for example, vehicles owned by governmental entities. The trial inspection program may include provision for voluntary maintenance or repair and reinspection of vehicles failing to pass initial inspections, undertaken at the owners' expense, and for mandatory maintenance or repair and reinspection of such vehicles, undertaken at the department's expense. Notwithstanding other provisions of this section and of Section 4602.1 of the Vehicle Code, the trial inspections shall not be enforced through renewal of registration of motor vehicles. The department may issue stickers which shall be affixed to vehicles in accordance with regulations of the department or the department may, in conjunction with other affected state agencies, prescribe by regulation other means of enforcement.

(c) Any motor vehicle subject to the provisions of this chapter

shall be inspected by the department upon each transfer of registration subsequent to December 31, 1975. During 1975, upon a finding by the department, with the cooperation of the Department of Motor Vehicles, that sufficient inspection stations are in operating condition to commence inspections upon transfer, the department shall establish a 1975 date after which any motor vehicle subject to the provisions of this chapter shall be inspected upon transfer of registration.

(d) Any motor vehicle subject to the provisions of this chapter shall be inspected by the department upon initial registration, and upon each renewal of registration, subsequent to December 31, 1976. During 1976, upon a finding by the department, with the cooperation of the Department of Motor Vehicles, that sufficient inspection stations are in operating condition to commence inspections upon initial and renewed registration, the department shall establish a 1976 date after which any motor vehicle subject to the provisions of this chapter shall be inspected upon initial registration and upon renewal of registration.

(e) Notwithstanding any other provision of this section, whenever transfer of registration, or initial or renewed registration of a motor vehicle subject to the provisions of this chapter occurs within 60 days of an inspection conducted pursuant to subdivision (c) or (d) of this section, the inspection otherwise required upon such transfer or registration need not be conducted.

(f) Any motor vehicles subject to the provisions of this chapter owned by a governmental entity or public utility and not required by law to have its registration renewed, shall be inspected by the department annually in accordance with a schedule established by the department to correspond with the schedule for inspections upon renewal of registration of all other motor vehicles pursuant to this chapter.

(g) The consumer handbook prepared by the department pursuant to Section 9889.53 shall be distributed by the Department of Motor Vehicles to every owner of a motor vehicle subject to the provisions of this chapter at the same time such owner is notified of his first inspection requirement pursuant to subdivision (c) or (d) of this section.

(h) The orientation seminars conducted by the department pursuant to subdivision (b) of Section 9889.52, shall be conducted periodically on an ongoing basis commencing prior to the conducting of the first trial inspections by the department pursuant to subdivision (b) of this section.

9889.56. (a) The department shall issue a certificate of compliance for each motor vehicle subject to the provisions of this chapter which passes an inspection conducted by the department pursuant to subdivision (c) or (d) of Section 9889.55.

(b) The department shall also issue a certificate of compliance for each motor vehicle subject to the provisions of this chapter owned by any governmental entity or public utility which passes an

inspection conducted by the department pursuant to subdivision (d) of Section 9889.55.

(c) The department shall issue a certificate of compliance for each motor vehicle subject to the provisions of this chapter which passes an inspection conducted by a fleet owner pursuant to subdivision (e) of Section 9889.52. Issuance of such a certificate shall be contingent upon the prior receipt and approval by the department of an affidavit from the fleet owner affirming that the vehicle has passed such an inspection

(d) Any motor vehicle which fails to pass any required inspection may undergo maintenance or repair and be reinspected at the request of the owner Such motor vehicle shall, however, be required to pass reinspection prior to its registration.

(e) Notwithstanding any other provision of law, the department shall waive the certificate of compliance requirements and shall issue a certificate of waiver to fulfill the requirements set forth in Section 4602.1 of the Vehicle Code for a motor vehicle which fails reinspection and on which the department determines that all recommended maintenance and repairs and a low-emission tuneup have been performed in accordance with the specifications established by the department pursuant to Section 9889.60.

(f) Notwithstanding any other provision of law, the department shall waive the certificate of compliance requirements and shall issue a certificate of waiver to fulfill the requirements set forth in Section 4602.1 of the Vehicle Code for a motor vehicle which fails reinspection and which has received a low-emission tuneup performed to specifications established by the department pursuant to Section 9889.60, and which is in need of further maintenance and repairs which the department determines will cost more than one hundred fifty dollars ($150) or 20 percent of the low current market value of the vehicle as defined by the department, whichever is lower.

9889.57. If an automotive repair dealer registered pursuant to Section 9884, or a motor vehicle pollution control device installation and inspection station licensed pursuant to Section 9888.3, performs the maintenance or repairs of a motor vehicle which were recommended by the department pursuant to Section 9889.51 to correct the malfunction or misadjustment responsible for the vehicle's having failed an inspection conducted pursuant to this chapter, the dealer or station shall furnish to the vehicle's owner, for submission to the department upon reinspection, a written statement indicating in detail what maintenance or repairs were performed and what charges were assessed, and guaranteeing that the maintenance or repairs recommended by the department were performed in accordance with specifications established by the department pursuant to Section 9889.60. The guarantee shall further provide that, if the department subsequently determines, following the vehicle's failure on reinspection within 30 days of the maintenance or repairs, that the recommended maintenance or

repairs were not so performed or did not meet specifications, such maintenance or repairs shall be performed or corrected by the dealer or station at no additional cost to the vehicle's owner or, at the owner's option, his original payment to the dealer or station for the deficient maintenance or repairs shall be refunded.

9889.58. The department shall compile and maintain records of maintenance and repairs performed pursuant to Section 9889.56 by automotive repair dealers registered pursuant to Section 9884 and by motor vehicle pollution control device installation and inspection stations licensed pursuant to Section 9888.3. Information maintained in such records shall include, for each such dealer and station, all of the following:

(a) The number of maintenance and repair operations performed on motor vehicles which failed to pass an inspection conducted by the department pursuant to the provisions of this chapter.

(b) The correlation between maintenance and repairs recommended by the department pursuant to subdivision (b) of Section 9889.51 and maintenance and repairs performed.

(c) The percentage of maintained and repaired vehicles which passed reinspection.

(d) The charges assessed for such maintenance and repairs.

(e) Any other information deemed essential by the department.

A written summary of such information applicable to dealers and stations in the vicinity of each inspection station shall be published quarterly by the department and made available upon request to the owner of each motor vehicle subject to the provisions of this chapter which fails to pass inspection at the time he is informed of such failure.

9889.59. (a) The department shall conduct ongoing cost-benefit analyses and other evaluations of the inspection program, including, but not limited to, observed patterns of malfunctions in inspected motor vehicles' exhaust emissions control and quantifications of reductions in air pollution in the geographical area subject to the provisions of this chapter, and recommendations for legislation to improve the inspection program, and the department shall deliver periodic written reports to the Legislature on such analyses and evaluations at least every 12 months commencing no later than December 31, 1974.

(b) The department shall study and submit recommendations to the Legislature no later than December 31, 1974, on whether the inspection program should be extended, in whole or in part, to other geographical areas within the state, and if so, how, when, and where.

(c) The Legislature shall create a joint committee to receive and evaluate the reports and recommendations submitted by the department to the Legislature pursuant to this section. On the basis of such evaluation, the committee shall, from time to time, recommend to the Legislature supplementary legislation it deems advisable to facilitate motor vehicle emissions inspections.

9889.60. The department shall, with the cooperation of the State

Air Resources Board and after consultation with automobile manufacturers, establish specifications and procedures for the motor vehicle maintenance and repairs recommended by the department pursuant to Section 9889.51 and for low emission motor vehicle engine tuneups. Such specifications and procedures shall be followed whenever any motor vehicle maintenance, repairs, or engine tuneup is performed by an automotive repair dealer registered pursuant to Section 9884 or by a motor vehicle pollution control device installation and inspection station licensed pursuant to Section 9888.3. Such registration of any dealer who does not follow such specifications and procedures shall be subject to suspension by the department.

9889.61. (a) The department shall, by no later than January 1, 1974, apply to the federal government for matching funds to carry out the inspection program established by this chapter.

(b) The department shall charge a fee for the inspection of motor vehicles conducted pursuant to Section 9889.55. The revenues from such fees shall be sufficient to provide the state funds to match any federal grants awarded in response to application under subdivision (a), and to reimburse the Motor Vehicle Account in the Transportation Tax Fund for all appropriations made for the design, adoption, implementation, and operation of the inspection program established by this chapter.

SEC. 2. Section 39118 is added to the Health and Safety Code, to read:

39118. With respect to the program designed and adopted by the Department of Consumer Affairs pursuant to Chapter 20.4 (commencing with Section 9889.50) of Division 3 of the Business and Professions Code, the board shall, in time for the Department of Consumer Affairs to comply with the schedule specified in subdivisions (a) and (b) of Section 9889.55, after public hearings, prescribe maximum air pollution emission standards to be applied in inspecting motor vehicles. In prescribing such standards, the board shall undertake such studies and experiments as are necessary and feasible, evaluate available data, and confer with automotive engineers. The standards shall be set at a level reasonably achievable for each class and model of motor vehicle when operating in a reasonably sound mechanical condition, allowing for the effects of installed emission control equipment and devices, and the motor vehicle's age and total mileage. The standards shall be designed to secure the operation of all such motor vehicles, as soon as possible, with a substantial reduction in air pollution emissions, and shall be revised from time to time, as experience justifies.

SEC. 3. Section 4602.1 is added to the Vehicle Code, to read:

4602.1. (a) In addition to any other requirements with respect to the registration of motor vehicles, the department shall also require upon initial registration, renewal of registration, and transfer of registration, of a motor vehicle subject to the provisions of Chapter 20.4 (commencing with Section 9889.50) of Division 3 of the Business

and Professions Code, subsequent to the first inspection of such vehicle required by such chapter, that the owner submit a valid certificate of compliance or waiver for the vehicle issued pursuant to Section 9889.56 of such code. In order to satisfy the provisions of this subdivision, the inspection certified must have been conducted during the 60 days prior to the initial registration, renewal of registration, or transfer of registration.

(b) The department shall, prior to the commencement of the inspection program to be conducted by the Department of Consumer Affairs pursuant to subdivision (b) of Section 9889.55 of the Business and Professions Code, and prior to the commencement of the inspection program to be conducted by the Department of Consumer Affairs pursuant to subdivision (d) of Section 9889.55 of that code, notify any motor vehicle owner subject to the provisions of those sections of all of his rights and obligations under those programs, and distribute to him free of charge the consumer handbook prepared by the Department of Consumer Affairs pursuant to Section 9889.53 of that code.

SEC. 4. Section 24007.3 is added to the Vehicle Code, to read:

24007.3. No dealer or person holding a retail seller's permit shall sell a new or used motor vehicle subject to Chapter 20.4 (commencing with Section 9889.50) of Division 3 of the Business and Professions Code which has not been inspected within 60 days immediately prior to sale pursuant to subdivision (b) or (d) of Section 9889.55 of the Business and Professions Code, unless the vehicle is sold to another dealer or for the purpose of being wrecked or dismantled or is sold exclusively for off-highway use. The dealer or person holding the retail seller's permit shall, with each application for initial registration or transfer of registration of a motor vehicle subject to Chapter 20.4 (commencing with Section 9889.50) of Division 3 of the Business and Professions Code, transmit to the Department of Motor Vehicles, without charge to the transferee, a valid certificate of compliance or waiver issued pursuant to Section 9889.56 of the Business and Professions Code indicating that such vehicle has passed, within 60 days immediately prior to sale, the inspection conducted pursuant to subdivision (b) or (d) of Section 9889.55 of the Business and Professions Code.

SEC. 5. Section 24011.7 is added to the Vehicle Code, to read:

24011.7. (a) Nothing in Chapter 20.4 (commencing with Section 9889.50) of Division 3 of the Business and Professions Code, shall be construed as having any effect on the existing inspection program conducted by the department. Rather, it is the intent of the Legislature that such program continue and that a cooperative relationship between the department and the Department of Consumer Affairs be established, under which the department can inform the Department of Consumer Affairs of the results and experiences of the department in order to provide data on exhaust and noise emission control device tampering and performance deterioration following mandatory inspections.

SEC. 6. The sum of five hundred thousand dollars ($500,000) is hereby appropriated from the Motor Vehicle Account in the State Transportation Fund for the 1973–1974 fiscal year for allocation in accordance with the following schedule:

Schedule:

(a) To the Department of Consumer Affairs to design and adopt the inspection program provided for in Chapter 20 4 (commencing with Section 9889.50) of Division 3 of the Business and Professions Code $400,000

(b) To the State Air Resources Board to prescribe maximum exhaust emission standards pursuant to Section 39118 of the Health and Safety Code ..... $100,000

provided, that the Motor Vehicle Account in the Transportation Tax Fund shall be reimbursed in an amount equal to the amount scheduled in (a) and (b) from the fees collected pursuant to subdivision (b) of Section 9889.61 of the Business and Professions Code, in accordance with a schedule determined by the Department of Consumer Affairs.

SEC. 7. (a) An amount in the State Highway Account in the State Transportation Fund equal to 40 percent of the amount appropriated by Section 6 of this act shall be deducted from amounts available for the construction of state highways in County Group No. 2, as provided in Section 188 of the Streets and Highways Code, and shall be expended for the construction of state highways in County Group No. 1.

(b) The amount paid into the Motor Vehicle Account in the Transportation Tax Fund pursuant to subdivision (b) of Section 9889.61 of the Business and Professions Code as reimbursement for the initial appropriation made by Section 6 of this act shall be transferred to the State Highway Account in the State Transportation Fund, but such amount shall be available for the construction of state highways in County Group No. 2 only, and shall not be considered funds available for allocation pursuant to Section 188 of the Streets and Highways Code.

SEC. 8. There are no state-mandated local costs in this act that require reimbursement under Section 2231 of the Revenue and Taxation Code in 1973–74 because there are no duties, obligations, or responsibilities imposed on local governments in 1973–74 by this act. However, there are state-mandated local costs in this act in 1976–77 and subsequent years that require reimbursement under Section 2231 of the Revenue and Taxation Code which can be handled in the regular state budget process.

## CHAPTER 1155

*An act to add Section 607g to the Civil Code, relating to arrest.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 607g is added to the Civil Code, to read:

607g. The governing body of a local agency, by ordinance, may authorize employees of public pounds, societies for the prevention of cruelty to animals, and humane societies, who have qualified as humane officers pursuant to Section 607f, and which societies or pounds have contracted with such local agency to provide animal care or protection services, to issue notices to appear in court pursuant to Chapter 5c (commencing with Section 853.5) of Title 3 of Part 2 of the Penal Code for violations of state or local animal control laws. Such employees shall not be authorized to take any person into custody even though the person to whom the notice is delivered does not give his written promise to appear in court. The authority of such employees is to be limited to the jurisdiction of the local agency authorizing the employees.

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## CHAPTER 1156

*An act to amend Sections 66719 and 66792 of, and to add Section 66752.5 to, the Government Code, relating to waste.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 66719 of the Government Code is amended to read:

66719. "Solid waste" means all putrescible and nonputrescible solid, semisolid, and liquid wastes, including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction wastes, abandoned vehicles and parts thereof, discarded home and industrial appliances, manure, vegetable or animal solid and semisolid wastes, and other discarded solid and semisolid wastes.

SEC. 2. Section 66752.5 is added to the Government Code, to read:

66752.5. The chairman of the council shall receive one hundred dollars ($100) for each day attending meetings of the council or the board.

SEC. 3. Section 66792 of the Government Code is amended to read:

66792. The board shall file an annual report with the Legislature not later than January 10 of each year, commencing in 1975, stating the progress achieved under the programs established pursuant to this chapter and containing recommended additional administrative and legislative actions necessary to implement the policies and programs established by this chapter. The report submitted in 1975 shall include information on the financial impact of the state policy proposed to be adopted pursuant to Section 66770.

SEC. 4. No appropriation is made by this act, nor is any obligation created thereby under Section 2164.3 of the Revenue and Taxation Code, for the reimbursement of any local agency for any costs that may be incurred by it in carrying on any program or performing any service required to be carried on or performed by it by this act.

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## CHAPTER 1157

*An act to add Sections 75095.1, 75096.1, 75096.2, 75096.3, and 75098 to the Government Code, relating to the Judges' Retirement Law.*

[Approved by Governor October 2, 1973. Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 75095.1 is added to the Government Code, to read:

75095.1. Notwithstanding the provisions of Section 75095 any person who is a judge or a retired judge on the effective date of the adoption of Sections 75096.1, 75096.2 and 75096.3 may elect to come within the provisions of this article on or before April 1, 1974. Any person so electing who was previously eigible to come within this article and did not do so, shall pay all of the contributions he would have made pursuant to Section 75097 had he been covered by this article as soon as eligible therefor.

SEC. 2. Section 75096.1 is added to the Government Code, to read:

75096.1. Notwithstanding any other provisions of this article to the contrary, the guardian of surviving unmarried children while under 18 years of age or under age 22 and full-time students of a judge who dies prior to retirement without a surviving spouse, or in the event that the surviving spouse of such judge dies after his death while receiving an allowance payable pursuant to Section 75093, may elect to receive in lieu of any other surviving children's benefits an allowance equivalent to that payable pursuant to Section 75093, including, in the event of the death of the judge without a surviving spouse, the deduction therein provided. The amount paid shall be divided equally among the children.

"Children" for the purposes of this section shall be limited to

dependent children and stepchildren of the judge at the time of his death.

Election to come within the benefits of this article as provided in Section 75096 shall be deemed to include the judge's election that his children should enjoy the election granted by this section, and contributions shall be made by the judge so electing as provided in Section 75097.

SEC. 3. Section 75096.2 is added to the Government Code, to read:

75096.2. A monthly allowance equivalent to the allowance payable pursuant to Section 75104.4 shall be paid, in lieu of the allowance provided in Section 75096, or any other surviving children's benefits, to the guardian of surviving unmarried children while under 18 years of age or under age of 22 and full-time students, of a judge who, although eligible for retirement, dies prior to retirement under this chapter without a surviving spouse, or in the event that the surviving spouse dies after his death while receiving an allowance payable pursuant to Section 75104.4. The amount paid shall be divided equally among the children.

"Children" for the purposes of this section shall be limited to dependent children and stepchildren of the judge at the time of his death.

Election to come within the benefits of this article as provided in Section 75096 shall be deemed to include an election to enjoy the benefit of this section, and contributions shall be made by the judge so electing as provided in Section 75097.

SEC. 4. Section 75096.3 is added to the Government Code, to read:

75096.3. A monthly allowance equivalent to the allowance payable pursuant to Section 75077 shall be paid, in lieu of any other surviving children's benefits, to the guardian of surviving unmarried children while under 18 years of age or under age 22 and full-time students, of a judge who dies after retirement under this chapter without a surviving spouse or in the event that the surviving spouse of such a judge dies after his death while receiving an allowance payable pursuant to Section 75077. The amount paid shall be divided equally among the children.

"Children" for the purposes of this section shall be limited to dependent children and stepchildren of the judge at the time of his retirement.

Election to come within the benefits of this article as provided in Section 75096 shall be deemed to include an election to enjoy the benefits of this section, and contributions shall be made by any retired judge so electing as fixed by Section 75097 to be deducted from the judge's retirement allowance during his lifetime as provided in Section 75106.5.

SEC. 5. Section 75098 is added to the Government Code, to read:

75098. If an allowance is paid under this article no payment shall be made pursuant to Section 75104 or Section 75104.5, provided

however, that if the prospective allowance payable to the children under the provisions of this article upon the death of a judge or retired judge without a surviving spouse is less than the aggregate amount payable under the provisions of Sections 75104 and 75104.5, and the judge has designated his children as his beneficiaries, the guardian of the children may elect to take the latter amount and waive the allowance otherwise payable under this article.

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## CHAPTER 1158

*An act to add Section 27908 to the Vehicle Code, relating to taxicabs.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 27908 is added to the Vehicle Code, to read:

27908. (a) In every taxicab operated in this state there shall be a sign of heavy material, not smaller than 6 inches by 4 inches, or such other size as the agency regulating the operation of the taxicab provides for other notices or signs required to be in every taxicab, securely attached and clearly displayed in view of the passenger at all times, providing in letters as large as the size of the sign will reasonably allow, all of the following information:

(1) The name, address, and telephone number of the agency regulating the operation of the taxicab.

(2) The name, address, and telephone number of the firm licensed or controlled by the agency regulating the operation of the taxicab.

(b) In the event more than one local regulatory agency has jurisdiction over the operation of the taxicab, the notice required by paragraph (1) of subdivision (a) shall provide the name, address, and telephone number of the agency having jurisdiction in the area where the taxicab operator conducts its greatest volume of business; or, if this cannot readily be ascertained, the agency having jurisdiction in the area where the taxicab operator maintains its offices or primary place of business, provided that the operator conducts a substantial volume of business in such area; or, if neither of the foregoing provisions apply, any agency having jurisdiction of an area where the taxicab operator conducts a substantial volume of business.

(c) As used in this section, "taxicab" means a passenger vehicle designed for carrying not more than eight persons, excluding the driver, and used to carry passengers for hire. "Taxicab" shall not include a charter-party carrier of passengers within the meaning of the Passenger Charter-party Carriers' Act, Chapter 8 (commencing

with Section 5351) of Division 2 of the Public Utilities Code.

SEC. 2. Notwithstanding Section 2231 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to this section nor shall there be any appropriation made by this act because the Legislature recognizes that during any legislative session a variety of changes to laws relating to crimes and infractions may cause both increased and decreased costs to local governmental entities and school districts which in the aggregate, do not result in significant identifiable cost changes.

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## CHAPTER 1159

*An act to add Chapter 2.5 (commencing with Section 31175) to Division 22 of the Education Code, relating to demonstration scholarships.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Chapter 2.5 (commencing with Section 31175) is added to Division 22 of the Education Code, to read:

### CHAPTER 2.5. THE DEMONSTRATION SCHOLARSHIP ACT OF 1973

### Article 1. General Provisions

31175. This chapter shall be known and may be cited as the Demonstration Scholarship Act of 1973.

It is the intent of the Legislature to enable one or more school districts in the State of California to participate in no more than four demonstration programs designed to develop and test the use of education scholarships for schoolchildren.

31176. The Demonstration Scholarship Program is designed to test the proposition that permitting schoolchildren and parents to choose among schools, including schools offering differing approaches to instruction will develop a school system more responsive to the students it serves.

The program in each participating school district shall be designed to produce maximum flexibility and versatility in all aspects of the development of the program including, but not limited to, budgeting, research, evaluation, parent-teacher relations, curriculum, and staffing.

31177. As used in this chapter:

(a) "Demonstration Scholarship Program" means a program for developing and testing the use of demonstration education

scholarships for schoolchildren in kindergarten and grades 1 to 12, inclusive, or any combination thereof.

(b) "Demonstration area" means the area located within the boundaries of a school district designated by the participating local board for the purposes of a demonstration program.

(c) "Scholarship" means the drawing right, certificate or other document made available to participating parents or legal guardians by the demonstration board, which may not be redeemed except by participating schools which satisfy the requirements of this chapter.

(d) "Demonstration board" means a high school, unified or elementary school district governing board, or a combination of such school district governing boards or a board appointed by the participating local board or boards for the duration of the demonstration under the terms and conditions established by the local board or boards, contracting with a state or federal governmental agency to conduct a demonstration scholarship program.

(e) "Participating school" is a school located within the boundaries of a school district which has been selected by a demonstration board to receive demonstration scholarships, and otherwise meets the requirements of this chapter.

(f) "Contract" means the agreement entered into by a local board and a state or federal governmental agency for the purpose of conducting a demonstration scholarship program.

(g) "Participating local board" means the governing board of a school district participating in a demonstration scholarship program.

## Article 2. Establishment and Administration of Demonstration Programs

31180. There is hereby established the Demonstration Scholarship Program, to exist for not more than seven years commencing upon the effective date of this section.

31181. A school district governing board, or combination of school district governing boards, may contract with a state or federal governmental agency to establish a demonstration scholarship program and to receive funds to support such programs. There shall be no more than four demonstration scholarship programs.

31181.5. Any decision by a governing board to participate in a demonstration scholarship program, and any decision by the board relating to such a program, is a proper subject for meeting and conferring under Article 5 (commencing with Section 13080) of Chapter 1 of Division 10.

31182. The demonstration board shall control and administer the demonstration program, and shall adopt rules and regulations for the efficient administration of the demonstration scholarship program. These rules and regulations shall provide for the following:

(a) Comprehensive information on all eligible schools, as defined in Section 31185, shall be disseminated by the demonstration board

to the parent or guardian of each eligible child in the demonstration area within a reasonable period of time prior to the commencement of the school year for which the demonstration scholarships are to be issued.

Provision shall be made to advise all eligible recipients of the opportunities available to them under this chapter.

(b) The demonstration board shall ascertain that no arbitrary action by any school would invalidate the admissions standards established in this chapter, and may review, approve or disapprove the expulsion or suspension of any student by any eligible school.

There shall be an advisory board consisting of parents, teachers, administrators, and other appropriate persons selected by such procedures as may be developed by the demonstration board.

31183. The scholarship funds may be made available for the 1973–74 school year, and for each subsequent year of the demonstration.

31183.5. The demonstration board shall award a scholarship to each schoolchild residing in the demonstration area, subject only to such age and grade restrictions which it may establish.

The scholarship funds shall be made available to the parents or legal guardian of a scholarship recipient in the form of a voucher, drawing right, certificate, or other document which may not be redeemed except by participating schools which satisfy the requirements of this chapter

31183.7. All scholarships are exempt from state income taxes.

31184. The demonstration board shall establish the amount of the scholarship in a fair and impartial manner, as follows:

(a) There shall be a basic scholarship for every eligible student in the demonstration area. The method of computing the value of the scholarship shall be included in the contract.

(b) In addition, there shall be a compensatory scholarship for disadvantaged children. The amount of such compensatory scholarships and the manner by which children may qualify for them shall be included in the contract.

31184.5. The contract shall provide for additional pupil transportation costs incurred by the district as a result of the demonstration. The contract shall provide funds for increased costs caused by the transition and operation of a demonstration scholarship program.

31185. The demonstration board shall authorize the parents or legal guardian of scholarship recipients to use the demonstration scholarships at any school in which the scholarship recipient is enrolled which also·

(a) Meets all health and safety standards required by law.

(b) Does not discriminate in the admission of students and the hiring of teachers on the basis of race, religion, color, national origin, economic status, political affiliation, or sex and has filed a certificate with the State Board of Education that the school is in compliance with Title VI of the Civil Rights Act of 1964 (Public Law 88-352); and

provides that students from disadvantaged racial or bilingual minority groups be admitted in proportion as such students make application; and takes an affirmative position to secure a racially, ethnically, and socioeconomically integrated student body which shall, to the greatest possible extent, reflect the racial, ethnic, and socioeconomic composition of the demonstration area. Any school that receives applications in excess of enrollment capacity shall fill at least 50 percent of its enrollment capacity by a lottery among the applicants, to further assure nondiscriminatory admissions procedures, except when the contract provides that students currently enrolled and their younger siblings are not subject to the lottery. Enforcement of this subdivision shall be vested in the demonstration board. The demonstration board shall immediately investigate all complaints of violations of this subdivision and, after adequate notice and hearings, shall suspend redemption of any scholarships by any school in violation of this subdivision. The decision of the demonstration board shall be final, except that nothing in this subdivision shall be construed so as to deny judicial review. In the event an otherwise eligible school is subsequently found to be ineligible, the demonstration board shall immediately notify the parents of the students in attendance of such ineligibility. In such a case the district shall provide for the continuing education of the child at another school.

(c) In no case levies or requires any tuition, fee, or charge to the participating student above the value of the education scholarship.

(d) Files with the demonstration board a statement of financial responsibility in compliance with standards established by the demonstration board.

(e) Provides public access to all financial and administrative records and provides to the parent or guardian of each eligible child in the demonstration area comprehensive information, in written form, on the courses of study offered, curriculum, materials and textbooks, the qualifications of the teachers, administrators, and paraprofessionals employed, the minimum schoolday, the salary schedules, the actual amount of money spent per pupil and such other information as may be required by the demonstration board. In no case shall the public have access to personal information concerning individual pupils without the express approval of the students' parents or guardians.

(f) Offers a comprehensive course of study in the basic skill areas of mathematics and the English language.

(g) Maintains a register of reports, including monthly attendance, and any other information as may be required by the demonstration board.

(h) Expends the scholarship funds exclusively for the secular education of students.

31185.1. (a) No participating local board shall require a certificated employee of the district to serve in a participating school except under such circumstances and in accordance with such

procedures as are approved by the certificated employee council of the demonstration area.

(b) Each participating local board shall provide for the advice and assistance of the certificated employees of the district in the development of the demonstration scholarship program. Such duties for certificated employees shall be instead of the classroom or other duties normally performed by them.

(c) The participating local board shall employ a teacher coordinator in each participating school. Such person shall be selected by the teachers of the participating school from among their number, and shall be assigned the coordinator duties in place of a portion of his regular teaching assignments.

(d) Each participating local board shall make in-service training relevant to the demonstration scholarship program available to teachers in participating schools.

31185.2. The demonstration board may suspend redemption of any scholarships by any school not complying with the provisions of this chapter, after appropriate notice and hearings.

31185.3. Each demonstration board shall establish a parent-teacher needs assessment committee whose function shall be to evaluate how well the educational needs of pupils within the demonstration area are being met by the participating schools.

31186. The Superintendent of Public Instruction and other officers of the public school system shall take such actions as are within their power to assure that the demonstration board and participating schools have the flexibility needed to effectively carry out the intent of this chapter as defined in Section 31176.

31187. The Superintendent of Public Instruction may, upon the request of a demonstration board, waive selectively the application of any provision of this code to a participating school, except for the provisions of this chapter.

Such waivers may be requested on behalf of participating schools, and on behalf of an appropriate number of schools in the demonstration area which are not participating in the demonstration scholarship program.

The purpose of making waivers available to nonparticipating schools is to permit the establishment of a control group of schools of comparable characteristics and size with the flexibility to innovate in education without using demonstration scholarships. This may be done in order to compare the progress of students and the type and variety of educational offerings of control group schools with that of schools participating in the Demonstration Scholarship Program.

No statutory financial penalties shall be assessed during the period of the demonstration which are associated with those sections of this code which may be waived by the participating local board for the purposes of the demonstration.

31187.5. The demonstration board may rent or lease any of its property, equipment, buildings, or other facilities for the duration of the program.

31187.7. The demonstration board may authorize any certificated or classified employee to take a leave of absence for the duration of the demonstration scholarship program for the purpose of accepting employment directly related to the demonstration scholarship program.

31188. The demonstration board may:

(a) Employ a staff for the demonstration board.

(b) Receive and expend funds to support the demonstration board and scholarships for children in the demonstration area.

(c) Contract with other governmental agencies and private persons or organizations to provide or receive services, supplies, facilities, and equipment.

(d) Determine rules and regulations for use of scholarships in the demonstration area.

(e) Adopt rules and regulations for its own government.

(f) Receive and expend funds from the state or federal governmental agency necessary to pay for the costs incurred in administering the program.

(g) Establish criteria for the selection of textbooks and make selection of textbooks different from that prescribed elsewhere in this code. No explicit waivers of the provisions of this code are necessary for this purpose.

(h) The demonstration board shall develop and publicize an evaluation system for the demonstration scholarship program.

(i) Undertake other such activities as are necessary and incidental to carry out the purposes of this program.

(j) Make any appropriate use of participating school facilities, equipment, and supplies.

31188.7. The meetings of the demonstration board shall be open to the public and the residents of the demonstration area shall be afforded the regular opportunity to express themselves before the demonstration board.

## Article 3. Attendance

31191. The participating local board shall receive all public funds allocable to the demonstration area, and shall transfer these funds to the demonstration board. These funds shall include moneys apportioned to the district from the State School Fund and the proceeds of the property taxes levied for the district. For the purpose of this chapter, the participating local board shall not take any discretionary action to reduce the local property tax rate during the demonstration period.

The demonstration board shall use these funds for the demonstration scholarship program as provided in this chapter and the terms of the demonstration contract.

31192. Participating schools may receive grants or gifts from foundations, charitable trusts, governmental agencies, or other public or private sources. Participating schools shall maintain

financial records which clearly report all income, trusts, bequests, gifts, grants, or donations which are used to defray the actual costs of educating students in attendance. This section may not be construed, however, to permit schools to receive funds for the purpose of supplementing the demonstration scholarships.

## Article 4. Control by State Officers

31194. The purpose of this article is to permit the demonstration board to include privately owned schools among the choices from which parents and pupils may select in using a demonstration scholarship, to broaden the range of parental choice.

A demonstration board may permit privately owned schools to participate in the demonstration scholarship project on a selective and experimental basis; provided that a privately owned school which participates in the program, for the duration of such participation, shall operate under the exclusive control of officers of the public schools within the meaning of Section 8 of Article IX of the California Constitution, and shall meet all requirements of this code, except such requirements as are waived pursuant to this chapter.

Each privately owned school which becomes a participating school shall enter into an agreement with the demonstration board setting the terms of participation Such terms shall assure the exclusive control required by Section 8 of Article IX of the California Constitution and this chapter.

31196. For the purposes of this article:

(a) "Officers of the public schools" means the demonstration board.

(b) "Privately owned school" or "privately owned schools" means an educational institution or institutions which are not controlled by any religious creed, church, or sectarian denomination whatever, nor have as their objective the furtherance of any religious sect, church, creed, or sectarian purpose, either directly or indirectly.

(c) "Exclusive control" means.

(1) The power to promulgate general rules and regulations regarding the use of demonstration scholarships.

(2) The power to establish the amount of the scholarship.

(3) The power to prescribe rules and regulations which are binding upon participating schools.

(4) The power to establish standards for teachers, instructors, and textbooks.

(5) The power to review and approve the suspension or expulsion of a pupil of a participating school

(6) The power to make any appropriate use of participating school facilities, equipment, and supplies.

Article 6 Construction of Act

31198. The provisions of this chapter shall be liberally construed with a view to effect its object and promote its purposes

31198.2 If any section, subdivision, sentence, clause, or phrase of this chapter is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this chapter The Legislature hereby declares that it would have enacted this chapter and each section, subdivision, sentence, clause, or phrase thereof, irrespective of the fact that any one or more of the sections, subdivisions, sentences, clauses, or phrases be declared unconstitutional

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## CHAPTER 1160

*An act to amend Section 13143 6 of the Health and Safety Code, relating to fire safety, and declaring the urgency thereof, to take effect immediately*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 13143 6 of the Health and Safety Code is amended to read:

13143.6 (a) The State Fire Marshal, with the advice of the State Fire Advisory Board, shall prepare and adopt regulations establishing minimum standards for the prevention of fire and for the protection of life and property against fire in any building or structure used or intended for use as a home or institution for the housing of any person of any age when such person is referred to or placed within such home or institution for protective social care and supervision services by any governmental agency. Occupancies within the meaning of this subdivision shall be those not otherwise specified in Sections 13113 and 13143 and shall include, but are not limited to, those commonly referred to as "certified family care homes," "out-of-home placement facilities," "and halfway houses." Regulations adopted pursuant to this subdivision shall establish minimum standards relating to the means of egress and the adequacy of exits, the installation and maintenance of fire extinguishing and fire alarm systems, the storage, handling, or use of combustible or flammable materials or substances, and the installation and maintenance of appliances, equipment, decorations, and furnishings that may present a fire, explosion, or panic hazard. Such minimum standards shall be predicated on the height, area, and fire-resistive qualities of the building or structure used or intended to be used.

Any building or structure within the scope of this subdivision used

or intended to be used for the housing of more than six nonambulatory persons shall have installed and maintained in proper operating condition an automatic sprinkler system approved by the State Fire Marshal. "Nonambulatory person," as used in this section shall include, but is not limited to, any profoundly or severely mentally retarded, totally deaf, or blind person

The ambulatory or nonambulatory status of any mentally retarded person within the scope of this subdivision shall be determined by the Director of Health.

Any building or structure within the scope of this subdivision used or intended to be used for the housing of more than six ambulatory persons shall have installed or maintained in proper operating condition an automatic fire alarm system approved and listed by the State Fire Marshal which will respond to products of combustion other than heat.

In adopting regulations pursuant to this subdivision, the State Fire Marshal shall give reasonable consideration to the continued use of existing buildings' housing occupancies established prior to March 4, 1972.

In preparing and adopting regulations pursuant to this subdivision, the State Fire Marshal shall also secure the advice of the appropriate governmental agencies involved in the affected protective social care programs in order to provide compatibility and maintenance of operating programs in this state.

Any governmental agency that refers any person to, or causes their placement in, any home or institution subject to this section shall, within seven days after the referral or placement, request verification of conformance to the fire safety standards adopted by the State Fire Marshal pursuant to this section from the fire authority having jurisdiction pursuant to Sections 13145 and 13146. Any referral or placement in homes or institutions subject to this section shall be subject to rescission if the fire authority having jurisdiction subsequently informs the governmental agency that it is unable to give the requested verification.

When a building or structure within the scope of this subdivision is used to house either ambulatory or nonambulatory persons, or both, and an automatic fire sprinkler system, approved by the State Fire Marshal, is installed, this subdivision shall not be construed to also require the installation of an automatic fire alarm system.

(b) Notwithstanding any other provision of law, facilities which are subject to the provisions of subdivision (a) and which are used for the housing of persons, none of whom are physically or mentally handicapped or nonambulatory persons within the meaning of Section 13131, shall not be required to have installed an automatic sprinkler system or an automatic fire alarm system. In adopting regulations affecting facilities specified in this subdivision, the State Fire Marshal shall take into consideration the ambulatory and nonhandicapped status of persons housed in such facilities.

SEC. 2. Section 13143.6 of the Health and Safety Code, as

amended by Section 1 of this act, is amended to read:

13143.6. (a) The State Fire Marshal, with the advice of the State Board of Fire Services, shall prepare and adopt regulations establishing minimum standards for the prevention of fire and for the protection of life and property against fire in any building or structure used or intended for use as a home or institution for the housing of any person of any age when such person is referred to or placed within such home or institution for protective social care and supervision services by any governmental agency. Occupancies within the meaning of this subdivision shall be those not otherwise specified in Sections 13113 and 13143 and shall include, but are not limited to, those commonly referred to as "certified family care homes," "out-of-home placement facilities," "and halfway houses." Regulations adopted pursuant to this subdivision shall establish minimum standards relating to the means of egress and the adequacy of exits, the installation and maintenance of fire extinguishing and fire alarm systems, the storage, handling, or use of combustible or flammable materials or substances, and the installation and maintenance of appliances, equipment, decorations, and furnishings that may present a fire, explosion, or panic hazard. Such minimum standards shall be predicated on the height, area, and fire-resistive qualities of the building or structure used or intended to be used.

Any building or structure within the scope of this subdivision used or intended to be used for the housing of more than six nonambulatory persons shall have installed and maintained in proper operating condition an automatic sprinkler system approved by the State Fire Marshal. "Nonambulatory person," as used in this section shall include, but is not limited to, any profoundly or severely mentally retarded, totally deaf, or blind person.

The ambulatory or nonambulatory status of any mentally retarded person within the scope of this subdivision shall be determined by the Director of Health.

Any building or structure within the scope of this subdivision used or intended to be used for the housing of more than six ambulatory persons shall have installed or maintained in proper operating condition an automatic fire alarm system approved and listed by the State Fire Marshal which will respond to products of combustion other than heat.

In adopting regulations pursuant to this subdivision, the State Fire Marshal shall give reasonable consideration to the continued use of existing buildings' housing occupancies established prior to March 4, 1972.

In preparing and adopting regulations pursuant to this subdivision, the State Fire Marshal shall also secure the advice of the appropriate governmental agencies involved in the affected protective social care programs in order to provide compatibility and maintenance of operating programs in this state.

Any governmental agency that refers any person to, or causes their placement in, any home or institution subject to this section shall,

within seven days after the referral or placement, request verification of conformance to the fire safety standards adopted by the State Fire Marshal pursuant to this section from the fire authority having jurisdiction pursuant to Sections 13145 and 13146. Any referral or placement in homes or institutions subject to this section shall be subject to rescission if the fire authority having jurisdiction subsequently informs the governmental agency that it is unable to give the requested verification.

When a building or structure within the scope of this subdivision is used to house either ambulatory or nonambulatory persons, or both, and an automatic fire sprinkler system, approved by the State Fire Marshal, is installed, this subdivision shall not be construed to also require the installation of an automatic fire alarm system.

(b) Notwithstanding any other provision of law, facilities which are subject to the provisions of subdivision (a) and which are used for the housing of persons, none of whom are physically or mentally handicapped or nonambulatory persons within the meaning of Section 13131, shall not be required to have installed an automatic sprinkler system or an automatic fire alarm system. In adopting regulations affecting facilities specified in this subdivision, the State Fire Marshal shall take into consideration the ambulatory and nonhandicapped status of persons housed in such facilities.

SEC. 3. It is the intent of the Legislature, if this bill and Assembly Bill No. 1805 are both chaptered and become effective on or before January 1, 1974, both bills amend Section 13143.6 of the Health and Safety Code, and this bill is chaptered after Assembly Bill No. 1805, that Section 13143.6 of the Health and Safety Code, as amended by Section 1 of this act shall remain operative only until the effective date of Assembly Bill No. 1805, and that on the effective date of Assembly Bill No. 1805, Section 13143.6 of the Health and Safety Code, as amended by Section 1 of this act, be further amended in the form set forth in Section 2 of this act to incorporate the changes in Section 13143.6 proposed by Assembly Bill No. 1805 Therefore, if this bill and Assembly Bill No. 1805 are both chaptered and become effective on or before January 1, 1974, and Assembly Bill No. 1805 is chaptered before this bill and amends Section 13143.6, Section 2 of this act shall become operative on the effective date of Assembly Bill No. 1805.

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

Halfway houses and similar facilities perform a vital service to the public. Owners of such facilities generally do not have the financial ability to meet many of the fire and panic safety standards imposed by state law and local regulation and many of them have already closed or will be compelled to close in the very near future, unless they are relieved from the more burdensome effects of such standards. In order to prevent further closing of such facilities, it is

necessary that this act go into immediate effect.

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## CHAPTER 1161

*An act to add Chapter 9.9 (commencing with Section 6948.1) to Division 6 of the Education Code, and to add Section 5020.1 to the Welfare and Institutions Code, relating to the education of handicapped minors.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Chapter 9.9 (commencing with Section 6948.1) is added to Division 6 of the Education Code, to read:

### CHAPTER 9.9. HANDICAPPED MINORS TRANSFERRED FROM STATE HOSPITALS

6948.1. As used in this chapter:

(a) "Regional center or other local agency," means a regional center established pursuant to Chapter 3 (commencing with Section 38100) of Division 25 of the Health and Safety Code, or a local agency which performs the services of a regional center, and any local agency providing community mental health services for the mentally disordered pursuant to Chapter 1 (commencing with Section 5600) of Part 2 of Division 5 of the Welfare and Institutions Code.

(b) "Development center," means a development center for handicapped minors established pursuant to Chapter 8.7 (commencing with Section 6880) of Division 6.

(c) "County of placement," means the county providing the educational program, or the county in which the school district providing the educational program is located, and to which a minor has been or will be transferred from a state hospital.

(d) "Handicapped minor," means any minor coming within the definition of "handicapped children" in Section 6941 and, for purposes of this chapter, a mentally disordered minor, or any minor eligible for enrollment in a development center or in an educational program for handicapped minors maintained by a school district or a county superintendent of schools.

6948.2. When a handicapped minor between the ages of 3 and 18 is deemed to need an educational training program, the appropriate regional center or local mental health program shall send a notice to the county superintendent of schools of the county of residence of such minor and to the county superintendent of schools of the county of placement where such minor is proposed to be transferred from

the state hospital.

6948.3. After having received notification of the proposed transfer pursuant to Section 6948.2, the county superintendent of schools of the county of placement shall, within 30 days, certify to the Superintendent of Public Instruction and to the Director of Health whether or not appropriate public or private educational facilities and programs exist or are planned in the county for the minors proposed to be transferred.

6948.4. If appropriate public or private educational training facilities or programs are not available or are not planned in the county or counties of placement, the county superintendent shall report to the county mental health advisory board, the county mental health program, or the regional center and the developmental disabilities area board, whichever is appropriate. This data shall be used in the development of the annual county mental health plan, or the annual developmental disabilities area plan, or in both such annual plans.

6948.5. The Superintendent of Public Instruction shall report annually to the State Board of Education and to the Commission on Special Education in the State Department of Education the number of handicapped minors transferred from a state hospital to a regional center or other local agency, who are not currently enrolled in a public or private educational program.

6948.6. In the event that state apportionments authorized for pupils transferred to local jurisdictions requiring development center services for handicapped minors are insufficient to provide programs for all such eligible minors, the Superintendent of Public Instruction shall prepare a supplemental budget request to provide funds sufficient to apportion one dollar and seventy-five cents ($1.75) per hour of attendance of each such eligible minor for operating costs of development centers pursuant to Section 6880.14 and six hundred seventy-five dollars ($675) per each such unit of average daily attendance for the reimbursement of transportation expenses pursuant to Section 6880.48.

The Superintendent of Public Instruction shall furnish a copy of the budget to the appropriate developmental disabilities area board or local mental health program.

SEC. 2. Section 5020.1 is added to the Welfare and Institutions Code, to read:

5020.1. A mentally ill minor, between the ages of 3 and 18, upon being considered for release from a state hospital shall have an aftercare plan developed. Such plan shall include educational or training needs, provided these are necessary for the patient's well-being.

SEC. 3. Notwithstanding Section 2231 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to this section nor shall there by any appropriation made by this act because duties, obligations, or responsibilities imposed on local governmental entities or school districts by this act are such that related costs are

incurred as a part of their normal operating procedures.

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## CHAPTER 1162

*An act to amend Sections 40000.3, 40000.15, 40000.25, and 42001 of, and to add Sections 12810.5 and 40000.28 to, the Vehicle Code, relating to vehicle violations.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 12810.5 is added to the Vehicle Code, to read:

12810.5. Notwithstanding Section 12810, a person who drives 25,000 miles or more per year shall be prima facie presumed to be a negligent driver of a motor vehicle only if his driving record shows a violation point count of six or more points in 12 months, eight or more points in 24 months, or 10 or more points in 36 months.

SEC. 1.5. Section 40000.3 of the Vehicle Code is amended to read:

40000.3. A violation expressly declared to be a felony, or a public offense which is punishable, in the discretion of the court, either as a felony or misdemeanor, or a willful violation of a court order which is punishable as contempt pursuant to subdivision (a) of Section 42003, is not an infraction.

SEC. 2. Section 40000.15 of the Vehicle Code is amended to read:

40000.15. A violation of any of the following provisions shall constitute a misdemeanor, and not an infraction:

Section 23102, relating to driving under the influence.

Sections 23103 and 23104, relating to reckless driving.

Section 23105, relating to driving under the influence.

Section 23109, relating to speed contests or exhibitions.

Section 23110, subdivision (a), relating to throwing at vehicles.

Section 23253, relating to officers on vehicular crossings.

Section 23332, relating to trespassing.

SEC. 3. Section 40000.25 of the Vehicle Code is amended to read:

40000.25. A violation of any of the following provisions shall constitute a misdemeanor, and not an infraction:

Section 40005, relating to owner's responsibility.

Section 40504, relating to false signatures.

Section 40508, relating to failure to appear or to pay fine.

Section 40519, relating to failure to appear.

Section 42005, relating to failure to attend traffic school.

SEC. 4. Section 40000.28 is added to the Vehicle Code, to read:

40000.28. Any offense which would otherwise be an infraction is a misdemeanor if a defendant has been convicted of three or more violations of this code or any local ordinance adopted pursuant to this code within the 12-month period immediately preceding the

commission of the offense and such prior convictions are admitted by the defendant or alleged in the accusatory pleading. For this purpose, a bail forfeiture shall be deemed to be a conviction of the offense charged.

SEC. 5. Section 42001 of the Vehicle Code is amended to read.

42001. (a) Except as provided in Section 42001 5, every person convicted of an infraction for a violation of this code or of any local ordinance adopted pursuant to this code shall be punished upon a first conviction by a fine not exceeding fifty dollars ($50) and for a second conviction within a period of one year by a fine of not exceeding one hundred dollars ($100) and for a third or any subsequent conviction within a period of one year by a fine of not exceeding two hundred fifty dollars ($250).

(b) Every person convicted of a misdemeanor violation of Sections 2800, 2801, and 2803 insofar as they affect failure to stop and submit to inspection of equipment or for an unsafe condition endangering any person, and Section 2815, shall be punished upon a first conviction by a fine not exceeding fifty dollars ($50) or by imprisonment in the county jail for not exceeding five days and for a second conviction within a period of one year by a fine of not exceeding one hundred dollars ($100) or by imprisonment in the county jail for not exceeding 10 days, or by both such fine and imprisonment and for a third or any subsequent conviction within a period of one year by a fine of not exceeding five hundred dollars ($500) or by imprisonment in the county jail for not exceeding six months or by both such fine and imprisonment.

This section shall have no application to Article 2 (commencing with Section 42030) of Chapter 1 of this division relating to weight violations or to any violation punishable pursuant to Section 42001.7

SEC. 6. Section 40000.15 of the Vehicle Code is amended to read:

40000.15. A violation of any of the following provisions shall constitute a misdemeanor, and not an infraction:

Section 23102, relating to driving under the influence.

Sections 23103 and 23104, relating to reckless driving.

Section 23105, relating to driving under the influence.

Section 23109, relating to speed contests or exhibitions.

Section 23110, subdivision (a), relating to throwing at vehicles

Section 23253, relating to officers on vehicular crossings.

Section 23332, relating to trespassing.

Section 27150.1, relating to sale of exhaust systems.

SEC. 7. It is the intent of the Legislature, if this bill and Assembly Bill No 660 are both chaptered and become effective January 1, 1974, both bills amend Section 40000.15 of the Vehicle Code, and this bill is chaptered after Assembly Bill No. 660, that the amendments to Section 40000.15 proposed by both bills be given effect and incorporated in Section 40000 15 in the form set forth in Section 6 of this act. Therefore, Section 6 of this act shall become operative only if this bill and Assembly Bill No. 660 are both chaptered and become effective January 1, 1974, both amend Section 40000 15, and this bill

is chaptered after Assembly Bill No. 660, in which case Section 2 of this act shall not become operative.

SEC. 8. Notwithstanding Section 2231 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to that section nor shall there be any appropriation made by this act because the Legislature recognizes that during any legislative session a variety of changes to laws relating to crimes and infractions may cause both increased and decreased costs to local government entities and school districts which, in the aggregate, do not result in significant identifiable cost changes.

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## CHAPTER 1163

*An act to amend Sections 985 and 2626 of, and to add Section 2626.2 to, the Unemployment Insurance Code, relating to unemployment disability compensation*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 985 of the Unemployment Insurance Code is amended to read:

985. Section 984 shall not apply to that part of the remuneration which, after remuneration with respect to employment equal to eight thousand dollars ($8,000) for calendar year 1972 and eight thousand five hundred dollars ($8,500) for calendar year 1973, and nine thousand dollars ($9,000) for calendar year 1974 and each subsequent calendar year has been paid to an individual by an employer, is paid to such individual by such employer.

SEC. 2. Section 2626 of the Unemployment Insurance Code is amended to read:

2626. "Disability" or "disabled" includes both mental or physical illness, mental or physical injury, and, to the extent specified in Section 2626.2, pregnancy. An individual shall be deemed disabled in any day in which, because of his physical or mental condition, he is unable to perform his regular or customary work

SEC. 3. Section 2626.2 is added to the Unemployment Insurance Code, to read:

2626.2. Benefits relating to pregnancy shall be paid under this part only in accordance with the following:

(a) Disability benefits shall be paid upon a doctor's certification that the claimant is disabled because of an abnormal and involuntary complication of pregnancy, including but not limited to: puerperal infection, eclampsia, caesarean section delivery, ectopic pregnancy, and toxemia.

(b) Disability benefits shall be paid upon a doctor's certification

that a condition possibly arising out of pregnancy would disable the claimant without regard to the pregnancy, including but not limited to: anemia, diabetes, embolism, heart disease, hypertension, phlebitis, phlebothrombosis, pyelonephritis, thrombophlebitis, vaginitis, varicose veins, and venous thrombosis.

SEC. 4. This act shall become operative with respect to periods of disability commencing on or after the effective date of this act.

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## CHAPTER 1164

*An act to add Sections 24362 and 24403 to the Public Utilities Code, relating to aviation.*

[Approved by Governor October 2, 1973. Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 24362 is added to the Public Utilities Code, to read:

24362. Every person permitting another person to operate an aircraft under the terms of any rental agreement or lease which provides for any remuneration for the use of such aircraft shall deliver either of the following to the person renting the aircraft:

(a) A written certification that an aircraft liability policy of insurance exists for the operator thereof, specifying the name of the insurance company providing such coverage, the policy number, the expiration date of such policy, the nature and extent of coverage, and a statement that such coverage complies with the financial responsibility laws of California applicable to the operation of an aircraft. Such certification shall be furnished and signed, by facsimile or otherwise, by a California licensed insurance agent, broker, or insurance carrier. The person delivering the written authorization provided for herein shall certify as to the accuracy thereof as of the date of delivery.

(b) A written statement that no insurance coverage exists for the operator of the aircraft. Such statement shall be delivered to the person renting the aircraft prior to entering into any binding rental agreement and shall substantially conform to the following text:

"NOTICE TO AIRCRAFT OPERATOR

"You are hereby notified that no insurance coverage is being provided to cover your liability for bodily injury and property damage you may cause as an operator of any aircraft covered by our rental agreement.

"You are further notified that the Uniform Aircraft Financial Responsibility Act (Part 5 (commencing with Section 24230) of

Division 9 of the Public Utilities Code) requires that you be able to post security in an amount up to $50,000 because of bodily injury or death to one person in any one accident, up to $100,000 because of bodily injury or death to two or more persons in any one accident, and up to $50,000 in the event of damage to or destruction of property.

"Failure to furnish sufficient security or failure to furnish evidence of proof of ability to respond in damages as required under Section 24325 and Section 24360 of the Public Utilities Code is a misdemeanor."

(c) No insurance agent, broker, or insurance carrier shall have any liability as a result of the failure to deliver the certificate specified in paragraph (a).

SEC. 2. Section 24403 is added to the Public Utilities Code, to read:

24403. Every person permitting another person to operate an aircraft under the terms of any rental agreement which provides for any remuneration for the use of such aircraft who fails to comply with Section 24362 is guilty of a misdemeanor and is punishable by a fine of not less than two hundred fifty dollars ($250) nor more than one thousand dollars ($1,000) or by imprisonment in the county jail for not more than 90 days, or by both such fine and imprisonment.

A failure by a person permitting another person to operate an aircraft under the terms of any rental agreement which provides for any remuneration for the use of such aircraft to obtain a receipt for the delivery of the certification or statement required by Section 24362 to the person renting the aircraft shall be prima facie evidence of a violation of Section 24362.

SEC. 3. Notwithstanding Section 2231 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to that section nor shall there be any appropriation made by this act because the Legislature recognizes that during any legislative session a variety of changes to laws relating to crimes and infractions may cause both increased and decreased costs to local government entities and school districts which, in the aggregate, do not result in significant identifiable cost changes.

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## CHAPTER 1165

*An act to amend Sections 421, 422, and 423 of, and to add Section 423.7 to, the Revenue and Taxation Code, relating to taxation.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 421 of the Revenue and Taxation Code is amended to read:

421. For the purposes of this article:

(a) "Agricultural preserve" means an agricultural preserve created pursuant to the California Land Conservation Act of 1965 (Williamson Act) (Chapter 7 (commencing with Section 51200) of Part 1 of Division 1 of Title 5 of the Government Code).

(b) "Contract" means a contract executed pursuant to the California Land Conservation Act.

(c) "Agreement" means an agreement executed pursuant to the California Land Conservation Act prior to the 61st day following the final adjournment of the 1969 Regular Session of the Legislature and which, taken as a whole, provides restrictions, terms, and conditions which are substantially similar or more restrictive than those required by statute for a contract.

(d) "Scenic restriction" means any interest or right in real property acquired by a city or county pursuant to Chapter 12 (commencing with Section 6950) of Division 7 of Title 1 of the Government Code, where the deed or other instrument granting such right or interest imposes restrictions which, through limitation of their future use, will effectively preserve for public use and enjoyment, the character of open spaces and areas as defined in Section 6954 of the Government Code.

A scenic restriction shall be for an initial term of 10 years or more, and shall either:

(1) Provide a method whereby the term may be extended by mutual agreement of the parties, or

(2) Provide that the initial term shall be subject to annual automatic one-year extensions as provided for contracts in Sections 51244, 51244.5, and 51246 of the Government Code, unless notice of nonrenewal is given as provided in Section 51245 of the Government Code.

A scenic restriction may not be terminated prior to the expiration of the initial term, and any extension thereof, except as provided for cancellation of contracts in Sections 51281, 51282, 51283 and 51283.3 of the Government Code, and subject to the provisions therein for payment of the cancellation fee.

(e) "Open-space easement" means an open-space easement granted to a county or city pursuant to Chapter 6.5 (commencing with Section 51050) of Part 1 of Division 1 of Title 5 of the Government Code.

(f) "Wildlife habitat contract" means any contract or amended contract or covenant involving 150 acres or more of land entered into by a landowner with any agency or political subdivision of the federal or state government limiting the use of lands for a period of 10 or more years by the landowner to habitat for native or migratory wildlife and native pasture. Such lands shall, by contract, be eligible to receive water for waterfowl or waterfowl management purposes from the federal government.

(g) "Open-space land" means any of the following:

(1) Land within an agricultural preserve and subject to a contract or an agreement.

(2) Land subject to a scenic restriction.

(3) Land subject to an open-space easement.

(h) "Typical rotation period" means a period of years during which different crops are grown as part of a plant cultural program. Typical rotation period does not mean the rotation period of timber.

(i) "Wildlife" means waterfowl of every kind and any other undomesticated mammal, fish, or bird.

SEC. 2. Section 422 of the Revenue and Taxation Code is amended to read:

422. For the purposes of this article and within the meaning of Article XXVIII of the State Constitution, "enforceable restriction" is any of the following:

(a) A contract;

(b) An agreement;

(c) A scenic restriction;

(d) An open-space easement, or

(e) A wildlife habitat contract.

For the purposes of this article no restriction upon the use of land other than those enumerated in this section shall be considered to be an enforceable restriction.

SEC. 3. Section 423 of the Revenue and Taxation Code is amended to read:

423. Except as provided in Section 423.7, when valuing open-space land subject to an enforceable restriction, other than land used for the production of timber for commercial purposes, the board for purposes of surveys required by Section 1815 of this code and the county assessor shall not consider sales data on lands, whether or not subject to an enforceable restriction, but shall value such lands by the capitalization of income method in the following manner:

(a) The annual income to be capitalized shall be determined as follows:

(1) Where sufficient rental information is available the income shall be the fair rent which can be imputed to the land being valued based upon rent actually received for the land by the owner and upon typical rentals received in the area for similar land in similar use, where the owner pays the property tax. When the land being valued is actually encumbered by a lease, any cash rent or its equivalent considered in determining the fair rent of the land shall be the amount for which the land would be expected to rent were the rental payment to be renegotiated in the light of current conditions including applicable enforceable restrictions.

(2) Where sufficient rental information is not available, the income shall be that which the land being valued reasonably can be expected to yield under prudent management and subject to applicable enforceable restrictions. There shall be a rebuttable

presumption that "prudent management" does not include use of the land for a recreational use, as defined in subdivision (n) of Section 51201 of the Government Code, unless the land is actually devoted to such use.

For the purposes of this section income shall be determined in accordance with rules and regulations issued by the board and with this section and shall be the difference between revenue and expenditures. Revenue shall be the amount of money or money's worth, including any cash rent or its equivalent, which the land can be expected to yield to an owner-operator annually on the average from any use of the land permitted under the terms of the enforceable restriction including, but not limited to, that from the production of salt and from typical crops grown in the area during a typical rotation period, not to exceed six years including the tax year and the next succeeding five years. When the land is planted to fruit-bearing or nut-bearing trees, vines, bushes or perennial plants, the revenue shall not be less than the land would be expected to yield to an owner-operator from other typical crops grown in the area during a typical rotation period, not to exceed six years including the tax year and the next succeeding five years. Proceeds from the sale of the land being valued shall not be included in the revenue from the land.

Expenditures shall be any outlay or average annual allocation of money or money's worth that can be fairly charged against the revenue expected to be received during the period used in computing such revenue. Those expenditures to be charged against revenue shall be only those which are ordinary and necessary in the production and maintenance of the revenue for that period. Expenditures shall not include depletion charges, debt retirement, interest on funds invested in the land, interest on funds invested in trees and vines valued as land as provided by Section 429, property taxes, corporation income taxes, or corporation franchise taxes based on income. When the income used is from operating the land being valued or from operating comparable land, amounts shall be excluded from the income to provide a fair return on capital investment in operating assets other than the land, to amortize depreciable property, and to fairly compensate the owner-operator for his operating and managing services.

Where the land being valued is not capable of producing income or is not used to produce income or where sufficient information is not available by which income can be determined as provided in this subdivision, the board and the assessor shall impute to the land a reasonable amount to be capitalized as income.

(b) The capitalization rate to be used in valuing land pursuant to this article shall not be derived from sales data and shall be the sum of the following components:

(1) An interest component to be determined by the board and announced no later than September 1 of the year preceding the assessment year and which was the yield rate for long-term United

States government bonds, as most recently published by the Federal Reserve Board, rounded to the nearest one-quarter (¼) percent.

(2) A risk component which shall be a percentage determined on the basis of the location and characteristics of the land, the crops to be grown thereon and the provisions of any lease or rental agreement to which the land is subject; and

(3) A component for property taxes which shall be a percentage equal to the estimated total tax rate applicable to the land for the assessment year times the assessment ratio.

(4) A component for amortization of any investment in perennials over their estimated economic life when the total income from land and perennials other than timber exceeds the yield from other typical crops grown in the area.

(c) The value of the land shall be the quotient of the income determined as provided in subdivision (a) divided by the capitalization rate determined as provided in subdivision (b).

(d) The ratio prescribed in Section 401 shall be applied to the value of the land determined in subdivision (c) to obtain its assessed value.

SEC. 4. Section 423.7 is added to the Revenue and Taxation Code, to read:

423.7. (a) When valuing open-space land subject to a wildlife habitat contract, as defined in subdivision (f) of Section 421, the board, for purposes of surveys required by Section 1815, and all assessors shall value such land by using the average current per-acre value based on recent sales including the sale of an undivided interest therein, of lands subject to a wildlife habitat contract within the same county. Where ownership of open-space land is held by a corporation and the principal underlying asset of said corporation is represented by such lands, the price received for each bona fide sale of shares of stock in such corporations or certificates of membership in nonprofit corporations shall be treated as a sale of open-space land by the assessor in determining average value for open-space lands within the meaning of this section.

(b) In the valuation of open-space land subject to a wildlife habitat contract as defined in subdivision (f) of Section 421, irrespective of the number of parcels represented by a single ownership, the assessor shall use sales of less than 150 acres in determining the average value of such lands only if the sale is of an undivided interest of land subject to a wildlife habitat contract as defined in subdivision (f) of Section 421. The assessor shall not use any other sale of less than 150 acres of land.

(c) In the event of sales of corporate stock or membership, as referred to in subdivision (a), the assessor shall determine the average per-acre sales price and multiply such sales price by the number of acres held under the single ownership from which such land was sold, in order to determine the current total value of the single ownership.

(d) The assessor shall then determine the average current

per-acre value of such land subject to a wildlife habitat contract, as defined in subdivision (f) of Section 421, by adding the current value of all such lands including corporate sales as set forth in subdivision (c), of which there has been a recent sale, and then dividing the total current value by the total number of acres of all such land of which there has been a recent sale

(e) Where less than 10 years remain to the expiration of a wildlife habitat contract, the value of land determined under subdivision (a) shall be modified pursuant to this subdivision. If the full cash value of such land as determined under Section 405 is greater than the value determined under subdivision (a) of this section, a pro rata share of the amount of such difference shall be added in annual equal installments to the value determined pursuant to subdivision (a) over the remaining term of the wildlife habitat contract.

(f) Owners of open-space land subject to a wildlife habitat contract which has been used exclusively for habitat by native or migratory wildlife, recreation, and native pasture shall report the sale of such land, or an interest therein, to the county assessor within 30 days of such sale.

(g) The value determined under subdivision (a) or (b) shall be adjusted by the factor described in Section 401.

(h) In the event that a wildlife habitat contract is canceled upon the application of an owner of the land covered by such contract, a penalty equal to 6 percent of the full cash value of such land as determined under Section 405 on the lien date next following such cancellation shall be imposed. Such penalty shall become delinquent on the December 10 next following such lien date and shall be treated in all respects as a delinquent penalty imposed under Section 2617 or 2704. This subdivision shall not apply when a wildlife habitat contract is canceled without the consent of an owner of the land affected.

(i) The provisions of Section 426 shall not apply to any lands valued for assessment purposes pursuant to the provisions of this section.

(j) The assessor shall not value any land under a single ownership under this section unless the owners of such land have provided the assessor with a schedule of sales of such land that have occurred during the previous four years.

(k) If there are no prior sales within the county of open-space land subject to a wildlife contract and used exclusively for habitat by native or migratory wildlife, recreation, and native pasture, the assessor shall value such land pursuant to Section 405.

SEC 5. County auditors shall file claims with the Controller, as provided in subdivision (b) of Section 16113 of the Government Code, for reimbursement for property tax revenues lost by reason of the classification of property by Section 4 of this act The Controller shall report the amount of such claims to the Legislature on or before the 15th day of November next following the operative date of this act or, if the Legislature is not then in session, on the first legislative

day thereafter, in order that the Legislature may appropriate funds for the subventions required by Section 2163 of the Revenue and Taxation Code.

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## CHAPTER 1166

*An act to add Division 4.5 (commencing with Section 3600) to Title 1 of, and to repeal Article 4.6 (commencing with Section 1120) of Chapter 1, Division 4 of Title 1 of and Division 4.5 (commencing with Section 3600) of Title 1 of, the Government Code, relating to conflicts of interest.*

[Approved by Governor October 2, 1973. Filed with Secretary of State October 2, 1973.]

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

SECTION 1. Article 4.6 (commencing with Section 1120) of Chapter 1 of Division 4 of Title 1 of the Government Code is repealed.

SEC. 2. Division 4.5 (commencing with Section 3600) of Title 1 of the Government Code is repealed.

SEC. 3. Division 4.5 (commencing with Section 3600) is added to Title 1 of the Government Code, to read:

## DIVISION 4.5. CONFLICT OF INTEREST

### CHAPTER 1. LEGISLATIVE POLICY

3600. This division shall be known and may be cited as the Governmental Conflict of Interests Act.

3601. The Legislature enacts this division

(1) To assure the independence, impartiality and honesty of public officials in governmental actions and decisions;

(2) To inform citizens of the existence of personal economic interests which may present a conflict of interest between the official's public trust and private gain;

(3) To prevent public office from being used for personal gain, other than the remuneration provided by law;

(4) To assure that governmental decisions and policy be made in the proper course according to the proper procedures and considerations;

(5) To prevent special interests from unduly influencing governmental decisions and policy; and to assure to the extent possible, that governmental decisions and policy reflect the public interest.

3602. The provisions of this division are to be liberally construed, to the end that the public interest be fully protected. If any provision

of this act or the application thereof to any person or circumstance is held invalid for any reason, such invalidity shall not affect any other provisions or applications of this act which can be effected without the invalid provision or application, and to this end the provisions of this act are severable.

3603. Nothing in this division shall prevent any public agency from adopting rules relating to conflicts of interest of its officers which require disclosure or disqualification in addition to the requirements of this division.

3604. (a) Every document, record, or statement required to be filed pursuant to the provisions of this division is a public record and shall be made available at reasonable times for inspection by any member of the public.

(b) A copy of each such document, record, or statement shall be given to any member of the public upon payment of a reasonable charge, not to exceed ten cents ($0.10) per page.

## CHAPTER 2. DEFINITIONS

3610. The terms used in this division are defined as follows:

(a) "Business entity" means any undertaking operated for economic gain, including, but not limited to, a corporation, partnership, trust, business, proprietorship, firm, association, or joint venture.

(b) "Candidate" means any person who seeks nomination for or election to a state, county, regional, general law or chartered city, or district office at any primary or special or general election.

(c) "Constitutional officer" means the Governor, Lieutenant Governor, Secretary of State, Controller, Treasurer, Attorney General, State Superintendent of Public Instruction, Members of the Legislature, and all other elected state officials.

(d) "Gift" means any thing of economic value given without valuable consideration but does not include campaign contributions nor gifts from relatives.

(e) "Income" means income of any nature from any source derived, including but not limited to any salary, wage, advance, payment, dividend, interest, rent, return of capital, forgiveness of indebtedness, rebate of money, or anything of economic value.

(f) "Investment" means any economic interest, but does not include a time or demand deposit in a financial institution, shares in a credit union or the cash surrender value of life insurance or of any debt instrument having a set yield unless it is convertible to an equity instrument.

(g) "Public agency" means the Legislature, the office of any constitutional officer, county, city and county, charter or general law city or district, and any agency, department, commission, or bureau office or comparable unit of the state, any county, city and county, general law or charter city or district government.

(h) "Public official" means any elective or appointive officer of

any public agency.

(i) "Real property" means any interest or option to purchase any interest in any real property, but does not include a home or property used by the owner primarily for personal or recreational purposes.

## CHAPTER 3. PROHIBITIONS

3625. (a) No official shall have economic interests which are in substantial conflict with the proper exercise of his official duties and powers.

(b) No public official shall participate in, or in any way attempt to influence, governmental action or decisions relating to any matter within the responsibilities of his agency in which he knows or has reason to believe he has an economic interest.

(c) An official has an economic interest in a matter if the action or decision will have a material economic effect on:

(1) Any business entity in which the public official has a direct or indirect investment worth more than one thousand dollars ($1,000);

(2) Any real property in which the public official has a direct or indirect interest worth more than one thousand dollars ($1,000);

(3) Any source of income, loans or gifts aggregating two hundred fifty dollars ($250) or more in value received by or promised to the public official within 12 months prior to the time when the action is taken or decision made.

(4) Any business entity in which the public official is a director, officer, partner, trustee, employee, or holds any position of management.

For purposes of this section, indirect investment or interest means any investment or interest owned by the spouse or dependent children of the public official, by an agent on his behalf, by any business entity controlled by the public official or by a trust in which he has a substantial economic interest. A business entity is controlled by a public official if the public official, agents, spouse or dependent children, possess more than 50 percent of the ownership interest in the entity. A public official has a substantial economic interest in a trust, when the official, his spouse or dependent children have a present or future interest worth more than one thousand dollars ($1,000).

(d) Subdivision (b) of this section shall not apply to the following:

(1) To any constitutional officer;

(2) To any public official with respect to any matter which could not legally be acted upon or decided by his public agency without his participation;

provided that the constitutional officer or official specifically disclose as a matter of official, public record the existence of any economic interest described in subdivision (c), and describe with particularity the nature of the interest before he acts or decides or participates in any action or decision; and provided further that he in no way

attempts to influence any other public official with respect to the matter.

(e) Subdivision (b) of this section shall not apply if the action or decision affects an economic interest of the official as a member of the public or a significant segment of the public or as a member of an industry, profession or occupation, to no greater extent than any other such member of the public, segment of the public or an industry, profession or occupation.

3626. Each public agency may adopt guidelines for its officials in their determination whether they have an economic interest or interests which are in substantial conflict with the proper exercise of their official duties and powers under subdivision (a) of Section 3625 and in determining whether they have an economic interest in matters for purposes of subdivision (b) of Section 3625. These guidelines shall not supersede the requirements of subdivisions (a) and (b) of Section 3625, but when complied with in the good faith belief that they are consistent with those provisions they shall exempt officials from the civil penalties in Section 3751 and the sanctions in Section 3753.

3627. (a) Except as a governmental employee or consultant, no former official shall influence or attempt to influence for compensation, the public agency by which he was employed or which he served, or any of its members, officers or employees in their official duties within a period of two years after the termination of his employment or service.

(b) Within a period of two years after termination of his service or employment, no former public official shall receive compensation from any person whose economic interests were the subject of or affected by any action or decision in which he participated or was involved in his official capacity during the period of his service or employment, unless the action or decision was one which affected the person's interests as a member of the public or a significant segment of the public, or as a member of an industry, profession or occupation to no greater extent than any other such member of the public or the industry, profession or occupation.

(c) Subdivisions (a) and (b) of this section shall not apply to a former public official unless the official receives compensation or other thing of value from a business entity having a contractual relationship with the public agency by which the official was employed.

## CHAPTER 4. DISCLOSURE

3700. (a) This section is applicable to constitutional officers, county supervisors and chief administrative officers, mayors, city council members, members of planning commissions and planning officers, and managers and chief administrative officers of general law or charter cities.

(b) During April of each year, officials designated in subdivision

(a) of this section shall file a statement containing the following information:

(1) The name, principal address, and general description of the nature of the business activity of any business entity in which he has, or at any time during the year had, a direct or indirect investment worth more than one thousand dollars ($1,000), and whether the value of such investment exceeds ten thousand dollars ($10,000);

(2) A description of any real property in which he has, or at any time during the year had, a direct or indirect interest worth more than one thousand dollars ($1,000), including the street address of the property, the place, book and page number where such interest is recorded and whether the value of such interest exceeds ten thousand dollars ($10,000)

(3) Each source of income, loans or gifts, aggregating two hundred fifty dollars ($250) or more in value, received in the preceding 12 months, including the name, address, and general description of the business activity of each source, a statement of the consideration, if any, for which the income was received, and whether the aggregate value of the income, loans and gifts received was worth more than one thousand dollars ($1,000).

(4) Any employment, position of management or office, salaried or otherwise, held at the time of filing, or at any time during the year by the public official and the name, principal address and a general description of the nature of the business activity of the business entity.

For purposes of this section, indirect investment or interest means any investment or interest owned by the spouse or dependent children of the public official, by an agent on his behalf, or by any business entity controlled by the public official or a trust in which he has a substantial economic interest. A business entity is controlled by a public official if the public official, his agent or spouse and dependent children, possess more than 50 percent of the ownership interest in the entity. A public official has a substantial economic interest in a trust when the official, his or her spouse or dependent children have a present or future interest worth more than one thousand dollars ($1,000).

(c) The statement required by this section need not disclose any interest otherwise includable under subdivision (b) including investments, interests or income, which could not be affected materially by any action, failure to act or decision taken by the public official acting within the scope of his official duties.

(d) For the purposes of this section, an interest in real property located within the jurisdiction of the official's agency or an investment in a business entity, a source of income or a position of employment, office or management in any business entity located within the jurisdiction or doing business within the jurisdiction shall be regarded as an interest which could be effected materially by the official in the scope of his official duties.

3701. (a) Each nonincumbent candidate, at the time he files his

nomination papers or his declaration of acceptance, shall file a statement containing the information required by Section 3700 for persons holding elective office.

(b) Each person nominated for appointment or appointed to public office designated in subdivision (a) of Section 3700, 10 days or more before he is confirmed or assumes office shall file a statement containing the information required by Section 3700 for persons holding that office.

3702. Every public official designated in subdivision (a) of Section 3700 who ceases to hold office shall, within 30 days after ceasing to hold office, file the statement containing the information specified in subdivisions (b) and (c) of Section 3700.

3703. During April of each year every official, except those designated in subdivision (a) of Section 3700 shall file a statement disclosing his financial interests as required by Section 3704.

3704. (a) Every public agency may adopt and promulgate rules governing disclosure of financial interests by its officials. County and city and county boards of supervisors, city councils of general law and chartered cities and the governing boards of special districts may adopt and promulgate the rules for officials in the agencies subject to their control.

(b) Any violation of these rules shall be deemed a violation of this chapter.

(c) The rules shall designate the interest or type of interest the different officials must disclose. They shall require designation of the investment, interest, source of income, gifts and loans and positions enumerated in subdivision (b) of Section 3700 under the standards set forth in subdivisions (b) and (c) of Section 3700.

(d) Employees holding secretarial, clerical or manual positions, and other officials whose financial interests could not be affected materially by any action, failure to act or decision taken by them within the scope of their official duties shall not be required to file statements of financial interests.

3705. Every state and local government agency shall amend or revise its rules when necessitated by changed circumstances.

3706. Any official of the agency or any citizen may bring suit to challenge the coverage or adequacy of the rules adopted under Sections 3704 and 3705. If the trial judge finds that certain classes of interests included in the rules could not be affected materially by any action, failure to act or decision likely to be made or that certain classes of interests excluded from the rules could be so affected, he may order the amendment of the rules accordingly.

3707. Constitutional officers, state officials, and candidates for state office shall file statements required under this chapter with the Secretary of State. All other persons shall file with the county clerk in the county in which their place of employment is located, or where they reside if they are not employed.

3708. The Secretary of State shall be responsible for disseminating information about the requirements of Sections 3625,

3700, and 3702 and the sanctions for violations. Public agency heads shall inform persons under their authority of requirements under Section 3703 and the sanctions for violations.

3709. Persons required to file statements under this chapter shall verify that the statements are true under penalty of perjury, punishable as provided by Section 126 of the Penal Code.

3710. (a) Every document, record, or statement required to be filed pursuant to the provisions of this division is a public record and shall be made available at reasonable times for inspection by any member of the public.

(b) A copy of each such document, record, or statement shall be given to any member of the public upon payment of a reasonable charge, not to exceed ten cents ($0.10) per page.

## CHAPTER 5. ENFORCEMENT

3750. Nothing in this division shall exempt any person from applicable provisions of any other law of this state.

3751. (a) The district attorney in any county where a violation of this division is alleged to have occurred, the Attorney General if the district attorney fails to take action, or any citizen or group of citizens of this state, may bring an action in superior court to enjoin violations of or compel compliance with the provisions of this division.

(b) Upon a preliminary showing that there are reasonable grounds to believe that a violation of Section 3625 has occurred, the court may restrain the execution of any decision, contract, order, permit, resolution or other official act in relation to which a violation of this section is alleged to have occurred, pending final adjudication, provided that any injury suffered by innocent persons relying on the official act does not outweigh the public interest in a temporary stay of the act. If it is ultimately determined that a violation has occurred, the court may set aside as void any decision, order, permit, resolution, contract or other official action affected by the violation.

(c) If it is determined that a violation of Section 3625 has occurred, and if the public official who committed the violation realized an economic benefit as a result of the action or decision, the court may impose a penalty against the public official of up to three times the value of the benefit.

(d) If it is determined that an interest which should have been disclosed in the report required by Section 3700 was omitted, the court may impose a penalty of up to three times the value of the omitted interest.

3752. The court may award reasonable attorney fees and court costs to the prevailing party or parties, whether or not there has been a final judgment in the matter.

3753. A violation of any provision of this division shall be grounds for forfeiture of office as provided in Section 1700 of the Government Code and for disqualification from holding public office as provided in Section 1021 of the Government Code.

3754. (a) No public official required to file a statement pursuant to Section 3700 shall receive any compensation from the government for the period in which he is in violation if the statement is not filed as required.

(b) No public official required to file a statement pursuant to Sections 3700 or 3703 shall take office until the statement as required has been filed.

3760 If any provision of this act or the application thereof to any person or circumstance is held invalid for any reason, such invalidity shall not affect any other provisions or applications of this act which can be effected without the invalid provision or application, and to this end the provisions of this act are severable.

SEC. 4. The Legislature recognizes that during any legislative session a variety of changes to laws relating to crimes and infractions may cause both increased and decreased costs to local government entities and school districts which, in the aggregate, do not result in significant identifiable cost changes.

The duties, obligations, or responsibilities imposed on local governmental entities or school districts by this act are such the related costs are incurred as a part of their normal operating procedures.

Therefore, no appropriation is made by this act nor is any obligation created thereby under Section 2231 of the Revenue and Taxation Code, for the reimbursement of any local agency for any costs that may be incurred by it in carrying on any program or performing any service required to be carried on or performed by it by this act.

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## CHAPTER 1167

*An act relating to data processing services, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. The Legislature finds that in certain counties in California there exist numerous independent school district data processing centers that service the identical needs of thousands of students.

It is the intent of the Legislature that a study be undertaken to determine the feasibility of combining services of existing data processing centers, in a county of appropriate size and diversity selected by the Superintendent of Public Instruction, where at least four school districts within the county and the county

superintendent of schools presently operate their own computer centers, and to provide accessibility to a major computer center.

SEC. 2. The study shall be undertaken by a recognized consulting firm that has met criteria of objectivity, prior experience, and personal knowledge of data processing services, which shall be selected by the Director of Finance in consultation with the governing bodies of the selected county and school districts therein.

SEC. 3. The consulting firm selected to report shall respond to the following:

(a) Identification of similarities and differences of policies and goals of the existing district and county superintendent of schools operations.

(b) Identification of similarities and differences in operations and services of the data processing centers.

(c) In the areas of education, administration and business, determine the long-range goals for electronic data processing.

(d) Provide an analysis of various alternatives in the field of data processing to achieve the goals reported in subdivision (c) of this section.

SEC 4. The consulting firm shall complete its report and prepare its findings within six months of the notification to proceed.

SEC. 5. The findings of the consulting firm shall be reported to the participating school districts, the county board of education, and the Superintendent of Public Instruction. The Superintendent of Public Instruction shall meet with the participating school districts and county superintendent of schools and certify the study complete.

SEC. 6. The Superintendent of Public Instruction in a management review shall report the action taken to the Assembly Efficiency and Cost Control Committee and the Senate and Assembly Education Committees, if the report concurs in a feasible combination of service to attain the goals of the participants.

SEC. 7. There is hereby appropriated from the General Fund to the Superintendent of Public Instruction the sum of seventy thousand dollars ($70,000) for expenditure and allocation for the purposes of this act.

SEC. 8. This act shall become operative on July 1, 1973.

SEC. 9. Notwithstanding the provisions of Item 79.1 and Section 4 of the Budget Act of 1973, the prohibition that no expenditures or encumbrances shall be made from funds appropriated in the budget act or from any other source for the lease, lease-purchase or purchase of electronic data processing equipment unless two bidders bidding on mainframes manufactured by different companies have been determined to be qualified for contract award in accordance with the act shall not be applicable to the initial lease of equipment and the initial acquisition of services and supplies for the Stephen P. Teale Consolidated Data Center. The Business and Transportation Agency may obtain from one or more sources such equipment, services and supplies by negotiation with vendors seeking consideration and award the contract pursuant to such negotiation if such award is

determined to be in the best interests of the state. The Business and Transportation Agency need not negotiate with vendors who do not seek consideration on or before October 15, 1973. In considering bids a separate contract or contracts may be entered into for the conversion of programs for the Department of Motor Vehicles, or any other agency, and for all other equipment, supplies and services pertaining to the initial procurement for the Stephen P. Teale Consolidated Data Center. The Business and Transportation Agency shall not use a conversion date for programs in any state department prior to July 1, 1974, or within six months after award of the contract, whichever is later, to preclude any potential vendor from negotiating for or receiving an award under this act.

SEC. 10. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

Various school districts and county superintendents of schools throughout the state are presently expending vast sums of money operating their own data processing centers. Such operations are resulting in a duplication of services and cost. In order to assess the amount of duplication involved and the feasibility of combining such operations at the earliest possible date, it is necessary that this act take effect immediately.

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## CHAPTER 1168

*An act to amend Sections 6751, 6802.1, 6902.1, and 18102.9 of the Education Code, relating to special education.*

[Approved by Governor October 2, 1973. Filed with Secretary of State October 2, 1973.]

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

SECTION 1. Section 6751 of the Education Code is amended to read:

6751. The governing board of any school district or a county superintendent of schools with the approval of the county board of education, maintaining schools in juvenile halls or juvenile homes, ranches, or camps as authorized by the Welfare and Institutions Code, may provide for any one or more of the special educational programs for educationally handicapped pupils authorized in this section. A county superintendent of schools may enter into an agreement pursuant to Section 6753 with the governing board of a school district having less than 901 average daily attendance in the elementary schools or less than 901 in the high schools of the district to provide any one or more of such special educational programs for the district, or the county superintendent of schools may enter into

an agreement pursuant to Section 6753 with the governing board of a school district having an average daily attendance of 901 or more in the elementary schools of the district or 901 or more in the high schools of the district to provide only those special educational programs for the district which are set forth in subdivision (a), (c), or (d), or any combination thereof. Whenever a special educational program for educationally handicapped pupils set forth in subdivision (a) or (d) of this section is provided by a county superintendent of schools for a district with an average daily attendance of 901 or more in the elementary schools of the district or 901 or more in the high schools of the district, pursuant to an agreement entered into pursuant to Section 6753, the foundation program prescribed in Section 17656 for an elementary district with an average daily attendance of 901 or more shall apply to educationally handicapped pupils of the elementary schools of the district who are in such a special education program and the foundation program prescribed in Section 17665 shall apply to educationally handicapped pupils of the high schools of the district who are in such a special educational program.

Such special educational programs shall be provided in accordance with standards for each approved by the State Board of Education. Such standards shall emphasize fundamental school subjects with the aim of returning the pupils to the regular school program at the earliest possible date consistent with the interest of the pupil.

The special educational programs for educationally handicapped pupils are:

(a) Special day classes (elementary and secondary). Under this program, educationally handicapped pupils unable to function in a regular class are assigned to a special day class. The special day class shall be maintained for not less than the minimum schoolday. In this program, fundamental school subjects shall be emphasized as prescribed by the State Board of Education.

(b) Learning disability groups (elementary and secondary). In this program, the pupil remains in his regular class but is scheduled for individual or small group instruction given by a special teacher. Whenever one to four educationally handicapped pupils are instructed at the same time by the same teacher in a learning disability group conducted by a school district or county superintendent of schools, the total attendance credited for such pupils shall equal one unit of attendance for each 60 minutes of instruction.

(c) Specialized consultation to teachers, counselors, and supervisors (elementary and secondary). Under this program, specialized consultation is provided teachers, counselors, and supervisors relative to the learning disabilities of individual pupils and special education services required by such pupils.

(d) Home and hospital instruction (elementary and secondary). Under this program, a pupil who is unable to function in a school setting and who does not attend school receives

instruction at the appropriate grade level at home or in a hospital.

(e) Regular class instruction. Under this program, whenever the number of educationally handicapped pupils is less than six in each of one or more schools of a district or schools served by a county superintendent and the distance between any school also having educationally handicapped pupils is excessive, prohibiting the reasonable transportation of pupils, such pupils may be instructed in the regular classes of the district or county with prior approval of the Superintendent of Public Instruction, providing an instructional aide is employed in each such regular class for the regular schoolday, and that supervision of the instructional program for educationally handicapped pupils is provided by a credentialed person having expertise and experience in teaching the educationally handicapped. School districts providing regular class instruction for educationally handicapped pupils under this subdivision shall be qualified for the individual apportionment under subdivision (i) of Section 18102.9.

SEC. 2. Section 6802.1 of the Education Code is amended to read:

6802.1. Programs for physically handicapped pupils are:

(a) Special day classes (elementary and secondary). A class established for a group of pupils with a similar handicapping condition defined in Section 6802. The special day class shall be maintained for at least the minimum schoolday. The class shall be taught by a full-time teacher whose responsibility is to teach pupils enrolled in the class for the schoolday established by the governing board for regular classes at the grade level of the pupils in the special day class who are at the highest grade level in the class.

(b) Regular day class program. A program of assistance to physically handicapped pupils enrolled in regular day classes who require special services and equipment beyond the services provided to pupils not determined to be physically handicapped to benefit fully from the regular classroom instruction. Such services may include, but are not limited to, supplemental teaching, transportation, teaching aides and specialized equipment.

(c) Integrated instructional programs. A program in which physically handicapped pupils who receive their education in regular classrooms from regular teachers, but receive, in addition, supplementary teaching services of a full-time special teacher credentialed to teach physically handicapped pupils of the type enrolled in the program. Such special teacher shall serve such physically handicapped pupils for the full schoolday established by the governing board for regular pupils in the school or schools enrolling such physically handicapped pupils.

(d) Remedial instruction. A remedial class providing physically handicapped pupils who are excused in small numbers, for not to exceed one class period or one hour from their regular or special program, remedial instruction or remedial physical education.

(e) Individual instruction. A program of individual instruction to physically handicapped pupils in hospitals, sanitariums, preventoriums, in the home, or under other circumstances as

defined by the State Board of Education.

(f) Special speech instruction through speech aides. In counties having a total average daily attendance of less than 30,000 or defined as class five through class eight counties, inclusive, by Section 756, a program of remediation for speech handicapped pupils may be conducted through the use of specially trained instructional aides in structured programs of language and articulation under the direction and guidance of a credentialed speech therapist. Reimbursement for such speech instruction shall be as provided by subdivision (j) of Section 18102.9. No more than two speech aides may be supervised by one speech therapist. The therapist shall be responsible for establishing goals and objectives and evaluating the aide's performance.

SEC. 2.5. Section 6802.1 of the Education Code is amended to read:

6802.1. Programs for physically handicapped pupils are:

(a) Special day classes (elementary and secondary). A class established for a group of pupils with a similar handicapping condition defined in Section 6802. The special day class shall be maintained for at least the minimum schoolday. The class shall be taught by a full-time teacher whose responsibility is to teach pupils enrolled in the class for the schoolday established by the governing board for regular classes at the grade level of the pupils in the special day class who are at the highest grade level in the class.

(b) Regular day class program. A program of assistance to physically handicapped pupils enrolled in regular day classes who require special services and equipment beyond the services provided to pupils not determined to be physically handicapped to benefit fully from the regular classroom instruction. Such services may include, but are not limited to, supplemental teaching, transportation, teaching aides and specialized equipment.

(c) Integrated instructional programs. A program in which physically handicapped pupils who receive their education in regular classrooms from regular teachers, but receive, in addition, supplementary teaching services of a full-time special teacher credentialed to teach physically handicapped pupils of the type enrolled in the program. Such special teacher shall serve within the employing or other district being served, such physically handicapped pupils for the full schoolday established by the governing board for regular pupils in the public school or public schools enrolling such physically handicapped pupils.

(d) Remedial instruction. A remedial class providing physically handicapped pupils who are excused in small numbers, for not to exceed one class period or one hour from their regular or special program, remedial instruction or remedial physical education.

(e) Individual instruction. A program of individual instruction to physically handicapped pupils in hospitals, sanitariums, preventoriums, in the home, or under other circumstances as defined by the State Board of Education.

(f) Special speech instruction through speech aides. In counties having a total average daily attendance of less than 30,000 or defined as class five through class eight counties, inclusive, by Section 756, a program of remediation for speech-handicapped pupils may be conducted through the use of specially trained instructional aides in structured programs of language and articulation under the direction and guidance of a credentialed speech therapist. Reimbursement for such speech instruction shall be as provided by subdivision (j) of Section 18102.9. No more than two speech aides may be supervised by one speech therapist. The therapist shall be responsible for establishing goals and objectives and evaluating the aide's performance.

SEC. 3. Section 6902.1 of the Education Code is amended to read:

6902.1. Mentally retarded pupils who come within the provisions of Section 6902 may be enrolled in integrated programs of instruction conducted by a school district or a county superintendent of schools.

(a) An integrated program of instruction for mentally retarded pupils shall be defined as a program in which mentally retarded pupils, who are enrolled in a special day class taught by a teacher holding a valid credential to teach exceptional children shall be so designated when they are integrated in regular classes in which the content and method of instruction has been modified to the extent that mentally retarded pupils can benefit from such integration.

The school district or county superintendent of schools conducting the integrated program of instruction shall be entitled to an apportionment equal to the amount which would have been credited to them had these pupils been enrolled full time in a special day class for the mentally retarded.

(b) Whenever the number of mentally retarded pupils is less than six in each of one or more schools of a district or schools served by a county superintendent and the distance between any school also having mentally retarded pupils is excessive, prohibiting the reasonable transportation of pupils, such pupils may be instructed in the regular classes of the district or county with prior approval of the Superintendent of Public Instruction, providing an instructional aide is employed in each such regular class for the regular schoolday and that supervision of the instructional program for mentally retarded pupils is provided by a person holding credentials to teach the mentally retarded. School districts providing integrated programs under this subdivision shall be qualified for the individual apportionment under subdivision (h) of Section 18102.9.

(c) Such programs shall be conducted in accordance with rules and regulations established by the State Board of Education.

SEC. 4. Section 18102.9 of the Education Code is amended to read:

18102.9. (1) In addition to the allowances provided under Sections 18102 to 18102.6, inclusive, the Superintendent of Public Instruction shall allow to school districts and county superintendents of schools for each unit of average daily attendance an amount as follows:

(a) For instruction of educationally handicapped pupils in learning disability groups, one thousand eight hundred eighty dollars ($1,880).

(b) For instruction of educationally handicapped pupils in homes or in hospitals, one thousand three hundred dollars ($1,300).

(c) For instruction of physically handicapped pupils in remedial physical education, seven hundred seventy-five dollars ($775).

(d) For remedial instruction of physically handicapped pupils in other than physical education, two thousand dollars ($2,000).

(e) For instruction of blind pupils when a reader has actually been provided to assist the pupil with his studies, or for individual instruction in mobility provided blind pupils under regulations prescribed by the State Board of Education, or when braille books are purchased, ink print materials are transcribed into braille, or sound recordings and other special supplies and equipment are purchased for blind pupils, or for individual supplemental instruction in vocational arts, business arts, or homemaking for blind pupils, nine hundred ten dollars ($910).

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.

(f) For other individual instruction of physically handicapped pupils, one thousand three hundred dollars ($1,300).

(g) For the instruction of physically handicapped pupils in regular day classes, one thousand eighteen dollars ($1,018).

(h) For the instruction of mentally retarded pupils in regular day classes, one thousand eighteen dollars ($1,018).

(i) For the instruction of educationally handicapped pupils in regular day classes, one thousand eighteen dollars ($1,018).

(j) In lieu of benefits provided under subdivision (d) of Section 18102.9, there shall be allowed for the individualized remedial instruction of speech handicapped pupils by specially trained noncredentialed teaching assistants under the direct guidance of a speech therapist, one thousand eighteen dollars ($1,018).

(2) (a) The allowances provided under Sections 18102 to 18102.6, inclusive, may be increased proportionately on account of special day classes convened, or other instruction provided a pupil, for days in a school year which are in excess of the number of days in the school year on which the regular day schools of a district are convened.

(b) The Superintendent of Public Instruction shall compute for each applicant school district and county superintendent of schools in providing in such year a program of specialized consultation to teachers, counselors and supervisors for educationally handicapped pupils, an amount equal to the product of ten dollars ($10) and the

average daily attendance of pupils enrolled in special day classes, learning disability groups, and home and hospital instruction for educationally handicapped pupils.

SEC 5. It is the intent of the Legislature, if this bill and Assembly Bill No. 2268 are both chaptered and become effective January 1, 1974, both bills amend Section 6802 1 of the Education Code, and this bill is chaptered after Assembly Bill No. 2268, that the amendments to Section 6802 1 proposed by both bills be given effect and incorporated in Section 6802.1 in the form set forth in Section 2.5 of this act. Therefore, Section 2.5 of this act shall become operative only if this bill and Assembly Bill No. 2268 are both chaptered and become effective January 1, 1974, both amend Section 6802.1, and this bill is chaptered after Assembly Bill No. 2268, in which case Section 2 of this act shall not become operative.

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## CHAPTER 1169

*An act to amend Sections 1152 and 25101.3 of the Revenue and Taxation Code, relating to taxation.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973.]

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

SECTION 1. Section 1152 of the Revenue and Taxation Code is amended to read:

1152. The allocation formula to be used by each assessor is as follows.

(a) (1) For the 1974–75 fiscal year to the 1979–80 fiscal year, inclusive, the time in state factor is the proportionate amount of time, both in the air and on the ground, that certificated aircraft have spent within the state during a representative period as compared to the total time in the representative period. For purposes of this subdivision, all time, both in the air and on the ground, that certificated aircraft has spent within the state prior to the aircraft's first revenue flight and on groundtime that certificated aircraft has spent within the state in excess of 12 consecutive hours shall be excluded from the computation of the time in state factor. This factor shall be multiplied by 75 percent.

(2) For the 1980–81 fiscal year and fiscal years thereafter, the time in state factor is the proportion of the amount of time, both in the air and on the ground, that certificated aircraft have spent within the state during a representative period as compared to the total time in the representative period. This factor shall be multiplied by 75 percent.

(b) Arrivals and departures is the number of arrivals in and departures from airports within the state of certificated aircraft

during a representative period as compared to the total number of arrivals in and departures from airports both within this state and elsewhere in the representative period. This factor shall be multiplied by 25 percent.

(c) The time in state factor shall be added to the arrivals and departures factor

(d) The figure produced by application of subdivision (c) equals the allocation to be applied to full cash value to determine the value to which the assessment ratio shall be applied

SEC. 2. Section 25101.3 of the Revenue and Taxation Code is amended to read:

25101.3. The property factor as it relates to the aircraft of an air carrier or foreign air carrier, as defined in Section 1150, or the operator of an air taxi, as defined in Section 1154, shall be allocated on the basis of a formula consisting of time and arrivals and departures as follows:

(a) The time in state is the proportionate amount of time, both in the air and on the ground, that certificated aircraft have spent within the state during the income year as compared to the total time everywhere during the income year. This factor shall be multiplied by 75 percent

(b) Arrivals and departures is the number of arrivals in and departures from airports within the state of certificated aircraft during the income year as compared to the total number of arrivals in and departures from airports both within this state and elsewhere during the income year. This factor shall be multiplied by 25 percent.

(c) The time in state factor shall be added to the arrivals and departures factor.

(d) The figure produced by application of subdivision (c) equals the allocation to be applied to the original cost of property owned or rented by the taxpayer determined under the provisions of Section 25130.

(e) If annual statistics for the taxpayer's income year are not available, statistics for representative periods designated by the Franchise Tax Board shall be used provided that permission to do so has been granted to the taxpayer by the Franchise Tax Board.

SEC. 3. The State Board of Equalization shall compute the reduction in property tax revenues to local taxing agencies as if paragraph (1) of subdivision (a) of Section 1152 of the Revenue and Taxation Code, as amended by Section 1 of this act, had been in effect for the 1972–73 fiscal year The reduction shall be certified to the Controller and Director of Finance and shall be the basis of reimbursements to local agencies pursuant to Section 2229 for fiscal year 1974–75. For the fiscal year 1974–75, the reimbursement shall be computed by multiplying the amount of tax certified for 1972–73 by 112 percent. For the 1975–76 fiscal year to the 1979–80 fiscal year, inclusive, the amount of reimbursement shall be 106 percent of the prior year's reimbursement.

SEC. 4 The Legislative Analyst shall report to the Legislature on

or before October 1, 1978, on the net revenue effect of Section 1 of this act, which shall include, but not be limited to, the reduction in tax revenue from the continuation of previously taxable activities, the increase in economic activity by the air carrier industry, including, but not limited to, the change in the rate of investment to expand or modernize existing facilities or build new facilities owned or used by the industry, changes in the level of employment and in sales to or by the air carrier industry and industries serving such industry where such changes are related to the changes enacted by Section 1 of this act.

SEC. 5. Section 1 of this act shall become operative on the lien date in 1974 and Section 2 shall be applied with respect to income years beginning after December 31, 1973.

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## CHAPTER 1170

*An act to amend Section 32110 of, and to add Sections 19431.2, 19571.55, 19700.79, 32134, and 32135 to, the Education Code, relating to continuous school programs, and making an appropriation therefor.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 19431.2 is added to the Education Code, to read:

19431.2. Notwithstanding any other provisions of this chapter, a school district otherwise eligible to receive a conditional apportionment under Chapter 10 (commencing with Section 19551) may apply for an adjustment of annual repayment obligations under this chapter.

The board may require such information as is necessary to determine the number of units of estimated average daily attendance for which the district would have been eligible to construct school facilities under this chapter, if such conditional apportionment had been made and had become final. Such units shall be known as "eligible attendance units". The board shall then determine an "eligible facilities cost" by multiplying the number of such eligible attendance units by the average cost of housing elementary or high school pupils as set forth in the latest report to the Legislature required under Section 19627.

In any fiscal year in which the school district is, in the judgment of the board, operating sufficient year-round classes to provide housing for the eligible attendance units, the Director of General Services shall add to the amount which he is required to certify to the Controller under Section 19431 an amount equal to

one-twentieth of such eligible facilities costs.

The additional amount so certified shall be considered for all purposes of this article as eligible bonded debt service.

SEC. 2. Section 19571.55 is added to the Education Code, to read:

19571.55. Notwithstanding any other provisions of this chapter, a school district qualifying for an adjustment of annual repayment obligations under Section 19571.2 or Section 19431.2 may apply for an apportionment under this chapter.

Such apportionment shall not exceed the "eligible facilities cost", as defined in Section 19571.2 or Section 19431.2, and may be made available, upon the review and recommendation of the Department of Education, only for such modifications of existing facilities necessary for the implementation of continuous school program (as defined in Chapter 7 (commencing with Section 32100) of Division 22 of the Education Code).

In allocating funds under this chapter, the board may give first priority to school districts for modifications to existing facilities to be made pursuant to this section when in the judgment of the board such modifications of existing facilities are necessary for operation of year-round classes. In no event shall apportionments be made for modifications to a standard greater than could have been constructed in a new school building under this article. All of the provisions of the chapter apply to such districts except the provisions for the establishment of priorities.

Any apportionment made under this section shall be deducted from the eligible facilities costs before the Director of General Services makes his computation of the adjustment under Section 19571.2 or Section 19431.2.

SEC. 3. Section 19700.79 is added to the Education Code, to read:

19700.79. Notwithstanding the provisions of Section 19700.60, if a school district otherwise eligible to receive an apportionment under this article operates sufficient continuous school programs (as defined in Chapter 7 (commencing with Section 32100) of Division 22) to provide housing for students displaced from structurally inadequate facilities, the costs of modifying any existing facilities necessary for the implementation of such continuous schools programs shall be eligible, upon the review and recommendation of the Department of Education, for an apportionment under this article from the proceeds of bonds remaining from the authorization provided in the State School Building Aid Law of 1966.

SEC. 4. Section 32110 of the Education Code, as added by Chapter 886 of the Statutes of 1971, is amended to read:

32110. The governing board of any school district may, after notification to the Superintendent of Public Instruction, establish and operate in one or more of the schools within the district, or in all schools within the district, a continuous school program pursuant to the provisions of this chapter.

SEC. 5. Section 32134 is added to the Education Code, to read:

32134. Any school district with an average daily attendance of

more than 500 which, prior to July 1, 1979, converts one or more schools to a continuous school program pursuant to this chapter, shall, upon the approval of the Superintendent of Public Instruction, receive from funds appropriated for this purpose, a one-time grant not to exceed twenty-five thousand dollars ($25,000).

Districts already operating continuous school programs on the effective date of this section shall be eligible for the grant.

SEC. 6. Section 32135 is added to the Education Code, to read:

32135. The Superintendent of Public Instruction may require the submission of such reports and information as designated by the Department of Education to properly evaluate all programs established pursuant to this chapter.

The Superintendent of Public Instruction shall compile and disseminate evaluations of the instructional and financial aspects of these programs.

SEC. 7. There is hereby appropriated from the General Fund to the Department of Education the sum of eight hundred thousand dollars ($800,000) for the purpose of making the grants authorized by Section 32134 of the Education Code.

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## CHAPTER 1171

*An act to add Section 33350.1 to the Health and Safety Code, relating to redevelopment agencies.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 33350.1 is added to the Health and Safety Code, to read:

33350.1. The agency shall transmit to the governing body of each taxing agency which levies taxes upon any property in the project area, and which would be affected by a division of tax revenues pursuant to Section 33670 permissible under the redevelopment plan, a statement attached to its notice of the hearing that, if the redevelopment plan is adopted and permits such a division of tax revenues, property taxes resulting from increases in valuation above the assessed value as shown on the last equalized assessment roll could be allocated to the agency for redevelopment purposes, rather than being paid into the treasury of the taxing agency.

## CHAPTER 1172

*An act to add Section 11008.9 to the Welfare and Institutions Code, relating to community colleges.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 11008.9 is added to the Welfare and Institutions Code, to read:

11008.9. Loans or grants provided for in Section 25527.3 of the Education Code are deemed to be for educational purposes and to the extent permitted by federal law, shall not be used or considered in determining the need of any applicant or recipient or as part of the amounts used to determine the eligibility of any applicant or recipient for public assistance programs.

SEC. 2. No appropriation is made by this act, nor is any obligation created thereby under Section 2231 of the Revenue and Taxation Code, for the reimbursement of any local agency for any costs that may be incurred by it in carrying on any program or performing any service required to be carried on or performed by it by this act

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## CHAPTER 1173

*An act to add Article 2.5 (commencing with Section 10465) to Chapter 6 of Part 1 of Division 4 of the Business and Professions Code, relating to real estate educational advancement.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973.]

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

SECTION 1. Article 2.5 (commencing with Section 10465) is added to Chapter 6 of Part 1 of Division 4 of the Business and Professions Code, to read:

### Article 2.5. Real Estate Educational Advancement

10465. The sum of one million four hundred fifty thousand dollars ($1,450,000) is hereby appropriated from the Real Estate Fund to the Department of Real Estate to be administered by the Real Estate Commissioner for the advancement of real estate and consumer education.

10465.1. The career orientation of a growing number of real estate licensees, coupled with the complexities of real estate dealings

as faced by consumers, causes the Legislature to find that the provisions of this article should be enacted. The Legislature finds, further, that real estate degree programs in the state universities and colleges, coupled with greater attention being given to the acceptability of community college real estate course completion credits can best be served by endowments at one or more of the state universities and colleges for this purpose; that the opportunity for participation in these programs (for those showing economic need therefor and with attention to scholastic achievement, as well as ethnic, cultural and geographic balance) can best be served through establishment of a permanent scholarship program; that an activity for developing a meaningful consumer education program should be fostered.

10465.2. The funds hereby appropriated shall be used to achieve the following purposes and objectives:

(a) Endowing the California State University and Colleges in the amount of one million dollars ($1,000,000) in order for the earnings therefrom to further real estate education in one or more of the state universities and colleges. Any such endowment contract shall be consistent with the legislative intent set forth in this article and shall be restricted to those state universities and colleges which agree to develop and maintain a real estate degree, specialization or certificate program within a curriculum designed to accommodate credit for real estate courses taken in the California community college system.

(b) Carrying out a real estate consumer education program in the amount of two hundred fifty thousand dollars ($250,000). Contracts entered into in connection with this program shall be designed in such a manner that subsequent reproduction of materials and updating of any visual aids and advertising paraphernalia developed can be accommodated through participation by the private or independent sector.

(c) Endowing a program at the State Scholarship and Loan Commission in the amount of two hundred thousand dollars ($200,000) for worthy and disadvantaged students enrolled in a real estate career oriented program in institutions in the California State University and Colleges, the annual earnings from which shall be used for scholarship awards. The criteria for scholarship awards shall include consideration of the ethnic, cultural and geographic balance of the student population who would apply therefor. The commission may consider student needs for participation in intern programs for students qualifying for such work experience programs while enrolled in a California state university or college.

10465.3. The commissioner shall submit an annual report of the administration of this appropriation to the Legislature which shall include a statement of operations, receipts and disbursements during the preceding calendar year. The commissioner shall also submit to the Legislature any special reports, analyses, or information developed by him.

10465.4. To assist the commissioner he shall appoint a 10-member advisory committee. Five of the members shall be real estate broker licensees, each with at least three years active broker licensure; two members shall be members of the real estate faculty of the California State University and Colleges; one member shall be a representative of the trustees of the California State University and Colleges; two members shall be representatives of the general public.

10465.5. The provisions of this article shall be operative only until December 31, 1975.

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## CHAPTER 1174

*An act to add Section 5096.98 to the Public Resources Code, relating to the state park system, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973. Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. There is hereby appropriated from the General Fund in the State Treasury to the Department of Parks and Recreation the sum of five million seven hundred thousand dollars ($5,700,000) for the acquisition of lands (Century Ranch) located in the Malibu area of Los Angeles County for the state park system. Such acquisition shall be subject to the provisions of the Property Acquisition Law (Part 11 (commencing with Section 15850) of Division 3 of Title 2 of the Government Code).

SEC. 2. Section 5096.98 is added to the Public Resources Code, to read:

5096.98. (a) The appropriation made by Item 379(c) of the Budget Act of 1973 for the acquisition of Century Ranch for the state park system is hereby validated and confirmed; provided, that before any funds are expended for such acquisition, the Century Ranch project shall be recommended by the State Park and Recreation Commission and reviewed by the Secretary of the Resources Agency.

(b) Moneys deposited in the State Beach, Park, Recreational, and Historical Facilities Fund of 1974 shall be used to reimburse the General Fund for any expenditure of moneys for the acquisition of Century Ranch for the state park system made pursuant to the enactment of Senate Bill No. 1194 of the 1973–74 Regular Session of the Legislature; provided, that the Century Ranch project shall have been recommended by the State Park and Recreation Commission and reviewed by the Secretary of the Resources Agency prior to such General Fund expenditure.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within

the meaning of Article IV of the Constitution and shall go into immediate effect The facts constituting such necessity are.

Certain lands located in the Malibu area of Los Angeles County of unique environmental and recreational value are presently available for purchase by the state, and, in order for the state to acquire and preserve such lands, it is necessary that this act take immediate effect.

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## CHAPTER 1175

*An act to add Chapter 11 (commencing with Section 32000) to Part 3 of Division 10 of the Public Utilities Code, relating to transportation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Chapter 11 (commencing with Section 32000) is added to Part 3 of Division 10 of the Public Utilities Code, to read·

### CHAPTER 11. PREFERENTIAL FACILITIES FOR HIGH-OCCUPANCY VEHICLES

32000 In cooperation with the Department of Transportation and the cities, counties, and local and regional transportation entities in the district's service area, the district, after public hearings, shall prepare, and submit to the Legislature by March 31, 1974, a comprehensive plan for the development and operation of preferential facilities for high-occupancy vehicles in its service area.

As used in this section, "preferential facilities" shall include, but not be limited to, freeway lanes, freeway ramps, street lanes, transit terminals, and parking facilities.

SEC. 2. The sum of fifty thousand dollars ($50,000) is hereby appropriated from the General Fund to the Southern California Rapid Transit District pursuant to Section 2231 of the Revenue and Taxation Code to reimburse the district for costs incurred by it pursuant to this act. The General Fund shall be reimbursed up to the amount of the appropriation made by this section from money in the Transportation Planning Account in the State Transportation Fund created by Section 99305 of the Public Utilities Code whenever such money becomes available.

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

In order that the Southern California Rapid Transit District may prepare the comprehensive plan as required under Section 32000 of the Public Utilities Code by March 31, 1974, thus enabling the Legislature to consider and act upon such plan in 1974, it is necessary that this act take effect immediately.

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## CHAPTER 1176

*An act to add Article 8 (commencing with Section 31910) to Chapter 5 of Division 22 of, and to repeal Article 1 (commencing with Section 23401) of Chapter 3 of Division 17 of, the Education Code, relating to family physician training, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973. Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Article 1 (commencing with Section 23401) of Chapter 3 of Division 17 of the Education Code is repealed.

SEC. 2 Article 8 (commencing with Section 31910) is added to Chapter 5 of Division 22 of the Education Code, to read:

### Article 8. Family Physician Training Program

31910. The Legislature hereby finds and declares that physicians engaged in family practice are in very short supply in California. The current emphasis placed on specialization in medical education has resulted in a shortage of physicians trained to provide comprehensive primary health care to families. The Legislature hereby declares that it regards the furtherance of a greater supply of competent family physicians to be a public purpose of great importance and further declares the establishment of the program pursuant to this chapter to be a desirable, necessary and economical method of increasing the number of family physicians to provide needed medical services to the people of California. The Legislature further declares that it is to the benefit of the state to assist in increasing the number of competent family physicians graduated by colleges and universities of this state to provide primary health care services to families within the state.

The Legislature finds that the shortage of family physicians can be improved by the placing of a higher priority by public and private medical schools, hospitals, and other health care delivery systems in this state, on the recruitment and improved training of medical students and residents to meet the need for family physicians. To help accomplish this goal, each medical school in California is

encouraged to organize a strong family practice program or department. It is the intent of the Legislature that such programs or departments be headed by a physician who possesses specialty certification in the field of family practice, and has broad clinical experience in the field of family practice.

The Legislature further finds that encouraging the training of primary care physician's assistants will assist in making primary health care services more accessible to the citizenry, and will, in conjunction with the training of family physicians, lead to an improved health care delivery system in California.

Community hospitals in general and rural community hospitals in particular, as well as other health care delivery systems, are encouraged to develop family practice residencies in affiliation or association with accredited medical schools, to help meet the need for family physicians in geographical areas of the state with recognized family primary health care needs. Utilization of expanded resources beyond university-based teaching hospitals should be emphasized, including facilities in rural areas wherever possible.

It is the intent of the Legislature to provide for a program designed primarily to increase the number of students and residents receiving quality education and training in the specialty of family practice and as primary care physician's assistants and to maximize the delivery of primary care family physician services to specific areas of California where there is a recognized unmet priority need. This program is intended to be implemented through contracts with accredited medical schools, programs which train primary care physician's assistants, hospitals, and other health care delivery systems based on per-student or per-resident capitation formulas. It is further intended by the Legislature that the programs will be professionally and administratively accountable so that the maximum cost effectiveness will be achieved in meeting the professional training standards and criteria set forth in this article.

This article may be cited as the "Song-Brown Family Physician Training Act."

31911. The term "family physician" as used in this article means a primary care physician who is prepared to and renders continued comprehensive and preventative health care services to families and who has received specialized training in an approved family practice residency for three years after graduation from an accredited medical school.

The terms "associated" and "affiliated," as used in this article, mean that relationship that exists by virtue of a formal written agreement between a hospital or other health care delivery system and an approved medical school which pertains to the family practice training program for which state contract funds are sought. This definition shall include such agreements which may be entered into subsequent to the effective date of this article as well as those relevant agreements which are in existence prior to the effective

date of this article.

The term "commission," as used in this article, shall mean the Health Manpower Policy Commission.

The term "programs which train primary care physician's assistants" as used in this article shall mean a program which has been approved for the training of primary care physician's assistants pursuant to Section 2515 of the Business and Professions Code.

31912. There is hereby created a state medical contract program with accredited medical schools, programs which train primary care physician's assistants, hospitals, and other health care delivery systems to increase the number of students and residents receiving quality education and training in the specialty of family practice and to maximize the delivery of primary care family physician services to specific areas of California where there is a recognized unmet priority need for such services.

31913. There is hereby created a Health Manpower Policy Commission. The commission shall be composed of eight members who shall serve at the pleasure of their appointing authorities:

(a) Six members appointed by the Governor, as follows: one representative of the University of California medical schools, from a nominee or nominees submitted by the University of California; one representative of the private medical schools accredited in California from individuals nominated by each of such schools; one representative of practicing family physicians; one representative of undergraduate medical students in a family practice program or residence in family practice training; one administrator of an approved primary care physician's assistant program; and one representative of the State Department of Health, from nominees submitted by the director.

(b) Two consumer representatives of the public who are not elected or appointed public officials, one appointed by the Speaker of the Assembly and one appointed by the Chairman of the Senate Rules Committee.

31913.5. The duties of the commission shall be:

(1) To determine specific areas of the state where unmet priority needs for primary care family physicians exist.

(2) To establish standards for family practice training programs and family practice residency programs and programs which train primary care physician's assistants, including appropriate provisions to obligate family physicians and primary care physician's assistants who receive training in accordance with this article to provide needed services in areas of unmet need within the state. Standards for family practice residency programs shall provide that all such residency programs contracted for pursuant to this article shall (i) meet the American Medical Association's "Essentials" for Residency Training in Family Practice, (ii) be approved by the Residency Review Committee for Family Practice of the American Medical Association, and (iii) be affiliated or associated with accredited medical schools in California. Medical schools receiving funds under

this article shall have programs or departments that recognize family practice as a major independent specialty.

(3) To review and make recommendations to the Secretary of the Health and Welfare Agency concerning the funding of family practice programs or departments, family practice residencies and programs for the training of primary care physician's assistants which are submitted to the Office of Education Liaison, for participation in the contract program established by this article. Where the commission determines that a program proposal which has been approved for funding or which is the recipient of funds under this article does not meet the standards established by the commission, it shall submit to the secretary and the Legislature a report detailing its objections.

(4) To establish contract criteria and single per-student and per-resident capitation formulas which shall determine the amounts to be transferred to institutions receiving contracts for the training of family practice students and residents and primary care physician's assistants pursuant to this article. Institutions applying for or in receipt of contracts pursuant to this article may appeal to the secretary for waiver of these single capitation formulas. The secretary may grant such waiver in exceptional cases upon a clear showing by the institution that a waiver is essential to the institution's ability to provide a program of a quality comparable to those provided by institutions which have not received waivers, taking into account the public interest in program cost-effectiveness. Recipients of funds appropriated by this article shall, as a minimum, maintain the level of expenditure for family practice or physician's assistant training provided by such recipients during the 1973–74 fiscal year. Funds appropriated by this article shall be used to develop new programs or to expand existing programs and shall not replace funds supporting current family practice training programs. Institutions applying for or in receipt of contracts pursuant to this article may appeal to the secretary for waiver of this maintenance of effort provision. The secretary may grant such waiver if he determines that there is reasonable and proper cause to grant such waiver.

(5) To review and evaluate these programs regarding proper compliance with the provisions of this article and to submit annual progress reports to the Legislature on or before September 30 of each year, commencing September 30, 1974.

The members of the commission shall serve without compensation, except that each member shall be paid a per diem allowance of twenty-five dollars ($25) for each day's attendance at a meeting of the commission. The members of the commission shall also receive their actual and necessary traveling expenses incurred in the course of their attendance at commission meetings.

(d) The Director of the Office of Educational Liaison, or his designee, shall serve as executive secretary of the commission.

31914. Pursuant to the provisions of this article, the Secretary of the Health and Welfare Agency shall:

(a) Determine whether family practice and primary care physician's assistant training programs submitted to the Office of Educational Liaison for participation in the state medical contract program established by this article meet the standards established by the commission.

(b) Select and contract on behalf of the state with accredited medical schools, programs which train primary care physician's assistants, hospitals, and other health care delivery systems for the purpose of training medical students and residents in the specialty of family practice. Contracts shall be awarded to those institutions which best demonstrate the ability to provide quality education and training and to retain students and residents in specific areas of California where there is a recognized unmet priority need for primary care family physicians. Contracts shall be based upon the recommendations of the commission and in conformity with the contract criteria and program standards established by said commission.

(c) Be empowered to terminate, upon 30 days' written notice, the contract of any institution whose program does not meet the standards established by the commission or which otherwise does not maintain proper compliance with the provisions of this article, except as otherwise provided in contracts entered into by the secretary pursuant to this article.

31915. The secretary may adopt, amend, or repeal such regulations as are reasonably necessary to enforce the provisions of this article. Regulations for the administration of this article shall be adopted, amended, or repealed as provided in Chapter 4.5 (commencing with Section 11371) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 3. There is hereby appropriated from the General Fund to the Health and Welfare Agency the total sum of three million one hundred fifty thousand dollars ($3,150,000) for the fiscal years 1973–74, 1974–75, 1975–76, and 1976–77.

(a) The sum of three million dollars ($3,000,000) shall be allocated for contracts with accredited medical schools, programs which train primary care physician's assistants, and with hospitals or other health care delivery systems located in California which are associated or affiliated with accredited medical schools, provided that expenditures do not exceed one million dollars ($1,000,000) per fiscal year, except for reinvestment of money from terminated contracts, for the fiscal years 1974–75, 1975–76, and 1976–77 for the purposes of Article 8 (commencing with Section 31910) of Chapter 5 of Division 22 of the Education Code.

(b) The sum of one hundred fifty thousand dollars ($150,000) is allocated without regard to fiscal years, for the period July 1, 1973, through September 30, 1977, for the purposes of insuring proper administration and evaluation of the training programs contracted for pursuant to Article 8 (commencing with Section 31910) of Chapter 5 of Division 22 of the Education Code. Such funds may also

be utilized to conduct research related to policy and funding of other health manpower training and delivery approaches to better meet health care delivery needs in California.

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

Prompt legislative and administrative action is required to properly plan and develop this needed Family Physician Training Program to implement in the 1974–75 fiscal year to help overcome the severe shortage of properly trained family physicians required to meet priority primary health care needs of families in California. To accomplish this, it is essential that this act take effect immediately.

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## CHAPTER 1177

*An act to amend Sections 3563.5 and 3568 of, to add Sections 3566, 3569, and 3570 to, and to repeal Sections 3566, 3566.3, 3569, 3570, and 3572 of, the Elections Code, relating to ballot pamphlets.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973.]

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

SECTION 1. Section 3563.5 of the Elections Code is amended to read:

3563.5. A ballot argument shall not be accepted under this article unless accompanied by the name and address or names and addresses of the person or persons submitting it, or, if submitted on behalf of an organization, the name and address of the organization and the names and addresses of at least two of its principal officers.

SEC. 2. Section 3566 of the Elections Code is repealed.

SEC. 3. Section 3566 is added to the Elections Code, to read:

3566. The Legislative Counsel shall prepare an impartial analysis of the measure showing the effect on existing law, the operation of the measure and the amount of any increase or decrease in revenue or cost to state or local government. The analysis shall be made of the measure as it is proposed to be adopted, without further implementing legislation, unless such implementing legislation has been enacted and will become effective by reason of the adoption of the measure by the voters. The analysis shall fairly portray the fiscal effects of the measure for the first full year of implementation and the first year when the last provisions to be implemented are fully effective. In determining the fiscal effects of a measure, the Legislative Counsel shall confer with the Legislative Analyst and the Department of Finance. The title of the measure which appears on the ballot shall be amended to contain a summary of the Legislative

Counsel's estimate of the net state and local government financial impact. The Legislative Counsel may request the assistance of any state department, agency, or official in preparing his analysis. For purposes of this section, any measure which has no provisions which are self-executing shall be deemed to have no financial effect, unless implementing legislation has been enacted which will become effective by reason of the adoption of the measure by the voters.

The analysis shall be prepared in clear and concise language which will easily be understood by the average voter, and shall avoid the use of technical terms insofar as possible.

SEC. 4. Section 3566.3 of the Elections Code is repealed.

SEC. 5. Section 3568 of the Elections Code is amended to read:

3568. The ballot pamphlets shall contain:

(a) A complete copy of all measures submitted to the voters by:

(1) The Legislature.

(2) Initiative or referendum petition.

(b) A copy of the specific constitutional or statutory provision, if any, proposed to be affected.

(c) A copy of the arguments provided for by law.

(d) A copy of the analyses provided for in this chapter.

SEC. 6. Section 3569 of the Elections Code is repealed.

SEC. 7. Section 3569 is added to the Elections Code, to read:

3569. The ballot pamphlet shall contain as to each state measure to be voted upon, the following in the order set forth in this section:

(a) Upon the top portion of the first left page and not exceeding one-third of the page shall appear:

(i) The identification of the measure by number and title.

(ii) The official summary prepared by the Attorney General.

(b) Upon the lower portion of the first left page and upon the top half of the right page, if necessary, shall appear the analysis prepared by the Legislative Counsel.

(c) If arguments for and against the measure have been submitted, then the text of the measure shall appear on the right page facing the analysis. If the text does not fit on this page, it shall be continued in the back of the pamphlet. Arguments for and against the measure shall be placed on the next left and right pages respectively. The rebuttals to such arguments shall be placed immediately below the arguments.

(d) If no argument against the measure has been submitted, the argument for the measure shall appear on the right page facing the analysis. The text for such measure shall be printed in the back of the pamphlet.

(e) The text of the measure shall contain the provisions of the proposed measure and the existing provisions of law affected by the measure. The provisions of the proposed measure differing from the existing provisions of law affected shall be distinguished in print, so as to facilitate comparison.

(f) The following statement shall be printed at the bottom of each page where arguments appear: "Arguments in support or opposition

of the proposed laws are the opinions of the authors."

SEC. 8. Section 3570 of the Elections Code is repealed.

SEC. 9. Section 3570 is added to the Elections Code, to read:

3570. All measures and arguments shall be printed and bound in a single pamphlet according to the following specifications:

(1) The pages of the pamphlet shall be not smaller than 8½ x 11 inches in size.

(2) It shall be printed in clear readable type, no less than 10-point, except that the text of the measure may be set forth in 8-point type.

(3) The pamphlet shall be printed on a quality and weight of paper which in the judgment of the Secretary of State best serves the voters. It shall be the duty of the Secretary of State to publish in such pamphlets a table of contents and a brief alphabetical index of subjects.

SEC. 10. Section 3572 of the Elections Code is repealed.

SEC. 11 Notwithstanding Section 2231 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to this section nor shall there be any appropriation made by this act because the duties, obligations or responsibilities imposed on local government by this act are minor in nature and will not cause any financial burden to local government.

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## CHAPTER 1178

*An act relating to state-owned property.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. On January 1, 1974, parcels DD-021000-81-01 and DD-034101-01-01, as designated by the Division of Highways of the Department of Transportation, lying within the City of San Bruno, which parcels were acquired by the State of California upon the dissolution of Joint Highway District No. 10, shall be quitclaimed by the California Highway Commission to the City of San Bruno, and shall thereafter be the property of the city.

SEC. 2. The Legislature hereby finds and declares that the property designated in Section 1 is surplus to the needs of the state and cannot be used by the state. Such property, however, would be of value to the City of San Bruno for open space and park purposes.

SEC 3. If the property is sold by the City of San Bruno, the city shall use the proceeds for street and highway purposes

# CHAPTER 1179

*An act relating to the sale, exchange, or lease of certain state lands and the purchase of certain lands by the state, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. The Director of General Services, with the approval of the State Public Works Board, may sell, exchange, or lease, for current market value and upon such terms and conditions and with such reservations and exceptions as in his opinion may be for the best interest of the state, all or any part of the parcel of land containing approximately 3.35 acres which is located in the City of Santa Rosa, County of Sonoma, more particularly described in the corporation grant deed between Howard Johnson Company, a corporation, grantor, and the State of California, grantee, dated September 29, 1972, and recorded November 14, 1972, in Book 2710, Page 903 Official Records, in the office of the County Recorder of the County of Sonoma, State of California.

Any moneys received from the sale of such property shall be paid into the Motor Vehicle Account in the State Transportation Fund, except that any costs or expenses necessarily incurred in the sale shall be reimbursed from the proceeds of the sale.

SEC. 2. The sum of four hundred thirty-eight thousand dollars ($438,000) is hereby appropriated from the Motor Vehicle Account in the State Transportation Fund for acquisition of a field office site for the Department of Motor Vehicles at or in the vicinity of the City of Santa Rosa. The appropriation made by this section shall be available for expenditure until June 30, 1976. Such acquisition shall be subject to the provisions of the Property Acquisition Law (Part 11 (commencing with Section 15850) of Division 3 of Title 2 of the Government Code).

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

In order to purchase the real property for the urgently needed field office facilities for the Department of Motor Vehicles as soon as possible, it is necessary that the provisions of this act become effective immediately.

# CHAPTER 1180

*An act to amend Sections 17041, 17042, 17173, 18811, and 18813 of the Revenue and Taxation Code, relating to the Personal Income Tax Law, to take effect immediately, tax levy.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 17041 of the Revenue and Taxation Code is amended to read:

17041. (a) There shall be imposed for each taxable year upon the entire taxable income of every resident of this state and upon the entire taxable income of every nonresident which is derived from sources within this state, except the head of a household as defined in Section 17042, taxes in the following amounts and at the following rates upon the amount of taxable income.

| If the taxable income is: | The tax is: |
|---|---|
| Not over $2,000 | 1% of the taxable income |
| Over $2,000 but not over $3,500 | $20 plus 2% of excess over $2,000 |
| Over $3,500 but not over $5,000 | $50 plus 3% of excess over $3,500 |
| Over $5,000 but not over $6,500 | $95 plus 4% of excess over $5,000 |
| Over $6,500 but not over $8,000 | $155 plus 5% of excess over $6,500 |
| Over $8,000 but not over $9,500 | $230 plus 6% of excess over $8,000 |
| Over $9,500 but not over $11,000 | $320 plus 7% of excess over $9,500 |
| Over $11,000 but not over $12,500 | $425 plus 8% of excess over $11,000 |
| Over $12,500 but not over $14,000 | $545 plus 9% of excess over $12,500 |

| | |
|---|---|
| Over $14,000 but not over $15,500 | $680 plus 10% of excess over $14,000 |
| Over $15,500 | $830 plus 11% of excess over $15,500 |

(b) There shall be imposed for each taxable year upon the entire taxable income of every resident of this state and upon the entire taxable income of every nonresident which is derived from sources within this state, when such resident or nonresident is the head of a household, as defined in Section 17042, taxes in the following amounts and at the following rates upon the amount of taxable income:

| If the taxable income is: | The tax is: |
|---|---|
| Not over $4,000 | 1% of the taxable income |
| Over $4,000 but not over $6,000 | $40 plus 2% of excess over $4,000 |
| Over $6,000 but not over $7,500 | $80 plus 3% of excess over $6,000 |
| Over $7,500 but not over $9,000 | $125 plus 4% of excess over $7,500 |
| Over $9,000 but not over $10,500 | $185 plus 5% of excess over $9,000 |
| Over $10,500 but not over $12,000 | $260 plus 6% of excess over $10,500 |
| Over $12,000 but not over $13,500 | $350 plus 7% of excess over $12,000 |
| Over $13,500 but not over $15,000 | $455 plus 8% of excess over $13,500 |
| Over $15,000 but not over $16,500 | $575 plus 9% of excess over $15,000 |
| Over $16,500 but not over $18,000 | $710 plus 10% of excess over $16,500 |
| Over $18,000 | $860 plus 11% of excess over $18,000 |

(c) The tax imposed by this part is not a surtax.

SEC. 2. Section 17042 of the Revenue and Taxation Code is

amended to read:

17042. For purposes of this part, an individual shall be considered a head of a household if, and only if, such individual is not married at the close of his taxable year, and either—

(a) Maintains as his home a household which constitutes for such taxable year the principal place of abode, as a member of such household, of—

(1) A son, stepson, daughter, or stepdaughter of the taxpayer, or a descendant of a son or daughter of the taxpayer, but if such son, stepson, daughter, stepdaughter, or descendant is married at the close of the taxpayer's taxable year, only if the taxpayer is entitled to a credit for the taxable year for such person under Section 17054; or

(2) Any other person who is a dependent of the taxpayer, if the taxpayer is entitled to a credit for the taxable year for such person under Section 17054; or

(b) Maintains a household which constitutes for such taxable year the principal place of abode of the father or mother of the taxpayer, if the taxpayer is entitled to a credit for the taxable year for such father or mother under Section 17054.

For purposes of this section, an individual shall be considered as maintaining a household only if over half of the cost of maintaining the household during the taxable year is furnished by such individual.

For purposes of this section, an individual who, under subdivision (c) of Section 17173 is not to be considered as married, shall not be considered as married.

SEC. 3. Section 17173 of the Revenue and Taxation Code is amended to read:

17173. For purposes of this article—

(a) The determination of whether an individual is married shall be made as of the close of his taxable year; except that if his spouse dies during his taxable year such determination shall be made as of the time of such death; and

(b) An individual legally separated from his spouse under a final decree of divorce or of separate maintenance shall not be considered as married.

(c) If—

(1) An individual who is married (within the meaning of subdivision (a)) and who files a separate return maintains as his home a household which constitutes for more than one-half of the taxable year the principal place of abode of a dependent (A) who (within the meaning of Section 17056 through 17059.5, inclusive) is a son, stepson, daughter, or stepdaughter of the individual, and (B) with respect to whom such individual is entitled to a credit for the taxable year under Section 17054,

(2) Such individual furnishes over half of the cost of maintaining such household during the taxable year, and

(3) During the entire taxable year such individual's spouse is not a member of such household,

such individual shall not be considered as married.

SEC. 4. Section 18811 of the Revenue and Taxation Code is amended to read:

18811. (a) An employer shall use the exemption certificate filed by the employee with the employer in such form and containing such information as the Franchise Tax Board may prescribe, for determining the number of withholding exemptions to be allowed in computing the tax required to be deducted and withheld under Section 18806; however, if the employer cannot determine the employee's marital status from the exemption certificate the employee shall be considered unmarried.

(b) No withholding exemptions shall be allowed until the employee files a new withholding exemption certificate if the Franchise Tax Board finds that the withholding exemption certificate filed under this chapter does not properly reflect the number of exemptions allowable and so advises the employer in writing.

SEC. 5. Section 18813 of the Revenue and Taxation Code is amended to read:

18813. A new withholding exemption certificate filed under this chapter in cases in which a previous certificate was in effect shall take effect with respect to the first payment of wages made on or after the first status determination date which occurs at least 30 days from the date on which such certificate is so furnished, except that at the election of the employer such certificate may be made effective with respect to any payment of wages made on or after the date on which such certificate is so furnished. For purposes of this section the term "status determination date" means January 1, May 1, July 1, and October 1 of each year.

SEC. 6. The amendments to Sections 18811 and 18813 of the Revenue and Taxation Code contained in Sections 4 and 5, respectively, shall become operative with respect to wages paid after June 30, 1974, and the provisions of this act shall not be considered for the purposes of Section 18806 with respect to wages paid before July, 1, 1974.

The Legislature finds that these amendments will effectuate an equitable administration of the withholding of state income tax by providing exemption certificates which recognize federal and state differences, not only with respect to heads of households but in other areas where differences may exist.

SEC. 7. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect. However, the provisions of this act, except Sections 4 and 5, shall be applied in the computation of taxes for taxable years beginning on or after January 1, 1974.

## CHAPTER 1181

*An act to add Section 1331.1 to the Health and Safety Code and to amend Sections 18325.5 and 18326 of, and to add Section 18329 to, the Welfare and Institutions Code, and to amend Section 3 of Chapter 918 of the Statutes of 1972, relating to public social services, including facilities performing services, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 1331.1 is added to the Health and Safety Code, to read:

1331.1. The provisions of Section 1331 shall not apply to facilities that proposed to the department or to a designated voluntary health facility planning agency to modernize or replace all or part of the then licensed bed capacity provided such proposals were submitted in writing to the department or agency prior to March 30, 1973.

SEC. 1.5. Section 18325.5 of the Welfare and Institutions Code as added by Chapter 918 of the Statutes of 1972 is amended to read:

18325.5. It is the intention of the Legislature that the State of California through state, local governmental, and private agencies shall make a maximum contribution of their in-kind resources and in-kind facilities in order to implement the provisions of this chapter under Title III of the Older Americans Act of 1965, as amended, provided however that should federal funds become available under Title VII of the Older Americans Act of 1965, as amended, the Legislature intends that programs provided pursuant to this chapter be implemented to the maximum extent feasible under Title VII in order to secure the maximum federal financial participation. The Older Americans Act of 1965, as amended, states that the federal government will share in the cost of approved programs and that the local or state share may be "in-kind" contributions.

SEC. 2. Section 18326 of the Welfare and Institutions Code as added by Chapter 918 of the Statutes of 1972, is amended to read:

18326. The California Commission on Aging, with the approval of the Secretary of the Health and Welfare Agency, shall develop and submit to the federal government the state plan for implementation of the Older Americans Act of 1965, as amended, pursuant to this chapter. Such plan shall be submitted by February 1, 1973, and by May 1st of each succeeding year. While such state plan is in preparation, any private agency or public agency, with the consent of the jurisdiction involved, may submit to the California Commission on Aging for review and consideration its proposal for funding and assistance pursuant to the Older Americans Act of 1965, as amended. The commission shall do everything feasible to assist

such private and state or local agencies in the preparation of their proposals.

SEC. 2.5. Section 18329 is added to the Welfare and Institutions Code, to read:

18329. To the extent permitted by federal law, benefits received under this chapter shall not be treated as income or resources for the purpose of any program or provision of Division 9 (commencing with Section 10000).

SEC. 3. Section 3 of Chapter 918 of the Statutes of 1972 is amended to read:

Sec. 3. There is hereby appropriated to the Health and Welfare Agency the sum of four hundred thousand dollars ($400,000) from the General Fund for the 1972–1973 fiscal year, to be expended as follows:

(a) Two hundred fifty-three thousand dollars ($253,000) to be transferred by the Director of Finance upon certification of the Health and Welfare Agency and the California Commission on Aging that the "in-kind" contribution of a private, state or local governmental agency is not sufficient to secure adequate federal funds for the purpose of implementing the Older Americans Act of 1965, as amended, pursuant to Chapter 5.5 (commencing with Section 18325) of Part 6 of Division 9 of the Welfare and Institutions Code. Where local nutritional projects may be eligible for funding under federal programs for serving older citizens; and where such projects are to be operated by and serve the needs of minority, Indian, and limited English-speaking eligible individuals; and where needed local matching funds are unavailable, state funds shall be made available to local governmental jurisdictions or voluntary organizations up to and not to exceed the nonfederal share of total project costs, or a maximum of fifty thousand dollars ($50,000) whichever is the lesser sum, for each local project approved.

(b) One hundred forty-seven thousand dollars ($147,000) of the amount appropriated pursuant to Item 236.1 of the Budget Act of 1972 to be expended in accordance with subdivision (b) of this section.

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

In order to develop and submit the state plan to the federal government to implement a nutrition program for the elderly, it is essential that this act go into effect immediately.

# CHAPTER 1182

*An act to add Chapter 17 (commencing with Section 7290) to Division 7 of Title 1 of the Government Code, relating to bilingual services.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Chapter 17 (commencing with Section 7290) is added to Division 7 of Title 1 of the Government Code, to read:

## CHAPTER 17. USE OF A FOREIGN LANGUAGE IN PUBLIC SERVICES

7290. This chapter may be known and cited as the Dymally-Alatorre Bilingual Services Act.

7291. The Legislature hereby finds and declares that the effective maintenance and development of a free and democratic society depends on the right and ability of its citizens and residents to communicate with their government and the right and ability of the government to communicate with them.

The Legislature further finds and declares that substantial numbers of persons who live, work and pay taxes in this state are unable, either because they do not speak or write English at all, or because their primary language is other than English, effectively to communicate with their government. The Legislature further finds and declares that state and local agency employees frequently are unable to communicate with persons requiring their services because of this language barrier. As a consequence, substantial numbers of persons presently are being denied rights and benefits to which they would otherwise be entitled.

It is the intention of the Legislature in enacting this chapter to provide for effective communication between all levels of government in this state and the people of this state who are precluded from utilizing public services because of language barriers.

7292. Every state agency, as defined in Section 11000, directly involved in the furnishing of information or the rendering of services to the public whereby contact is made with a substantial number of non-English-speaking people, shall employ a sufficient number of qualified bilingual persons in public contact positions or as interpreters to assist those in such positions, to ensure provision of information and services to the public, in the language of the non-English-speaking person. The determination of what constitutes a substantial number of non-English-speaking people and a sufficient number of qualified bilingual persons shall be made by the state agency.

7293 Every local public agency, as defined in Section 54951, serving a substantial number of non-English-speaking people, shall employ a sufficient number of qualified bilingual persons in public contact positions or as interpreters to assist those in such positions, to ensure provision of information and services in the language of the non-English-speaking person. The determination of what constitutes a substantial number of non-English-speaking people and a sufficient number of qualified bilingual persons shall be made by the local agency.

7294. An employee of a state or local agency, as defined by Sections 11000 and 54951, may not be dismissed to carry out the purposes of this chapter. A state or local public agency need only implement this chapter by filling employee public contact positions made vacant by retirement or normal attrition.

7295. Any materials explaining services available shall be translated into any non-English language spoken by a substantial number of the public served by the agency. Whenever notice of the availability of materials explaining services available is given, orally or in writing, it shall be given in English and in the non-English language into which any materials have been translated. The determination of when these materials are necessary when dealing with state and local agencies shall be left to the discretion of the state and local agency.

7296. As used in this chapter, a "bilingual person" is a person who is proficient in both the English language and the foreign language to be used.

7297. As used in this chapter, a "public contact position" is a position available at the agency business office during normal business hours heretofore or hereafter determined by the agency, to be a position which emphasizes the ability to meet, contact and deal with the public in the performance of the agency's functions and is so described in the job specifications.

7298. The provisions of this chapter are not applicable to school districts, county boards of education, or the office of a county superintendent of schools.

7299. The provisions of this act shall be implemented to the extent that local, state or federal funds are available, and to the extent permissible under federal law and the provisions of civil service law governing the state and local agencies.

SEC. 2. No appropriation is made by this act, nor is any obligation created thereby under Section 2164.3 of the Revenue and Taxation Code, for the reimbursement of any local agency because the Legislature hereby determines and finds that in this act there are no duties, obligations or responsibilities imposed on local governmental entities or school districts

## CHAPTER 1183

*An act relating to neuromuscular research and teacher education, and making an appropriation therefor.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973.]

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

SECTION 1. There is hereby appropriated from the General Fund to the Regents of the University of California the following amount:

(a) The sum of one million dollars ($1,000,000), without regard to fiscal year, for the purpose of establishing a Neuromuscular Disease Research Center at the University of California. The purpose of such center is twofold: (1) to explore the causes of neuromuscular diseases, and (2) to seek ways to eradicate such diseases and ameliorate their debilitating effects.

(b) The sum of one hundred thousand dollars ($100,000) for expenditures during the 1973–74 fiscal year for purposes of funding research and teacher education projects at the University of California.

SEC. 2. For purposes of subdivision (a) of Section 1 of this act, the Regents of the University of California are requested to report annually to the Governor and the Legislature regarding the following:

(a) Number of research projects sponsored by the center;

(b) Source of funding of such projects;

(c) The project's relationship to other research in the same program area; and

(d) The results, if any, of such projects.

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## CHAPTER 1184

*An act to add Section 42004.5 to the Vehicle Code, relating to traffic violations.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 42004.5 is added to the Vehicle Code, to read:

42004.5. Upon conviction of any violation of any provision of this code, other than a felony violation and except this section, execution of sentence of imprisonment in the county jail shall be suspended, at the request of the convicted person, for a period of 24 hours, unless the judge determines that the person would not return. If, prior to

the end of such period, the person does not deliver himself into custody for commencement of the execution of such sentence, his failure to appear shall constitute a misdemeanor.

SEC. 2. No appropriation is made by this act, nor is any obligation created thereby under Section 2164.3 of the Revenue and Taxation Code, for the reimbursement of any local agency for any costs that may be incurred by it in carrying on any program or performing any service required to be carried on or performed by it by this act, since the provisions imposed on local government by this legislation can be accomplished as a part of their normal operating procedures.

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## CHAPTER 1185

*An act relating to Tahoe Regional Planning, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. The Secretary of the Resources Agency may allocate funds to the Tahoe Regional Planning Agency from funds appropriated to the Resources Agency for purposes of this section, to be used to pay legal fees and other litigation expenses of the Tahoe Regional Planning Agency.

SEC. 2. There is hereby appropriated from the General Fund in the State Treasury to the Resources Agency the sum of fifty thousand dollars ($50,000) for allocation to the Tahoe Regional Planning Agency pursuant to Section 1 of this act.

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

The Tahoe Regional Planning Agency is involved in litigation pressing claims of hundreds of millions of dollars against the State of California as a result of the efforts of the Tahoe Regional Planning Agency to preserve the peace, scenery, tranquillity, and environmental quality of the Tahoe Basin. The agency lacks sufficient funds to continue to defend itself against the numerous lawsuits and urgently needs these funds to be able to continue its program for the protection of the public interests. It is therefore necessary that this act take immediate effect.

# CHAPTER 1186

*An act to amend and renumber the heading of Chapter 1.5 (commencing with Section 11700) of Division 8 of, to add Section 11707 to, to repeal and add Chapter 1 (commencing with Section 11500) of Division 8 of, and to repeal Chapter 2 (commencing with Section 11800) of Division 8 of, and Section 12053 of, the Elections Code, and Chapter 3 (commencing with Section 3750) of Division 4.5 of Title 1 of the Government Code, relating to campaign reporting.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Chapter 1 (commencing with Section 11500) of Division 8 of the Elections Code is repealed.

SEC. 2. Chapter 1 (commencing with Section 11500) is added to Division 8 of the Elections Code, to read:

## CHAPTER 1. REPORTING AND PUBLICATION OF CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

### Article 1. General Provisions

11500. This chapter shall be known and may be cited as the Waxman-Dymally Campaign Disclosure Act.

11501. The Legislature finds and declares as follows:

(a) The people have a right to expect from their elected representatives at all levels of government assurances of the utmost in integrity, honesty, and fairness in their dealings;

(b) The people further have a right, in order to knowledgeably vote for both candidates and measures, to a true and timely disclosure of the identity of financial backers and the extent of their financial support;

(c) This chapter shall be broadly construed so that its ends are achieved.

11502. If any provision of this chapter, or the application therefor to any person or circumstance is held invalid, the validity of the remainder of this chapter and the application of such provision to other persons and circumstances shall not be affected thereby.

11503. (a) The provisions of this chapter shall apply to candidates and elected officials at all levels of state and local government, including chartered and general law cities and counties and special districts; to the extent city or county charter provisions conflict with the provisions of this chapter, state law shall apply.

(b) Nothing in this chapter shall be interpreted to prohibit local governmental bodies, including special districts, from requiring more detailed or complete disclosure of campaign contributions and expenditures.

## Article 2. Definitions

11510. Unless the context otherwise requires, the definitions set forth in this article shall govern the interpretation of this chapter.

11511. "Person" includes any individual, partnership, corporation, association, committee, labor organization, and any other organization or group of persons.

11512. "Election" means any primary, general, special or recall election held in this state.

11513. "Candidate" means an individual listed on the ballot, or who has qualified to have write-in votes on his behalf counted by election officials, for nomination or for election to any elective office or who receives a contribution or makes an expenditure or gives his consent for any other person to receive a contribution or make an expenditure with a view to bringing about his nomination or election to any elective office, whether or not the specific elective office for which he will seek nomination or election is known at the time the contribution is received or the expenditure is made. The term "candidate" includes any officeholder who is the subject of a recall election.

The term "candidate" does not include any person within the meaning of Section 301 (b) of the Federal Election Campaign Act of 1971.

11513.5. "Elective office" means any state, county, judicial or district office, and any municipal office in a general law or charter city, filled at an election. A person who is appointed to fill a vacancy in an office which is ordinarily elective holds an elective office. The term "elective office" includes membership on a county central committee of a qualified political party.

11514. "Measure" means any constitutional amendment or other proposition which is submitted to a popular vote at any election by action of a legislative body, or which is submitted or is intended to be submitted to a popular vote at an election by initiative, referendum, or recall procedure whether or not it qualifies for the ballot.

11515. "Committee" means any person or combination of persons who receives contributions or makes expenditures or contributions for the purpose of influencing or attempting to influence the action of the voters for or against the nomination or election of one or more candidates, or the passage or defeat of any measure, including any committee or subcommittee of a political party, whether national, state or local, if:

(a) Contributions received total five hundred dollars ($500) or more in a calendar year;

(b) Expenditures and contributions made, other than contributions described in subdivision (c), total five hundred dollars ($500) or more in a calendar year; or

(c) Contributions of cash, checks and other cash equivalents paid directly to candidates and committees total five thousand dollars ($5,000) or more in a calendar year.

11516. "Contribution" means a payment, gift, subscription, assessment, contract, payment for services, dues, advance, pledge or promise of money or anything of value, whether or not legally enforceable, to a candidate, committee or holder of an elective office, made for the purpose of influencing the nomination or election of any candidate, or for the qualification, passage, or defeat of any measure.

The term "contribution" includes the purchase of tickets for events such as dinners, luncheons, rallies, and similar fund-raising events; the candidate's own money or property used on behalf of its candidacy; the granting of discounts or rebates not available to the general public; or the granting of discounts or rebates by television and radio stations and newspapers not extended on an equal basis to all candidates for the same office; and any payments for the services of any person serving as an agent of a candidate or committee by a person other than the candidate or committee, or a person whose expenditures the candidates or committee must report under this chapter.

The term "contribution" further includes any transfer of anything of value received by a committee from another committee.

The term "contribution" shall not include loans except forgiveness of loans or payment of loans by a third party required to be reported by subdivision (i) of Section 11518. The term "contribution" shall not include volunteer personal services provided without compensation, the payments made by an individual for his own travel expenses if such payments are made voluntarily without any understanding or agreement that they shall be, directly or indirectly, repaid to him, or the use of private property when utilized directly by the owner or lessee thereof in the course of rendering such services.

The term "contribution" does not include amounts received pursuant to a pledge or promise to the extent those amounts have been previously reported as a contribution.

11517. "Expenditure" means a payment, loan, pledge, or promise of payment or money or anything of value for goods, materials, services, or facilities in assistance of, or in opposition to, the nomination or election of one or more candidates, or for the qualification, passage, or defeat of any measure.

The term "expenditure" includes any transfer of anything of value made by one committee to another committee.

The term "expenditure" does not include amounts paid pursuant to a pledge or promise to the extent those amounts have been previously reported as an expenditure.

11517.5. "Loan" means a transfer of money, property, or anything of value in exchange for an obligation to repay in whole or in part.

11518. "Campaign statement" means an itemized report signed under penalty of perjury which is prepared on a form prescribed by

the Secretary of State, and which provides the following information:

(a) Under the heading "receipts," the total amount of contributions and loans received, and under the heading "expenditures," the total amount of expenditures made during the period covered by the campaign statement, and the cumulative amounts of loans, contributions received and expenditures made with respect to a primary, general, or special election.

(b) The balance of cash and cash equivalents on hand at the beginning and at the end of the period covered by the campaign statement.

(c) The total amount of contributions received during the period covered by the campaign statement for persons who have given less than one hundred dollars ($100) and the total amount of contributions received in a period covered by the campaign statement for persons who have given one hundred dollars ($100) or more.

(d) The total amount of expenditures disbursed during the period covered by the campaign statement to persons who have received less than one hundred dollars ($100) and the total amount of the expenditures disbursed during the period covered by the campaign statement to persons who have received one hundred dollars ($100) or more.

(e) The full name and city, state, occupation, and the name of his or her employer, if any, or the principal place of business if he or she is self-employed, of each person from whom a contribution or contributions totaling one hundred dollars ($100) or more has been received, together with the amount contributed by each such person and the cumulative amount contributed by each such person, provided, that in the case of committees which are listed as contributors, the campaign statement shall also contain the number assigned to the committee by the Secretary of State or if no such number has been assigned, the full name and street address of the treasurer of the committee.

(f) The full name and city, state, of each person to whom an expenditure or expenditures totaling one hundred dollars ($100) or more has been made, together with the amount of each separate expenditure to each such person during the period covered by the campaign statement and the cumulative amount paid to each such person; a brief description of the purpose for which the expenditure was made; the full name and city and state of the person providing the consideration for which any expenditure was made if different from the payee; and in the case of committees which are listed, the number assigned to each such committee by the Secretary of State or if no such number has been assigned, the full name and city, and state of the treasurer of the committee.

(g) In the case of a committee supporting or opposing more than one candidate or measure, the total amount of expenditures for or against each candidate or measure during the period covered by the campaign statement and the cumulative total amount of

expenditures for or against each candidate or measure.

(h) The full name, residential and business addresses and telephone numbers of the person filing the campaign statement and, in the case of a campaign statement filed by a committee, the name of the committee and the committee's street address and telephone number.

In a campaign statement filed by a candidate, the full name and street address of any committee of which he has knowledge which has received contributions or made expenditures on behalf of his candidacy, along with the full name, street address and telephone number of the treasurer of such committee.

(i) Loans of money, property, or other things made to a candidate or committee during the period covered by the campaign statement, shall be reported separately in the statement, with the following information:

(1) The total value of all loans received during the period covered by the campaign statement;

(2) For loans of one hundred dollars ($100) or more in value, the full name, city and county, and state of each lender, cosigner, and guarantor, the date of the loan, the amount or value of the loan, the interest rate, and the amount of the loan remaining unpaid.

(3) The cumulative total value of all loans received; and

(4) The total amount of loans remaining unpaid.

Loans shall be reported even though received and repaid during the period covered by the campaign statement. If a loan has been forgiven or paid by a third person, it shall be reported pursuant to this subdivision and in subdivision (e). The amount of the loan which has been forgiven or paid by a third person shall be subtracted from the cumulative total under this subdivision.

(j) Where the amount of goods, services, facilities or anything of value other than money is required to be reported, the amount shall be the estimated fair market value thereof at the time received or expended, and a description of the goods, services or facilities shall be appended to the campaign statement.

11519. "Period covered by a campaign statement" means the period beginning with the day after the closing date of the most recent campaign statement which has been filed, and ending with the closing date of the campaign statement in question. If the person filing the campaign statement has not previously filed a campaign statement, the period covered shall begin with the effective date of the chapter. Nothing in this chapter shall be interpreted to exempt any person from disclosing transactions which occurred prior to the effective date of this chapter according to the laws then in effect.

11520 "Cumulative amount" means the amount contributed or expended since the closing date of the most recent campaign statement which has been filed pursuant to subdivision (c) of Section 11550, subdivision (d) of Section 11551, subdivision (b) of Section 11552 or subdivision (c) of Section 11553. If the person filing the campaign statement has not previously filed a campaign statement

pursuant to any of these sections, the cumulative amount is the amount contributed or expended since the effective date of this chapter

11521 "Closing date" means the date through which a campaign statement is required to be complete. A campaign statement shall reflect all contributions and expenditures received or made through the closing date.

## Article 3. Organization of Committees

11530. (a) Every committee shall have a treasurer No contribution and no expenditure shall be accepted or made by or on behalf of a committee at a time when there is a vacancy in the office of treasurer No expenditure shall be made by or on behalf of a committee without the authorization of the treasurer or that of his or her designated agents.

(b) All contributions in excess of ten dollars ($10) received by a person acting as an agent of a candidate shall be reported promptly by such person to the candidate or any of his designated agents. All contributions received by a person acting as an agent of a committee shall be reported promptly by the recipient to the committee's treasurer or any of his designated agents

(c) It shall be the duty of each candidate, treasurer and holder of an elective office to keep detailed accounts, records, bills, and receipts as shall expedite the performance of all obligations imposed by this chapter. Such records shall include the street address of any person who has contributed one hundred dollars ($100) or more as reported in subdivision (e) of Section 11518. Such street address shall be made available upon request of any agency charged with the enforcement of this act; provided, however, that such street address shall not be released to the general public.

11531. Each committee which receives or anticipates receiving contributions during a calendar year in an aggregate amount of five hundred dollars ($500) or more shall file with the Secretary of State a statement of organization, within 20 days after its organization or within 20 days after the date on which it receives or has information which causes it to anticipate it will receive contributions aggregating five hundred dollars ($500) or more Each such committee in existence at the date of enactment of this chapter shall file a statement with the Secretary of State within 60 days after the effective date of this chapter The Secretary of State shall assign a number to each committee which files a statement of organization and shall notify the committee of the number The Secretary of State shall send a copy of statements filed pursuant to this section to the clerk of each county which he deems appropriate.

11532 The statement of organization required by Section 11531 shall be prepared on a form prescribed by the Secretary of State and shall include:

(a) The name, street address and telephone number, if any, of the committee

(b) The name, street address, and telephone number of each firm, association, partnership, business trust, corporation, company, committee, and other organization or group of persons with which the committee is affiliated or connected.

(c) The full name, street address, and telephone numbers, if any, of the treasurer and other principal officers.

(d) If the committee is formed to support a single candidate, or to circulate petitions for, or support or oppose a single measure, then the statement of organization shall include the full name and office sought of the candidate or the title and ballot number, if any, of the measure, and whether the committee supports or opposes the measure.

(e) Whenever there is a change in any of the information contained in subdivisions (a) or (c) of a statement of organization, an amendment shall be filed within 10 days to reflect the change.

11533. A committee which fails to file a statement of organization shall not be subject to any criminal or civil penalties but shall be assessed a fee of twenty-five dollars ($25) by the Secretary of State.

## Article 4. Filing of Campaign Statements

11550. Each candidate and each committee supporting or opposing a candidate or candidates, shall file campaign statements according to the following schedule:

(a) A campaign statement, the closing date of which shall be the 28th day before the election, shall be filed no later than the 25th day prior to the election.

(b) A campaign statement, the closing date of which shall be the 10th day before the election, shall be filed no later than the 7th day prior to the election.

(c) A campaign statement, the closing date of which shall be the 31st day after the election, shall be filed no later than the 38th day after the election. Notwithstanding the above, if prior to the closing date all liabilities of the candidate or committee have been paid and no additional contributions are expected, the campaign statement may be filed at any time after the election with a closing date other than the 31st day following the election and not later than the 38th day following the election.

11551. Notwithstanding the provisions of Section 11550, when a special, general, or runoff election is held less than 60 days following the primary election, campaign statements shall be filed according to the following schedule by each person specified in Section 11550:

(a) A campaign statement, the closing date of which shall be the 28th day prior to the primary election, shall be filed no later than the 25th day prior to the primary election.

(b) A campaign statement, the closing date of which shall be the 10th day prior to the primary election, shall be filed no later than the 7th day prior to the primary election.

(c) A campaign statement, the closing date of which shall be the 10th day prior to the special, general, or runoff election, shall be filed by each candidate who has been nominated in the primary election and by each committee supporting or opposing any candidate no later than the 7th day prior to the special, general, or runoff election.

(d) A campaign statement, the closing date of which shall be the 31st day following the special, general, or runoff election, shall be filed no later than the 38th day following the special, general, or runoff election. Notwithstanding the above, if prior to the closing date all liabilities of the candidate or committee have been paid and no additional contributions are expected, the campaign statement may be filed at any time after the election with a closing date other than the 31st day following the election and not later than the 38th day following the election.

11552. (a) Not later than 35 days after a measure has been qualified for the ballot, the proponent or proponents shall file a campaign statement, the closing date of which shall be the 28th day following the qualification of the measure.

(b) If any proposed measure does not qualify for the ballot, the proponent or proponents shall file a campaign statement within 35 days after the final deadline for circulating the petition, the closing date of which shall be the 28th day following the deadline.

11553. Each committee supporting or opposing a measure shall file a campaign statement according to the following schedule:

(a) A campaign statement, the closing date of which shall be the 35th day before the election, shall be filed no later than the 32nd day prior to the election.

(b) A campaign statement, the closing date of which shall be the 14th day before the election, shall be filed no later than the 11th day prior to the election.

(c) A campaign statement, the closing date of which shall be the 38th day following the election shall be filed no later than the 45th day following the election. Notwithstanding the above, if prior to the closing date all liabilities of the committee have been paid and no additional contributions are expected, the campaign statement may be filed at any time after the election with a closing date other than the 38th day following the election.

11553.5. Every candidate and committee that receives contributions or makes expenditures for the period January 1 through December 31, and every person who holds any elective office shall file a campaign statement for the period of January 1 through December 31 not later than January 31, unless such candidate, committee, or officeholder is required to file campaign statements in connection with an election or elections held within the period. If a campaign statement was filed in connection with an election held during the one-year period immediately prior to the period specified in this section, the period covered by the campaign statement filed pursuant to this section shall begin from the day after the closing date of the previous campaign statement.

This section is not applicable to elected officers whose salaries are less than one hundred dollars ($100) a month or to judges, unless such an elected officer or judge is a candidate or committee who receives contributions or makes expenditures during the specified period.

11554. Copies of each campaign statement shall be filed as follows:

(a) Campaign statements of candidates and persons holding statewide office, of committees supporting such candidates, of state central committees of political parties, and of committees supporting or opposing statewide measures—one original and one copy with the Secretary of State, two copies with the Registrar-Recorder of Los Angeles County, and two copies with Registrar of the City and County of San Francisco.

(b) Campaign statements for candidates and persons holding office of superior court judge, Member of the State Legislature, and member of the Board of Equalization, and of committees supporting such candidates—one original and one copy with the Secretary of State, and two copies with the clerk of each county which in whole or in part is included in the election district in which the candidate seeks nomination or election.

(c) Campaign statements of candidates and persons holding any elective office not mentioned above which is voted upon in more than one county, of committees supporting such candidates, and of committees supporting or opposing measures to be voted upon in more than one county but not statewide—one original and one copy with the clerk of the county having the largest population, and two copies with the clerk of each additional county wholly or partially included in the election district in which the candidate seeks nomination or election or in which the measure is voted upon.

(d) Campaign statements of candidates and persons holding office not mentioned above, or committees supporting such candidates, and of committees supporting or opposing measures to be voted upon in not more than one county—one original and one copy with the county clerk and, if the candidates or measures are to be voted upon within a single city, two copies with the clerk of that city.

(e) Campaign statements of the county central committees of political parties—one original and one copy with the Secretary of State and two copies with the county clerk.

11555. Notwithstanding Sections 11550 to 11553.5, inclusive, if a committee receives contributions and makes expenditures on behalf of both a candidate and a measure, the committee shall have the option of filing campaign statements either under the filing deadlines for candidates in Sections 11550 and 11551 or the filing deadlines for measures in Section 11552 or 11553.

11556. When the campaign statement or copies thereof required to be filed with any officer under the provisions of this chapter has been sent by first-class registered mail, addressed to such officer, it

shall be deemed to have been received by the officer on the date of the deposit in the United States mail. It shall be presumed until the contrary is established that the date shown by the post office cancellation mark on the envelope containing the statement is the date it was deposited in the United States mail.

11557. A campaign statement filed by a committee shall be verified by the campaign treasurer. The verification shall state that the campaign treasurer has used all reasonable diligence in its preparation, and that to his knowledge it is true and complete.

11558. The candidate shall verify in writing that he has read his own campaign statement and the campaign statement of each committee subject to his control and that the statements are true and complete as far as his knowledge is concerned.

11559. Whenever any provision of this chapter requires the filing of a campaign statement by a candidate, the candidate may in lieu thereof file a statement signed under penalty of perjury that to the best of his knowledge not more than five hundred dollars ($500) has been received or expended on behalf of or in support of his or her candidacy.

11560. Notwithstanding the provisions of Section 11550, a candidate for reelection for judicial office whose name does not appear on the ballot by reason of Section 25304 shall file his campaign statement within 21 days following the date of the general election and shall not be required to file any additional campaign statements. His campaign statement shall include contributions and expenditures in connection with his candidacy at both the primary and general elections. If such a candidate's name does not appear on the ballot at the primary election but does appear on the ballot at the general election, he shall file the campaign statements required by Section 11550 before and after the general election, and such campaign statements shall include contributions and expenditures in connection with his candidacy at both the primary and general elections. This section is not applicable to a committee supporting one or more candidates for judicial office, and each such committee shall observe the requirements of Section 11550.

11561. No contribution shall be made directly or indirectly, by a person in a name other than the name by which such person is identified for legal purposes.

11562. Any person who makes a contribution on behalf of another, or while acting as the intermediary or agent of another, shall disclose to the recipient of such contribution both his or her own full name and city, state, occupation, and the name of his or her employer, if any, or the principal place of business if he or she is self-employed, and the full name and city, state, occupation, and the name of his or her employer, if any, or the principal place of business if he or she is self-employed, of such other person. The recipient of such a contribution shall include in his or her campaign statement the full name and city, state, occupation, and the name of his or her employer, if any, or the principal place of business if he or she is

self-employed, of both the intermediary and contributor.

11563. No person shall make an anonymous contribution or contributions to a candidate, committee, or any other person in a calendar year totaling one hundred dollars ($100) or more. An anonymous contribution of one hundred dollars ($100) or more shall not be used by the intended recipient but shall be promptly paid to the State Treasurer to be deposited in the General Fund of the state.

11564. Any expenditure, other than overhead or normal operating expenses, made by an agent or independent contractor, including but not limited to an advertising agency, on behalf of or for the benefit of any candidate or committee, shall be reported by the candidate or committee as if the expenditure were made directly by the candidate or committee, unless the agent or independent contractor files a campaign statement reporting the expenditure. The agent or independent contractor shall disclose to the candidate or committee all information required to be reported by this section.

11565. No contribution of five hundred dollars ($500) or more shall be made in cash. Any contribution of five hundred dollars ($500) or more other than in-kind contributions shall be made by an instrument containing the name of the donor and the name of the payee.

### Article 5. Candidates for Federal Office

11570. Every person who is required by Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C.A. § 439(a)) to file a copy of any statement or report with the Secretary of State of California shall, at the time such filing is required, file two copies of each such statement or report with the Secretary of State and two copies with:

(a) The Registrar-Recorder of Los Angeles County and the Registrar of San Francisco County in the case of reports relating to the campaign for nomination or election to a candidate to the office of President or Vice President of the United States, or United States Senator.

(b) The clerk of each county in which the congressional district is located in the case of reports relating to the campaign for nomination of election of a candidate to the office of Representative in Congress.

### Article 6. Duties of Public Officials

11580. Campaign statements are to be open for public inspection and reproduction, commencing as soon as practicable, but not later than the second business day following the day on which they were received, during regular business hours and from 9 a.m. to 5 p.m. on the Saturday and Sunday preceding a statewide election.

11581. Copies of statements or parts of statements shall be provided by responsible officials at a charge not to exceed ten cents

($0.10) per page.

11582. Statements open to the public under this article shall not be copied or used for purposes of commercial or election campaign solicitation.

11583. Campaign statements shall be preserved for by the officers with whom they are filed.

11583.5. No fee or charge shall be collected by any officer for the filing of any campaign statement, or for the forms upon which statements are to be prepared.

11584. The Secretary of State shall:

(a) Prescribe and supply appropriate forms required by this chapter. Such forms shall require only the information required by this chapter. These forms shall be furnished through the city and county clerks to all candidates and committees, and to all other persons required to report.

(b) Prepare and publish one or more manuals explaining the duties of persons and committees under this chapter.

11585. The Secretary of State and county clerks shall:

(a) Determine whether required statements and declarations have been filed with their respective offices and, if so, whether they conform on their face with the requirements of this chapter.

(b) Notify promptly all persons and committees who have failed to file a statement in the form and at the time required by this chapter.

(c) Report apparent violations of this chapter to the appropriate law enforcement authorities.

(d) Compile and maintain a current list of all statements or parts of statements filed with their office pertaining to each candidate and each measure.

## Article 7. Enforcement

11600. The Attorney General shall enforce the criminal provisions of this chapter. District attorneys shall have concurrent power and responsibilities in regard to campaign statements required to be filed in their jurisdiction.

11601. Any person who knowingly and willfully violates any of the provisions of this chapter is guilty of a misdemeanor.

11602. Prosecution for violation of this chapter must be commenced within two years after the date on which the violation occurred.

11603. Any candidate, campaign treasurer, committee or other person who willfully, knowingly, or by gross neglect violates the reporting requirements of this chapter shall be liable in a civil action brought by a resident or residents of the state for the amount of contributions and loans received and expenditures made which are not properly reported. If a judgment is entered against the defendant or defendants in such action, the plaintiff or plaintiffs shall receive 50 percent of the amount received. The remaining 50

percent shall be deposited in the General Fund of the state

Any person, before filing a civil action under this chapter, must first notify in writing the Attorney General and the district attorney who has jurisdiction under Section 11600 of his intention to do so. The request shall include a statement of the grounds for believing a cause of action exists. The Attorney General or district attorney shall respond within 30 days after receipt of such notification, indicating whether he intends to file a civil or criminal action or not If the Attorney General or the district attorney indicates in the affirmative, no other action may be brought until final adjudication of such action. If the district attorney indicates to the contrary, or does not respond within 30 days after he is notified, the person may bring his civil action

Not more than one judgment of the merits with respect to any violation may be obtained under this section Actions brought for the same violation or violations shall have precedence for purposes of trial in order of the time filed. Such actions shall be dismissed once judgment has been entered in a previously filed action or it has resulted in a court approved settlement The court may dismiss, without prejudice to any other action, any action for failure of the plaintiff or plaintiffs to proceed in good faith or diligently to recover the amounts provided by this section. The action may be so dismissed on motion of the Attorney General, the district attorney, the plaintiff in another action brought under this section, or the defendant.

The court may award to a plaintiff or defendant who prevails in a suit under this section the reasonable costs of litigation, including reasonable attorney's fees, against an opposing party, if the court determines that the opposing parties' claim or defense was substantially without merit

On motion of any party, a court may require an opposing party to post a bond, in a reasonable amount, at any stage of the litigation to guarantee payment of costs

No action to recover a civil penalty may be initiated while a criminal prosecution under Section 11601 for the same violation is pending or if a fine has been imposed under that section. No action shall be brought under this section more than two years from the date of the alleged violation.

11603.5. No civil action shall be filed pursuant to Section 11603 until·

(a) In the case of violations alleged in campaign statements filed pursuant to Sections 11550 and 11551, after the date of the primary election or, if the candidate is nominated, after the general or special election.

(b) In the case of violations alleged in campaign statements filed pursuant to subdivision (a) of Section 11552 or Section 11553, after the date of the election.

(c) In the case of violations alleged in campaign statements filed pursuant to subdivision (b) of Section 11552, after the campaign statements are filed

(d) In the case of violations alleged in campaign statements filed pursuant to Section 11553 5, after the campaign statement is filed, except that the Attorney General shall promulgate regulations prohibiting the filing of such requests of such suits at times prior to an election or between a primary and general or special election.

11604. If any person files a campaign statement after any deadline imposed by this chapter he shall, in addition to any other penalties or remedies established by this chapter, be liable in the amount of ten dollars ($10) per day after the deadline until the statement is filed, to the officer with whom the statement is required to be filed. Said officer shall deposit any funds received under this section into the general fund of the state, county, or city of which he is an officer. No liability under this section shall exceed the cumulative total amount or receipts stated in the late campaign statement, or fifty dollars ($50), whichever is greater.

11605. Any person may sue for injunctive relief to compel compliance with the provisions of this chapter The court may award to a plaintiff or defendant who prevails in a suit under this section his cost of litigation, including reasonable attorney's fees.

## Article 8. Auditing

11610 The Board of Equalization shall make field investigations and audits with respect to campaign statements filed with the Secretary of State under this chapter, except that field investigations and audits of members of the Board of Equalization shall be made by the Auditor General.

11611. Investigations and audits shall be made pursuant to Section 11610 with respect to the campaign statements:

(a) Of each candidate who has received more than 15 percent of the total vote cast for the office for which he was running in either the general or special election;

(b) Of each candidate running in the primary, general, or special election for whom the Board of Equalization determines more than twenty-five thousand dollars ($25,000) has been spent, whether by the candidate or by a committee or committees supporting his candidacy;

(c) Of each committee supporting one or more such candidates, insofar as these campaign statements relate to the support of such candidates;

(d) Of each committee required to register with the Secretary of State which the Board of Equalization determines has spent more than ten thousand dollars ($10,000) during any calendar year.

11612 In addition to the investigations and audits required by Section 11611, the Board of Equalization may make investigations and audits with respect to the campaign statements of any candidate or committee which has filed or should have filed a campaign statement with the Secretary of State.

11613. No audit or investigation by the Board of Equalization

shall begin until after the last date for filing the first report following the general or special election for the office for which the candidate ran, or following the election at which the measure was adopted or defeated. When the campaign statements of a candidate or a committee supporting a candidate are audited and investigated, the audit and investigation shall cover all campaign statements filed in connection with the primary and general or special elections and any previous campaign statement filed pursuant to Section 11553.5 since the last campaign statement filed in connection with an election. The report of the Board of Equalization shall be sent to the Secretary of State, and the Attorney General not later than four months after the first date for beginning the audit. The report of the Board of Equalization shall be a public document and shall contain the Board of Equalization's findings in detail with respect to the accuracy and completeness of each campaign statement reviewed and its findings with respect to any campaign statements that should have been but were not filed. Prior to making any reports, the board shall permit any candidate or committee to correct within 10 days any errors in its campaign statement. Such correction shall be noted in the report. If any of the Board of Equalization's investigations and audits have not been completed in time to be included in the Board of Equalization's report, the report shall state the reasons for each such case and the Board of Equalization shall issue one or more supplemental reports at the earliest times feasible until each investigation and audit has been completed and fully reported.

11614. The superior court of a county shall issue, at the request of the Board of Equalization or any person authorized by the Board of Equalization, a subpoena for the production of such documents and records to carry out the responsibilities of the Board of Equalization. No member, employee or agent of the Board of Equalization shall divulge or make known in any manner any particulars of any record, documents, or information which he receives by virtue of his connection with the Board of Equalization, except in furtherance of the work of the Board of Equalization.

SEC. 3. The heading of Chapter 1.5 (commencing with Section 11700) of Division 8 of the Elections Code is amended and renumbered to read:

## CHAPTER 2. ENDORSEMENTS OF CANDIDATES FOR PARTISAN OFFICES

SEC. 4. Section 11707 is added to the Elections Code, to read:

11707. Every bill, placard, poster, pamphlet or other printed matter having reference to an election or to any candidate shall bear upon its face the name and address of the printer and publisher.

No payment therefor shall be made or allowed unless the name and address is so printed.

SEC. 5. Chapter 2 (commencing with Section 11800) of Division 8 of the Elections Code is repealed.

SEC. 6. Section 12053 of the Elections Code is repealed.

SEC. 7. Chapter 3 (commencing with Section 3750) of Division 4.5 of Title 1 of the Government Code is repealed.

SEC. 8. The campaign statement required to be filed by this chapter on January 31, 1974, shall be filed by March 1, 1974. This statement shall contain the information required by Chapter 1 (commencing with Section 11500) of Division 8 of the Elections Code and Chapter 3 (commencing with Section 3750) of Division 4.5 of Title 1 of the Government Code in effect on December 31, 1973. The statement shall contain all contributions received and expenditures made since the candidate's or committee's last post-election campaign statement was filed.

SEC. 9. Notwithstanding the state-mandated local costs that may be incurred by local agencies in carrying on any program or performing any service required by this act, no appropriation is made by this act under Section 2231 of the Revenue and Taxation Code because:

(a) The duties, obligations, or responsibilities imposed on local agencies by this act are minor and will not cause any financial burden to such agencies;

(b) Self-financing authority is provided to cover such state-mandated local costs in Section 11581 of the Elections Code as added by this act.

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## CHAPTER 1187

*An act to amend Sections 22750, 22752, 22753, and 22755 of, to add Chapter 5.5 (commencing with Section 22710) to Division 16.5 of, and to repeal Chapter 5 (commencing with Section 22700) of Division 16.5 of, and to repeal Sections 22501 and 22756 of, the Education Code, and to add Section 11563.8 to the Government Code, relating to public higher education, and making an appropriation therefor.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Chapter 5 (commencing with Section 22700) of Division 16.5 of the Education Code is repealed.

SEC. 2. Chapter 5.5 (commencing with Section 22710) is added to Division 16.5 of the Education Code, to read:

## CHAPTER 5.5. CALIFORNIA POSTSECONDARY EDUCATION COMMISSION

22710. The Legislature finds that coordination and planning are vital elements in providing postsecondary education to meet the needs of the people of the State of California.

The Legislature intends to create a statewide agency to assure the effective utilization of public postsecondary education resources, thereby eliminating waste and unnecessary duplication, and to promote diversity, innovation, and responsiveness to student and societal needs through planning and coordination.

It is further the intent of the Legislature that educational policy recommendations of the commission shall be a primary consideration in developing state policy and funding for higher education.

It is further the intent of the Legislature that the commission shall have adequate staffing and funding to carry out its duties and responsibilities.

It is further the intent of the Legislature that the commission shall encourage the participation of faculty members, students, administrators, and members of the general public in carrying out its duties and responsibilities.

22710.5 There is hereby created the California Postsecondary Education Commission, which shall be advisory to the Governor, the Legislature, other appropriate governmental officials, and institutions of postsecondary education. The commission shall be composed of the following members:

(1) Two representatives of the Regents of the University of California designated by the regents, two representatives of the Trustees of the California State University and Colleges designated by the trustees, and two representatives of the Board of Governors of the California Community Colleges designated by the board. Representatives of the regents, the trustees, and the board of governors shall be chosen from among the appointed members of their respective boards, but in no instance shall an ex officio member of a governing board serve on the commission.

(2) Two representatives of the independent California colleges and universities which are accredited by a national or regional association which is recognized by the United States Office of Education. These members shall be appointed by the Governor from a list or lists submitted by an association or associations of such institutions.

(3) The chairmen of the California Advisory Council on Vocational Education and Technical Training and the Council for Private Postsecondary Educational Institutions or their designees from among the other members of their respective councils.

(4) The President of the State Board of Education or his designee from among the other members of the board.

(5) Twelve representatives of the general public appointed as

follows: four by the Governor, four by the Senate Rules Committee, and four by the Speaker of the Assembly. It is the intent of the Legislature that the commission be broadly and equitably representative of the general public in the appointment of its public members and that the appointing authorities, therefore, shall confer to assure that their combined appointments include adequate representation on the basis of sex and on the basis of the significant racial, ethnic, and economic groups in the state.

No person who is regularly employed in any administrative, faculty, or professional position by any institution of public or private postsecondary education shall be appointed to the commission.

The commission members designated in subdivisions (1), (3), and (4) shall serve at the pleasure of their respective appointing authorities. The member designated in subdivision (2) shall serve a three-year term. The members designated in subdivision (5) shall each serve a six-year term. When vacancies occur prior to expiration of terms, the respective appointing authority may appoint a member for the remainder of the term.

Any person appointed pursuant to this section may be reappointed to serve additional terms.

No person appointed pursuant to this section shall, with respect to any matter before the commission, vote for or on behalf of, or in any way exercise the vote of, any other member of the commission.

The commission shall meet as often as it deems necessary to carry out its duties and responsibilities.

Any member of the commission who in any calendar year misses more than one-fourth of the meetings of the commission forfeits his office, thereby creating a vacancy.

The commission shall select a chairman from among the members representing the general public. The chairman shall hold office for a term of one year and may be selected to successive terms.

There is established an advisory committee to the commission and the director, consisting of the chief executive officers of each of the public segments, or their designees, the Superintendent of Public Instruction or his designee, and an executive officer from each of the groups of institutions designated in subdivisions (2) and (3) of Section 22710.5, to be designated by the respective commission representative or representatives from such groups Commission meeting agenda items and associated documents shall be provided to the committee in a timely manner for its consideration and comments.

The commission may appoint such subcommittees or advisory committees as it deems necessary to advise it on matters of educational policy. Such advisory committees may consist of commission members or nonmembers or both, including students, faculty members, segmental representatives, governmental representatives, and representatives of the public.

The commission shall appoint and may remove a director in the manner hereinafter specified. He shall appoint persons to such staff

positions as the commission may authorize.

The commission shall prescribe rules for the transaction of its own affairs, subject, however, to the following requirement and limitations: (1) The votes of all representatives shall be recorded, (2) effective action shall require the affirmative vote of a majority of all the members of the commission and (3) the affirmative votes of two-thirds of all the members of the commission shall be necessary to the appointment of the director.

22711. The commission shall have power to require the governing boards and the institutions of public postsecondary education to submit data on plans and programs, costs, selection and retention of students, enrollments, plant capacities and other matters pertinent to effective planning, policy development, articulation and coordination, and shall furnish information concerning such matters to the Governor and to the Legislature as requested by them.

22712. The commission shall have the following functions and responsibilities in its capacity as the statewide postsecondary education planning and coordinating agency and adviser to the Legislature and Governor:

(1) It shall require the governing boards of the segments of public postsecondary education to develop and submit to the commission institutional and systemwide long-range plans in a form determined by the commission after consultation with the segments.

(2) It shall prepare a five-year state plan for postsecondary education which shall integrate the planning efforts of the public segments and other pertinent plans. The commission shall seek to resolve conflicts or inconsistencies among segmental plans in consultation with the segments. If such consultations are unsuccessful the commission shall report the unresolved issues to the Legislature with recommendations for resolution.

In developing such plan, the commission shall consider at least the following factors: (a) the need for and location of new facilities, (b) the range and kinds of programs appropriate to each institution or system, (c) the budgetary priorities of the institutions and systems of postsecondary education, (d) the impact of various types and levels of student charges on students and on postsecondary educational programs and institutions, (e) appropriate levels of state-funded student financial aid, (f) access and admissions of students to postsecondary education, (g) the educational programs and resources of private postsecondary institutions, and (h) the provisions of this division differentiating the functions of the public systems of higher education.

(3) It shall update the state plan annually.

(4) It shall participate in appropriate stages of the executive and legislative budget processes as requested by the executive and legislative branches and shall advise the executive and legislative branches as to whether segmental programmatic budgetary requests are compatible with the state plan. It is not intended that the commission hold independent budget hearings.

(5) It shall advise the Legislature and Governor regarding the need for and location of new institutions and campuses of public higher education.

(6) It shall review proposals by the public segments for new programs and make recommendations regarding such proposals to the Legislature and the Governor.

(7) It shall, in consultation with the public segments, establish a schedule for segmental review of selected educational programs, evaluate the program review processes of the segments, and report its findings and recommendations to the Governor and the Legislature.

(8) It shall serve as a stimulus to the segments and institutions of postsecondary education by projecting and identifying societal and educational needs and encouraging adaptability to change.

(9) It shall develop and submit plans to the Legislature and the Governor for the funding and administration of a program to encourage innovative educational programs by institutions of postsecondary education.

(10) It shall collect or conduct or both collect and conduct studies of projected manpower supply and demand, in cooperation with appropriate state agencies, and disseminate the results of such studies to institutions of postsecondary education and to the public in order to improve the information base upon which student choices are made.

(11) It shall periodically review and make recommendations concerning the need for and availability of postsecondary programs for adult and continuing education.

(12) It shall develop criteria for evaluating the effectiveness of all aspects of postsecondary education.

(13) It shall maintain and update annually an inventory of all off-campus programs and facilities for education, research and community service operated by public and private institutions of postsecondary education.

(14) It shall act as a clearinghouse for postsecondary education information and as a primary source of information for the Legislature, the Governor, and other agencies, and develop a comprehensive data base insuring comparability of data from diverse sources.

(15) It shall establish criteria for state support of new and existing programs, in consultation with the public segments, the Department of Finance, and the Joint Legislative Budget Committee.

(16) It shall comply with the appropriate provisions of the Education Amendments of 1972 (P.L. 92-318) as specified in Section 22750.

(17) It shall consider the relationships between academic and occupational and vocational education programs and shall actively encourage the participation of state and local and public and private persons and agencies with a direct interest in these areas.

(18) It shall review all proposals for changes in eligibility pools for

admission to public institutions and segments of postsecondary education and shall make recommendations to the Legislature, Governor, and institutions of postsecondary education.

(19) It shall report annually to the Legislature and the Governor regarding the financial conditions of independent institutions, their enrollment and application figures, the number of student spaces available, and the respective cost of utilizing those spaces as compared to providing additional public spaces Such reports shall include recommendations concerning state policies and programs having a significant impact on independent institutions

(20) It shall, upon request of the Legislature or the Governor, submit to the Legislature and the Governor a report on all matters so requested which are compatible with its role as the statewide postsecondary education planning and coordinating agency and may, from time to time, submit to the Governor and the Legislature a report which contains recommendations as to necessary or desirable changes, if any, in the functions, policies, and programs of the several segments of public and private postsecondary education.

(21) It may undertake such other functions and responsibilities as are compatible with its role as the statewide postsecondary education planning and coordinating agency

22713. It is the intent of the Legislature that sites for new institutions or branches of the University of California and the California State University and Colleges, and such classes of off-campus centers as the commission shall determine, shall not be authorized or acquired unless recommended by the commission.

It is further the intent of the Legislature that California community colleges shall not receive state funds for acquisition of sites or construction of new institutions, branches, or off-campus centers unless recommended by the commission. Acquisition or construction of non-state-funded community college institutions, branches, and off-campus centers shall be reported to the commission.

It is further the intent of the Legislature that existing or new institutions of public education, other than those described in subdivisions (2) and (3) of Section 22500, shall not be authorized to offer instruction beyond the 14th grade level.

All proposals for new postsecondary educational programs shall be forwarded to the commission for review together with such supporting materials and documents as the commission may specify. The commission shall review such proposals within a reasonable length of time, which time shall not exceed 60 days following submission of the program and the specified materials and documents. For the purposes of this section, "new postsecondary educational programs" means all proposals for new schools or colleges, all series of courses arranged in a scope or sequence leading to (1) a graduate or undergraduate degree, or (2) a certificate of a type defined by the commission, which have not appeared in a segment's or district's academic plan within the previous two years,

and all proposals for new research institutes or centers which have not appeared in a segment's or district's academic plan within the previous two years.

It is further the intent of the Legislature that the advice of the commission be utilized in reaching decisions on requests for funding new and continuing graduate and professional programs, enrollment levels, and capital outlay for existing and new campuses, colleges, and off-campus centers.

22714. Each commission member shall receive a stipend of fifty dollars ($50) for each day in which he attends commission meetings and, in addition, shall receive his actual and necessary traveling expenses incurred in the course of his duties.

22715. Initial appointments to the commission shall be made in the following manner:

(1) The Governor shall appoint one member for a one-year term, one member for a two-year term, one member for a four-year term, and one member for a six-year term.

(2) The Senate Rules Committee shall appoint one member for a one-year term, one member for a two-year term, one member for a four-year term, and one member for a six-year term.

(3) The Speaker of the Assembly shall appoint one member for a one-year term, one member for a two-year term, one member for a four-year term, and one member for a six-year term.

Initial appointments to the California Postsecondary Education Commission shall become effective on January 10, 1974. All subsequent terms will begin on January 1 of the year in which the respective terms are to start.

The Superintendent of Public Instruction shall convene and chair meetings of the commission in January, February and March of 1974. In March 1974, the commission shall select a chairman and shall have adopted procedures for recruitment and appointment of a director.

The Coordinating Council for Higher Education shall continue in existence until March 31, 1974 The California Postsecondary Education Commission shall, on April 1, 1974, succeed to the powers, duties, and functions vested in the Coordinating Council for Higher Education.

Responsibilities heretofore assigned to the Coordinating Council for Higher Education through legislative resolution and budget language shall be assumed by the commission on April 1, 1974. All ongoing projects, information, and files of the council shall be transferred to the commission on that date.

22716 This division shall be known and may be cited as the Donahoe Higher Education Act.

SEC. 10. Section 22750 of the Education Code is amended to read:

22750 The people of the State of California accept the provisions of and each of the funds provided by Title I and Title X of the Education Amendments of 1972 (P.L. 92-318).

SEC. 11. Section 22752 of the Education Code is amended to read:

22752. The California Postsecondary Education Commission is

designated as the state educational agency to carry out the purposes and provisions of the Education Amendments of 1972 (P.L. 92-318) as follows:

(a) The commission is designated as the state commission required to be established pursuant to Section 1202 of Title X of the Higher Education Act of 1965 (P.L. 89-329) as amended by the Education Amendments of 1972 (P.L. 92-318);

(b) The commission is designated as the state administrative agency required to be established pursuant to Section 1055 of Title X of the Higher Education Act of 1965 (P.L. 89-329) as amended by the Education Amendments of 1972 (P.L. 92-318), unless such designation is determined by the federal government to be in conflict with federal law or regulations;

(c) The commission is designated as the state administrative agency required to be established pursuant to Section 105 of Title I, Section 122 of Title III, Section 603 of Title VI and Section 704 of Title VII of the Higher Education Act of 1965 (P.L. 89-329) as amended by the Education Amendments of 1972 (P.L. 92-318). The California Postsecondary Education Commission is hereby vested with authority to prepare and submit to the United States Commissioner of Education any state plan required by said act of Congress, to prepare and submit amendments to such state plans, and to administer such state plans or amendments thereto, in accordance with said act of Congress and any rules and regulations adopted thereunder. Any such state plan or amendment thereto prepared by the California Postsecondary Education Commission shall be subject to the approval of the Department of Finance to the extent required by Section 13326 of the Government Code. The California Postsecondary Education Commission is hereby vested with all necessary power and authority to cooperate with the government of the United States, or any agency or agencies thereof in the administration of the act of Congress and the rules and regulations adopted thereunder.

SEC. 12. Section 22753 of the Education Code is amended to read:

22753. The Trustees of the California State University and Colleges on behalf of any state university or state college, the Regents of the University of California on behalf of the university, the Board of Governors of the California Community Colleges on behalf of the community colleges and the Board of Governors of the California Maritime Academy on behalf of the California Maritime Academy, are vested with all power and authority to perform all acts necessary to receive the benefits and to expend the funds provided by said act of Congress and with all necessary power and authority to cooperate with the government of the United States, or any agency or agencies thereof, and with the California Postsecondary Education Commission for the purpose of receiving the benefits and expending the funds provided by said act of Congress, in accordance with said act, or any rules or regulations adopted thereunder, or any state plan or rules or regulations of the California Postsecondary

Education Commission adopted in accordance with said act of Congress. Whenever necessary to secure the full benefits of said act of Congress for loans or grants for academic facilities, such trustees, regents, or boards of governors may give such security as may be required and may comply with such conditions as may be imposed by the federal government.

SEC. 13. Section 22755 of the Education Code is amended to read:

22755. The funds received by the state under the provisions of the federal act shall be paid out by the State Treasurer on warrants drawn by the Controller and requisitioned by the California Postsecondary Education Commission in carrying out the purposes of the federal act.

SEC. 14. Section 22756 of the Education Code is repealed.

SEC. 15. Section 22501 of the Education Code is repealed.

SEC. 16. There is hereby appropriated from the General Fund to the California Postsecondary Education Commission the amount of two hundred thousand dollars ($200,000) for the purposes of carrying out this act through June 30, 1974.

SEC. 18. Sections 1, 11, 12, 13, 14, and 15 shall become operative on April 1, 1974.

SEC. 19. If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

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## CHAPTER 1188

*An act to amend Sections 985 and 2655 of the Unemployment Insurance Code, relating to unemployment compensation disability benefits.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 985 of the Unemployment Insurance Code is amended to read:

985. Section 984 shall not apply to that part of the remuneration which, after remuneration with respect to employment equal to eight thousand dollars ($8,000) for calendar year 1972, and eight thousand five hundred dollars ($8,500) for calendar year 1973, and nine thousand dollars ($9,000) for calendar year 1974 and each subsequent calendar year has been paid to an individual by an employer, is paid to such individual by such employer.

SEC. 2. Section 2655 of the Unemployment Insurance Code is amended to read:

2655. An individual's "weekly benefit amount" shall be the amount appearing in column B in the table set forth in this section on the line of which in column A of such table there appears the wage bracket containing the amount of wages paid to such individual for employment by employers during the quarter of his disability base period in which such wages were the highest.

| A<br>Amount of wages in highest quarter | B<br>Weekly benefit amount |
|---|---|
| $75– $524.99 | $25 |
| 525– 549.99 | 26 |
| 550– 574.99 | 27 |
| 575– 599.99 | 28 |
| 600– 624.99 | 29 |
| 625– 649.99 | 30 |
| 650– 674.99 | 31 |
| 675– 699.99 | 32 |
| 700– 724.99 | 33 |
| 725– 749.99 | 34 |
| 750– 774.99 | 35 |
| 775– 799.99 | 36 |
| 800– 824.99 | 37 |
| 825– 849.99 | 38 |
| 850– 874.99 | 39 |
| 875– 899.99 | 40 |
| 900– 924.99 | 41 |
| 925– 949.99 | 42 |
| 950– 974.99 | 43 |
| 975– 999.99 | 44 |
| 1,000–1,024.99 | 45 |
| 1,025–1,049.99 | 46 |
| 1,050–1,074.99 | 47 |
| 1,075–1,099.99 | 48 |
| 1,100–1,124.99 | 49 |
| 1,125–1,149.99 | 50 |
| 1,150–1,174.99 | 51 |
| 1,175–1,199.99 | 52 |
| 1,200–1,224.99 | 53 |
| 1,225–1,249.99 | 54 |
| 1,250–1,274.99 | 55 |
| 1,275–1,299.99 | 56 |
| 1,300–1,324.99 | 57 |
| 1,325–1,349.99 | 58 |
| 1,350–1,374.99 | 59 |
| 1,375–1,399.99 | 60 |
| 1,400–1,424.99 | 61 |
| 1,425–1,449.99 | 62 |
| 1,450–1,474.99 | 63 |
| 1,475–1,499.99 | 64 |

| | |
|---|---|
| 1,500–1,524.99 | 65 |
| 1,525–1,549.99 | 66 |
| 1,550–1,574.99 | 67 |
| 1,575–1,599.99 | 68 |
| 1,600–1,624.99 | 69 |
| 1,625–1,649.99 | 70 |
| 1,650–1,674.99 | 71 |
| 1,675–1,699.99 | 72 |
| 1,700–1,724.99 | 73 |
| 1,725–1,749.99 | 74 |
| 1,750–1,774.99 | 75 |
| 1,775–1,799.99 | 76 |
| 1,800–1,824.99 | 77 |
| 1,825–1,849.99 | 78 |
| 1,850–1,874.99 | 79 |
| 1,875–1,899.99 | 80 |
| 1,900–1,924.99 | 81 |
| 1,925–1,949.99 | 82 |
| 1,950–1,974.99 | 83 |
| 1,975–1,999.99 | 84 |
| 2,000–2,024.99 | 85 |
| 2,025–2,049.99 | 86 |
| 2,050–2,074.99 | 87 |
| 2,075–2,099.99 | 88 |
| 2,100–2,124.99 | 89 |
| 2,125–2,149.99 | 90 |
| 2,150–2,174.99 | 91 |
| 2,175–2,199.99 | 92 |
| 2,200–2,224.99 | 93 |
| 2,225–2,249.99 | 94 |
| 2,250–2,274.99 | 95 |
| 2,275–2,299.99 | 96 |
| 2,300–2,324.99 | 97 |
| 2,325–2,349.99 | 98 |
| 2,350–2,374.99 | 99 |
| 2,375–2,399.99 | 100 |
| 2,400–2,424.99 | 101 |
| 2,425–2,449.99 | 102 |
| 2,450–2,474.99 | 103 |
| 2,475–2,499.99 | 104 |
| 2,500–2,524.99 | 105 |
| 2,525–2,549.99 | 106 |
| 2,550–2,574.99 | 107 |
| 2,575–2,599.99 | 108 |
| 2,600–2,624.99 | 109 |
| 2,625–2,649.99 | 110 |
| 2,650–2,674.99 | 111 |
| 2,675–2,699.99 | 112 |
| 2,700–2,724.99 | 113 |

| | |
|---|---|
| 2,725–2,749.99 | 114 |
| 2,750–2,774.99 | 115 |
| 2,775–2,799.99 | 116 |
| 2,800–2,824.99 | 117 |
| 2,825–2,849.99 | 118 |
| 2,850–and over | 119 |

SEC. 3. The provisions of Section 2655 of the Unemployment Insurance Code as amended by this act shall be operative with respect to periods of disability commencing on and after April 1, 1974. The provisions of Section 2655 of such code in effect prior to the amendments made by this act shall continue to be applicable with respect to periods of disability commencing prior to April 1, 1974.

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## CHAPTER 1189

*An act to amend Sections 1411, 1412, 1413, 1419, 1419.9, 1420, and 1432 of, and to add Section 1432.5 to, the Labor Code, relating to fair employment practices.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 1411 of the Labor Code is amended to read:

1411. It is hereby declared as the public policy of this state that it is necessary to protect and safeguard the right and opportunity of all persons to seek, obtain, and hold employment without discrimination or abridgement on account of race, religious creed, color, national origin, ancestry, physical handicap, or sex.

It is recognized that the practice of denying employment opportunity and discriminating in the terms of employment for such reasons foments domestic strife and unrest, deprives the state of the fullest utilization of its capacities for development and advance, and substantially and adversely affects the interests of employees, employers, and the public in general.

This part shall be deemed an exercise of the police power of the state for the protection of the public welfare, prosperity, health, and peace of the people of the State of California.

SEC. 2. Section 1412 of the Labor Code is amended to read:

1412. The opportunity to seek, obtain and hold employment without discrimination because of race, religious creed, color, national origin, ancestry, physical handicap, or sex is hereby recognized as and declared to be a civil right.

SEC. 3. Section 1413 of the Labor Code, as amended by Chapter 1128 of the Statutes of 1972, is amended to read:

1413. As used in this part:

(a) "Person" includes one or more individuals, partnerships, associations or corporations, legal representatives, trustees, trustees in bankruptcy, or receivers.

(b) "Employment agency" includes any person undertaking for compensation to procure employees or opportunities to work.

(c) "Labor organization" includes any organization which exists and is constituted for the purpose, in whole or in part, of collective bargaining or of dealing with employers concerning grievances, terms or conditions of employment, or of other mutual aid or protection.

(d) "Employer," except as hereinafter provided, includes any person regularly employing five or more persons, or any person acting as an agent of an employer, directly or indirectly; the state or any political or civil subdivision thereof and cities.

"Employer" does not include a social club, fraternal, charitable, educational or religious association or corporation not organized for private profit.

(e) "Employee" does not include any individual employed by his parents, spouse, or child, or any individual employed under a special license in a nonprofit sheltered workshop or rehabilitation facility.

(f) "Commission," unless a different meaning clearly appears from the context, means the State Fair Employment Practice Commission created by this part.

(g) "Affirmative actions" means any educational activity for the purpose of securing greater employment opportunities for members of racial, religious, or nationality minority groups and any promotional activity designed to secure greater employment opportunities for the members of such groups on a voluntary basis.

(h) "Physical handicap" includes impairment of sight, hearing, or speech, or impairment of physical ability because of amputation or loss of function or coordination, or any other health impairment which requires special education or related services.

SEC. 4. Section 1419 of the Labor Code is amended to read:

1419. The commission shall have the following functions, powers and duties:

(a) To establish and maintain a principal office and such other offices within the state as the Legislature authorizes.

(b) To meet and function at any place within the state.

(c) To appoint an attorney, and such clerks and other employees as it may deem necessary, fix their compensation within the limitations provided by law, and prescribe their duties.

(d) To obtain upon request and utilize the services of all governmental departments and agencies.

(e) To adopt, promulgate, amend, and rescind suitable rules and regulations to carry out the provisions of this part.

(f) To receive, investigate and pass upon complaints alleging discrimination in employment because of race, religious creed, color, national origin, ancestry, physical handicap, or sex.

(g) To hold hearings, subpoena witnesses, compel their

attendance, administer oaths, examine any person under oath and, in connection therewith, to require the production of any books or papers relating to any matter under investigation or in question before the commission.

(h) To create such advisory agencies and conciliation councils, local or otherwise, as in its judgment will aid in effectuating the purposes of this part, and may empower them to study the problems of discrimination in all or specific fields of human relationships or in specific instances of discrimination because of race, religious creed, color, national origin, ancestry, physical handicap, or sex, and to foster through community effort or otherwise good will, cooperation, and conciliation among the groups and elements of the population of the state and to make recommendations to the commission for the development of policies and procedures in general. Such advisory agencies and conciliation councils shall be composed of representative citizens, serving without pay.

(i) To issue such publications and such results of investigations and research as in its judgment will tend to promote good will and minimize or eliminate discrimination because of race, religious creed, color, national origin, ancestry, physical handicap, or sex.

(j) To investigate, approve, and certify equal employment opportunity programs proposed by a contractor to be engaged in pursuant to subdivision (b) of Section 1431, and to fix and collect such fees as are necessary for the cost of the investigation, approval or certification. The fees collected shall be paid into the General Fund of the State Treasury.

(k) To render annually to the Governor and biennially to the Legislature a written report of its activities and of its recommendations.

SEC. 5. Section 1419.9 of the Labor Code is amended to read:

1419.9. (a) The commission shall, whenever possible, in performing its functions, seek and utilize the cooperation of appropriate state or local, public, or private agencies, and may cooperate in such endeavors with the Federal Community Relations Service.

(b) The Legislature recognizes that the avoidance of discriminatory practices in the employment of disabled persons is most effectively achieved through the ongoing efforts of state agencies involved in the vocational rehabilitation and job placement of the disabled. The commission may utilize the efforts and experience of the Department of Rehabilitation in the development of job opportunities for the disabled by requesting the Department of Rehabilitation to foster goodwill and to conciliate on employment policies with employers who, in the judgment of the commission, have employment practices or policies that discriminate against disabled persons. Nothing contained in this paragraph shall be construed to transfer any of the functions, powers, or duties from the commission to the Department of Rehabilitation.

(c) The activities of all commissioners and employees of the

commission in providing conciliation assistance shall be conducted in confidence and without publicity, and the commission shall hold confidential any information acquired in the regular performance of its duties upon the understanding that it would be so held. No commissioner or employee of the commission shall engage in the performance of investigative or prosecuting functions of any department or agency in any litigation arising out of a dispute in which he acted on behalf of the commission. Any commissioner or other employee of the commission, who makes public in any manner whatever any information in violation of this subdivision, is guilty of a misdemeanor and, if a member of the state civil service, shall be subject to disciplinary action under the State Civil Service Act.

SEC. 6 Section 1420 of the Labor Code is amended to read:

1420 It shall be an unlawful employment practice, unless based upon a bona fide occupational qualification, or, except where based upon applicable security regulations established by the United States or the State of California:

(a) For an employer, because of the race, religious creed, color, national origin, ancestry, physical handicap, or sex of any person, to refuse to hire or employ him or to refuse to select him for a training program leading to employment, or to bar or to discharge such person from employment or from a training program leading to employment, or to discriminate against such person in compensation or in terms, conditions or privileges of employment.

Nothing in this part shall prohibit an employer from refusing to hire or discharging a physically handicapped employee, or subject an employer to any legal liability resulting from the refusal to employ or the discharge of a physically handicapped employee, where the employee, because of his physical handicap, is unable to perform his duties, or he cannot perform such duties in a manner which would not endanger his health or safety or the health and safety of others.

(b) For a labor organization, because of the race, religious creed, color, national origin, ancestry, physical handicap, or sex of any person, to exclude, expel, or restrict from its membership such person, or to provide only second-class or segregated membership or to discriminate against any person because of the race, religious creed, color, national origin, ancestry, physical handicap, or sex of such person in the election of officers of the labor organization or in the selection of the labor organization's staff or to discriminate in any way against any of its members or against any employer or against any person employed by an employer.

(c) For any person to discriminate against any person in the selection or training of that person in any apprenticeship training program or any other training program leading to employment because of the race, religious creed, color, national origin, ancestry, physical handicap, or sex of the person discriminated against.

(d) For any employer or employment agency to print or circulate or cause to be printed or circulated any publication, or to use any form of application for employment or to make any inquiry in

connection with prospective employment, which expresses, directly or indirectly, any limitation, specification or discrimination as to race, religious creed, color, national origin, ancestry, physical handicap, or sex or any intent to make any such limitation, specification or discrimination. Nothing in this subdivision shall prohibit any law enforcement agency of the state or of a local governmental agency from making, in connection with prospective employment, an inquiry as to, or a request for information regarding, the physical fitness of applicants for peace officer positions.

(e) For any employer, labor organization or employment agency to discharge, expel or otherwise discriminate against any person because he has opposed any practices forbidden under this act or because he has filed a complaint, testified or assisted in any proceeding under this part.

(f) For any person to aid, abet, incite, compel, or coerce the doing of any of the acts forbidden under this part, or to attempt to do so.

SEC. 7. Section 1432 of the Labor Code, as amended by Chapter 618 of the Statutes of 1972, is amended to read:

1432. The provisions of this part shall be construed liberally for the accomplishment of the purposes thereof. Nothing contained in this part shall be deemed to repeal any of the provisions of the Civil Rights Law or of any other law of this state relating to discrimination because of race, religious creed, color, national origin, ancestry, physical handicap, or sex.

Nothing contained in this part shall be deemed to repeal or affect the provisions of any ordinance relating to such discrimination in effect in any city, city and county, or county at the time this part becomes effective, insofar as proceedings theretofore commenced under such ordinance or ordinances remain pending and undetermined. The respective administrative bodies then vested with the power and authority to enforce such ordinance or ordinances shall continue to have such power and authority, with no ouster or impairment of jurisdiction, until such pending proceedings are completed, but in no event beyond one year after the effective date of this part.

Nothing contained in this part relating to discrimination on account of sex shall be deemed to affect the operation of the terms or conditions of any bona fide retirement, pension, employee benefit, or insurance plan, provided such terms or conditions are in accordance with customary and reasonable or actuarially sound underwriting practices.

SEC. 8. Section 1432.5 is added to the Labor Code, to read:

1432.5. Nothing in this part shall be construed to require an employer to alter his premises to accommodate employees who have a physical handicap, as defined in Section 1413, beyond safety requirements applicable to other employees.

SEC. 9. This act shall become operative on July 1, 1974.

# CHAPTER 1190

*An act to amend Sections 456, 531.2, 532, 4831, 4834, 4836.5, 4837, 4840, and 4986 of, and to add Section 4986.9 to, the Revenue and Taxation Code, relating to property taxation.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 456 of the Revenue and Taxation Code is amended to read:

456. If the assessor has not received from the owner of a tract of land a legal description or a description which geographically locates the property, he may require such a description from the owner or his agent, or, in case they cannot be found or are unknown, the person in possession. Such legal description may be by reference to the assessor's map and parcel member.

SEC. 2. Section 531.2 of the Revenue and Taxation Code is amended to read:

531.2. When the property is real property which subsequent to July 1 of the year of escape for purposes of this article, or subsequent to July 1 of the year in which the property should have been lawfully assessed, for purposes of Article 3 (commencing with Section 501) of this chapter, but prior to the date of such assessment and the showing thereof on the secured roll, with the date of entry specified thereon, has (1) been transferred or conveyed to a bona fide purchaser for value, or (2) becomes subject to a lien of a bona fide encumbrance for value, the escape assessment pursuant to either of such articles shall not create or impose a lien or charge on such real property but shall be collected as follows:

(a) The assessor or tax collector may record with the county recorder of any county a certificate which shall set forth the name of the person who would have been the assessee in the year in which such real property escaped assessment and the amount or amounts of any such assessments and penalties. From the date of the recording of such certificate a lien shall be created and attach against any real property owned by such person in the county or counties in which any such certificate may have been recorded which lien shall have the force, effect and priority of a judgment lien.

(b) Where, in the opinion of the assessor, there is no real property sufficient to secure the taxes levied on the escape assessment, said escape assessment shall be entered on the unsecured roll in the name of the person who would have been the assessee in the year in which it escaped assessment and shall thereafter be treated and collected like other taxes on said roll. The tax rate applicable shall be the secured tax rate of the year in which the property escaped assessment.

SEC. 3. Section 532 of the Revenue and Taxation Code is

amended to read:

532. Any assessment to which the penalty provided for in Section 504 must be added shall be made within six years after July 1 of the assessment year in which the property escaped taxation or was underassessed. Any other assessment made pursuant to Article 3 (commencing with Section 501) of this chapter, or pursuant to this article shall be made within four years after July 1 of the assessment year in which the property escaped taxation or was underassessed; provided, however, that with respect to property which escaped taxation for the fiscal years commencing on July 1, 1966, and ending on June 30, 1967, and commencing on July 1, 1967, and ending on June 30, 1968, such assessment shall be made on or before October 6, 1971.

SEC. 4. Section 4831 of the Revenue and Taxation Code is amended to read:

4831. When it can be ascertained from an inspection of the property, the records of the assessee, or from the roll or any papers in the assessor's office what was intended, or what should have been assessed, defects in description or form or clerical errors of the assessor on the roll or other errors of the assessor not involving the exercise of judgment as to value which result in the entry on the roll of assessed values other than those intended by the assessor, or which result in the assessment of nonexistent improvements or personal property, may be corrected under this article at any time after the roll is delivered to the auditor and prior to the expiration of four years after the making of the assessment which is being corrected.

This section shall also be applicable in the case of the assessment of improvements or personal property which are subsequently determined not to have existed on the lien date, notwithstanding the fact that some improvements or personal property were in existence and were assessed relative to a particular parcel or account.

Taxes which do not create, impose or constitute a lien or charge on the property assessed may be transferred from the secured roll to the unsecured roll of the corresponding year by the county auditor on order of the board of supervisors with the written consent of the district attorney and shall be collected in the same manner as other delinquent taxes on the unsecured roll and shall be subject to delinquent penalties in the same manner as taxes transferred to the unsecured roll under Section 4986. The statute of limitations for the collection of such taxes shall commence to run from the date of transfer.

SEC. 5. Section 4834 of the Revenue and Taxation Code is amended to read:

4834. Corrections authorized under this article shall be made by the auditor, with the written consent of the county legal adviser.

SEC. 6. Section 4836.5 of the Revenue and Taxation Code is amended to read:

4836.5. In the event any correction authorized under this article has the effect of increasing the assessment, the board of supervisors shall apply a tax rate to such increase at whatever tax rate was in

existence in the year in which the error was made. All increased amounts of taxes shall be entered on the roll prepared or being prepared for the current assessment year and shall thereafter be treated and collected like other taxes on said roll; provided, however, that if the correction affects taxes on the secured roll for any year and subsequent to the entry of the original assessment but prior to the date of such correction the real property on which such taxes constitute a lien has been transferred or conveyed to a bona fide purchaser for value or becomes subject to a bona fide encumbrance for value, such increased amount of taxes shall not create, impose or constitute a lien on such real property but shall be collected as follows:

(a) The assessor or tax collector may record with the county recorder of any county a certificate which shall set forth the name of the person who was the assessee in the year in which such correction was made and the amount or amounts of any such correction. From the date of the recording of such certificate, a lien shall be created and attach against any real property owned by such person in the county or counties in which any such certificate may have been recorded for the amount of such taxes, which lien shall have the force, effect and priority of a judgment lien.

(b) Where, in the opinion of the assessor, there is no real property sufficient to secure such taxes they shall be entered on the unsecured roll in the name of the assessee at the time the error was made.

The entry on the unsecured roll shall be followed with "Correction to account or Parcel Number ____ for the 19__-19__ assessment year pursuant to Section (s) _____ of the Revenue and Taxation Code." The foregoing entry may be made on a document separate from the roll if reference is made on the roll to the document wherein the entry is made.

SEC. 7. Section 4837 of the Revenue and Taxation Code is amended to read:

4837. The date and nature of the correction shall be entered on the roll on which the error was made or on the delinquent abstract prepared therefrom opposite the description of property; provided, however, that where the correction is to a prior year's roll and results in an increase in taxes, if the delinquent tax abstract prepared from such roll does not list that parcel or account, the correctional entry to the delinquent abstract may be made by insertion therein of a new sheet containing the information required to be set forth by Section 4372 and the date and nature of the correction. The written authority for the correction shall be filed and preserved by the auditor as a public record. The auditor shall make any necessary changes in accounts with the tax collector.

SEC. 8. Section 4840 of the Revenue and Taxation Code is amended to read:

4840. On receipt of satisfactory, verified, written evidence that taxes have been entered on the secured roll as a lien on real property on which they are not legally a lien, the assessor shall transmit the

evidence and his statement of the facts to the board of supervisors. On direction of the board of supervisors, the auditor shall cancel the entry as a lien on that real property and reenter such taxes as follows:

(a) If the assessee has real property sufficient, in the assessor's opinion, to secure the payment of the taxes, as a lien on real property.

(b) Where there is not sufficient real property to secure the taxes:

(1) If it is state-assessed property, on the secured roll.

(2) In all other cases, on the unsecured roll.

SEC. 9. Section 4986 of the Revenue and Taxation Code is amended to read:

4986. (a) All or any portion of any tax, penalty, or costs, heretofore or hereafter levied, may, on satisfactory proof, be canceled by the auditor on order of the board of supervisors with the written consent of the county legal adviser if it was levied or charged:

(1) More than once.

(2) Erroneously or illegally.

(3) On the canceled portion of an assessment that has been decreased pursuant to a correction authorized by Article 1 (commencing with Section 4876) of Chapter 2 of this part.

(4) On property which did not exist on the lien date.

(5) On property annexed after the lien date by the public entity owning it.

(6) On property acquired prior to September 18, 1959, by the United States of America, the state, or by any county, city, school district or other political subdivision and which, because of such public ownership, became not subject to sale for delinquent taxes.

(b) On property acquired after the lien date by the United States of America, if such property upon such acquisition becomes exempt from taxation under the laws of the United States, or by the state or by any county, city, school district or other public entity, and because of such public ownership becomes not subject to sale for delinquent taxes, no cancellation shall be made in respect of all or any portion of any such unpaid tax, or penalties or costs, but such tax, together with such penalties and costs as may have accrued thereon while on the secured roll, shall be paid through escrow at the close of escrow or, if unpaid for any reason, they shall be collected like any other taxes on the unsecured roll. If unpaid at the time set for the sale of property on the secured roll to the state, they shall be transferred to the unsecured roll pursuant to Section 2921.5, and collection thereof shall be made and had as provided therein, except that the statute of limitations on any suit brought to collect such taxes and penalties shall commence to run from the date of transfer of such taxes, penalties and costs to the unsecured roll, which date shall be entered on the unsecured roll by the auditor opposite the name of the assessee at the time such transfer is made. The foregoing toll of the statute of limitations shall apply retroactively to all such unpaid taxes and penalties so transferred, the delinquent dates of which are prior to the effective date of the amendment of this section at the 1959 Regular Session.

If any property described in this subdivision is acquired by a negotiated purchase and sale, gift, devise, or eminent domain proceeding after the lien date but prior to the commencement of the fiscal year for which current taxes are a lien on the property, the amount of such current taxes shall be canceled and neither the person from whom the property was acquired nor the public entity shall be liable for the payment of such taxes. If, however, the property is so acquired after the commencement of the fiscal year for which the current taxes are a lien on the property, that portion only of such current taxes, together with any allocable penalties and costs thereon, which are properly allocable to that part of the fiscal year which ends on the day before the date of acquisition of the property, shall be transferred to the unsecured roll and be collectible from the person from whom the property was acquired. The portion of such taxes, together with any penalties and costs thereon, which are allocable to that part of the fiscal year which begins on the date of the acquisition of the property, shall be canceled and shall not be collectible either from the person from whom the property was acquired nor from the public entity.

In no event shall any transfer of unpaid taxes, penalties or costs be made with respect to property which has been tax-deeded to the state for delinquency.

For purposes of this subdivision, if proceedings for acquisition of the property by eminent domain have not been commenced, the date of acquisition shall be the date that the conveyance is recorded in the name of the public entity or the date of actual possession by the public entity, whichever is earlier. If proceedings to acquire the property by eminent domain have been commenced and an order of immediate possession obtained prior to acquisition of the property by deed, the date of acquisition shall be the date upon or after which the plaintiff may take possession as authorized by such order of immediate possession.

The subject of the amount of the taxes which may be due on the property shall not be considered relevant on any issue in the condemnation action, and the mention of said subject, either on the voir dire examination of jurors, or during the examination of witnesses, or as a part of the court's instructions to the jury, or in argument of counsel, or otherwise, shall constitute grounds for a mistrial in any such action.

No cancellation under paragraph (2) of subdivision (a) of this section shall be made in respect of all or any portion of any tax, or penalties or costs attached thereto, collectible by county officers on behalf of a municipal corporation without the written consent of the city attorney or other officer designated by the city council unless the city council, by resolution filed with the board of supervisors, has authorized the cancellation by county officers. The resolution shall remain effective until rescinded by the city council. For the purpose of this section and Section 4986.9, the date of possession shall be the date after which the plaintiff may take possession as authorized by

order of the court or as authorized by a declaration of taking.

SEC. 10. Section 4986 9 is added to the Revenue and Taxation Code, to read:

4986.9. (a) In an action in eminent domain, the court, either on the date it issues an order for possession or on or before the date set for trial relative to a particular parcel, whichever is earlier, shall direct the tax collector to certify to the court the following information:

(1) The current assessed value of the parcel together with its assessed identification number.

(2) All unpaid taxes, penalties and costs levied for prior tax years and constituting a lien upon such parcel.

(3) All unpaid taxes, penalties and costs levied for the current tax year which constitute a lien on such parcel prorated to, but not including, the date of possession as such date of possession is determined pursuant to Section 4986 If the amount of the current taxes is not ascertainable at the time of proration, the same shall be estimated and computed based upon the current assessed value and the tax rate levied on the property for the immediate prior year.

(4) If no order for possession has issued relative to such parcel, all unpaid taxes, penalties and costs levied for the current tax year which constitute a lien on such parcel prorated to, but not including, the date of trial, plus the amount of such taxes, penalties and costs allocable to one day of the tax year, hereinafter referred to as the "daily prorate." If the amount of the current taxes is not ascertainable at the time of proration, the same shall be estimated and computed based upon the current assessed value and the tax rate levied on the property for the immediate prior year.

(5) The actual or estimated amount of taxes which are or will become a lien on such parcel in the next succeeding tax year prorated to, but not including, the date of possession or the date of trial whichever is earlier plus, where applicable, a daily prorate of such taxes. Any estimated amount of taxes shall be premised upon the assessed value of the parcel for the current assessment year and the tax rate levied on the property for the current fiscal year.

(6) The total of paragraphs (2), (3), and (5) of this subdivision or the total of paragraphs (2), (4), and (5) of this subdivision, plus the applicable daily prorate.

A legal description of the parcel shall accompany the order.

(b) On or before the date set for trial, the tax collector shall, on a form approved by the board, certify such information to the court, and the court, as part of its judgment in eminent domain, shall order that the amounts so certified be paid to the tax collector from the award. In the event no order for possession has issued relative to such parcel, the court's order shall require an amount to be paid which shall be a sum certain to, but not including, the date of trial, plus an amount equal to the appropriate daily prorate multiplied by the number of days commencing on the date of trial and ending on and including the day before the date the final order of condemnation is

recorded.

(c) Where the only interest of the county or any other taxing agency in the property being condemned is a lien for ad valorem taxes, the county or such other agency need not be named as a party in the eminent domain proceeding, but such lien shall be extinguished as a matter of law upon the acquisition of such property by the condemning agency.

(d) In any instance where real property is acquired either by negotiated purchase or in an action in eminent domain by the United States or any public entity in this state and because of such acquisition the lien for ad valorem taxes against such property is extinguished, such lien shall immediately transfer and attach to the proceeds constituting the purchase price or award.

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## CHAPTER 1191

*An act to amend Sections 16701, 16702, 16709, 16710, 16722, 16724, 16729, 16732, 16736, 23550, 23551, 23552, 23553, 24675, 24676, 24677, 24678, 24679, 25546.50, 25546.51, 25546.52, 25546.53, and 25546.54 of, to amend the heading of Chapter 5 (commencing with Section 23550) of Division 17 of, to amend the heading of Chapter 12.5 (commencing with Section 24675) of Division 18 of, and to amend the heading of Chapter 8 (commencing with Section 25546.50) of Division 18.5 of, and to add Sections 16712, 16720.1, and 16780 to, and to add and repeal Chapter 2.5 (commencing with Section 16738) to Division 12.5 of, and to repeal Sections 16720.1, 16729, and 16780 of, the Education Code, relating to child care, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973. Filed with Secretary of State October 2, 1973.]

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

SECTION 1. Section 16701 of the Education Code is amended to read:

16701. The purpose of this division is as follows:

(a) To provide as a concomitant part of the educational system an integrated plan for the care and development of children in the absence of their parents which places primary emphasis upon: 1) the preparation of preschool age children for effective matriculation in the educational programs of their community when they reach school age, and 2) the improved educational performance of children of school age with particular emphasis upon those children who require special assistance including bilingual capabilities to attain their full potential.

(b) To provide parents with an opportunity to: 1) attain the

capacity to provide support for their family through employment, 2) undertake educational activities which will assist them in providing an improved level of parental care and supervision of their children, and 3) participate with the child development program in assisting in provision of the full range of child development services contemplated by this division. It is the intent of the Legislature that any parent who enrolls his child in any child development program authorized by this division shall be allowed to participate in the planning, evaluation, and modification of child development programs.

(c) To provide a comprehensive system of child development services for prekindergarten and school- age children and their parents that includes a full range of education, supervision, health, and social services through full- and part-time programs.

SEC. 2. Section 16702 of the Education Code is amended to read:

16702. It is the intent of the Legislature that in providing child development programs the Superintendent of Public Instruction will give priority to children of families who qualify under federal regulations as former, current, or potential recipients of public assistance and other low-income and disadvantaged families. Federal reimbursement shall be claimed for any child receiving services under this division for whom federal funds are available.

It is further the intent of the Legislature to maximize the Department of Education's capacity to stimulate and coordinate resources, provide technical assistance, monitor program implementation, generate maximum federal reimbursement wherever possible for the federally eligible children, and to provide alternative funding from state and local agencies for those children eligible pursuant to Sections 16729 and 16780.

SEC. 3. Section 16709 of the Education Code is amended to read:

16709. Child development facility means any facility providing child care services pursuant to this division for less than 24 hours a day consistent with Section 16722 pursuant to this division.

SEC. 4. Section 16710 of the Education Code is amended to read:

16710. Child development services means child care provided for any part of a workday by public or private agencies and may include, but is not limited to, the following:

(a) Developmental activities for prekindergarten children which are not a part of the formal school program but which will prepare them for effective matriculation into the formal school programs within the community and shall include, but not be limited to, practical life, sensorimotor, perceptual discrimination, language development and symbol formation activities.

(b) Full- or part-day supervision, developmental activities and instruction for children 14 years of age or younger in a program approved pursuant to this division.

(c) Full- or part-day supervision and developmental activities for children five years of age or younger in a program approved pursuant to this division.

(d) Full- or part-day supervision developmental activities and instruction of children 14 years of age or younger, for less than 24 hours a day, in a home licensed pursuant to Section 1310 of the Health and Safety Code.

(e) Instruction in children's developmental activities for parents with prekindergarten children.

(f) Social services as necessary to insure parent-child adjustments to out-of-home-care situations, child development referral services, child placement counseling and other support services when the parent is employed, in training, or physically or mentally incapacitated.

(g) Health screening and health treatment to the extent provided by the Medi-Cal Act (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code).

(h) Nutrition services to provide a balanced diet to needy children enrolled and instruction of food buying and preparation to the parents of children within the child development program.

(i) Night shift or late-hour supervision and developmental activities for children 14 years of age or younger in a program approved pursuant to this division.

SEC. 4.5. Section 16710 of the Education Code is amended to read:

16710. Child development services means child care provided for any part of a workday by public or private agencies and may include, but is not limited to, the following:

(a) Developmental activities for prekindergarten children which are not a part of the formal school program but which will prepare them for effective matriculation into the formal school programs within the community and shall include, but not be limited to, practical life, sensorimotor, perceptual discrimination, language development and symbol formation activities.

(b) Full- or part-day supervision, developmental activities and instruction for children 14 years of age or younger in a program approved pursuant to this division.

(c) Full- or part-day supervision and developmental activities for children five years of age or younger in a program approved pursuant to this division.

(d) Full- or part-day supervision developmental activities and instruction of children 14 years of age or younger, for less than 24 hours a day, in a home licensed pursuant to Section 1310 of the Health and Safety Code.

(e) Instruction in children's developmental activities for parents with prekindergarten children.

(f) Social services as necessary to insure parent-child adjustments to out-of-home-care situations, child development referral services, child placement counseling and other support services when the parent is employed, in training, or physically or mentally incapacitated.

(g) Health screening and health treatment to the extent provided

by the Medi-Cal Act (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code).

(h) Nutrition services to provide a balanced diet to needy children enrolled and instruction of food buying and preparation to the parents of children within the child development program.

(i) Night shift or late-hour supervision and developmental activities for children 14 years of age or younger in a program approved pursuant to this division

(j) A breakfast or lunch, or both, meeting the requirements of Section 16740.1.

SEC. 5. Section 16712 is added to the Education Code, to read:

16712. Applicant or operating agency means a school district, county superintendent of schools, county, city, public agency, private non-tax-exempt agency, private tax-exempt agency, or other entity which is authorized to establish, maintain or operate services pursuant to this division. Private agencies and parent-cooperatives, duly licensed by law, shall receive the same consideration as any other authorized entity with no loss of parental decisionmaking prerogatives as consistent with the provisions of this division.

SEC. 6. Section 16720.1 is added to the Education Code, to read:

16720.1. (a) The Legislature declares the need for a management and fiscal audit of present state subsidized child care programs administered through the Department of Education and the county welfare departments, pursuant to this division and Sections 10813 and 11451.5 of the Welfare and Institutions Code. The audit shall begin within 30 days after the effective date of the act which added this section. A preliminary audit report shall be made to the Legislative Budget Committee on or before February 1, 1974. The audit shall be conducted by the Legislative Analyst, in cooperation with the Department of Finance, the Auditor General, the Department of Education, and the Health and Welfare Agency. The objectives of the audit are:

(1) To identify the types of state subsidized child care services provided through public and private agencies.

(2) To assess the management of current state and local methods for delivering child care services.

(3) To examine and recommend appropriate levels of costs for specific types of child care services.

The Legislative Analyst shall report his findings and recommendations to the Legislative Budget Committee by June 1, 1974. The audit shall be directed at all types of child care services including in-home child care (provided by children caring for themselves or younger siblings, by relatives, or by paid babysitters); other home child care (provided by relatives or paid babysitters); group child care (i.e., children's centers, campus children's centers, county welfare department centers, migrant day care centers, and contracted private centers); licensed family day care homes; infant group care; and care provided to aid for families with dependent children recipients through the aid payment process

(b) Elements to be included in the audit are:

(1) Description of current programs showing types and numbers of persons served; range of services provided through each type of care and distribution of programs and types of care in relation to population needs for service.

(2) Assessment of the application of eligibility criteria and priorities for services pursuant to Section 16729.

(3) Identification of costs related to each child care program, type of care and component of service provided.

(4) Examination of the various child care delivery systems at the local level and the effectiveness of administration and coordination at the state level.

(5) Assessment of information reporting and monitoring systems as a device for management and fiscal control, conformity to standards and administrative accountability.

(6) Assessment of required quality, cost and facility standards, their degree of uniformity in application and the use of monitoring to assure continued compliance with standards.

This section shall remain in effect only until July 1, 1974, and as of that date is repealed.

SEC. 7. Section 16722 of the Education Code is amended to read:

16722. The Superintendent of Public Instruction shall be responsible for the formulation, promotion, approval, and monitoring of a variety of child development programs and delivery systems in all communities of this state where the need therefor exists. The Superintendent of Public Instruction may continue or adapt child development programs currently contracted with the Department of Education pursuant to this division. Such programs shall provide child development services at the minimum cost possible consistent with required quality of service and the specific needs of the particular child.

SEC. 8. Section 16724 of the Education Code is amended to read:

16724. The Superintendent of Public Instruction shall, within the limitation of funds allocated for such purpose, enter into agreements with appropriate applicant or operating agencies for the establishment, maintenance or operation of child development services pursuant to this division. The Superintendent of Public Instruction may also enter into agreements with any public or private agency for the furnishing of property, facilities, personnel, supplies, equipment, and other necessary items.

SEC. 9. Section 16729 of the Education Code is amended to read:

16729. The Superintendent of Public Instruction shall establish a fee schedule for families utilizing child development services pursuant to this division. No recipient of public assistance shall pay a fee. The schedule shall define fees as a proportionate share of actual or maximum reimbursable program costs, whichever is less. This fee schedule may conform to and be an extension of that allowed by the federal social service regulations. If, when, and during such times as the United States government increases the minimum and

maximum income levels according to which federal regulations assess fees for social services, this fee schedule may be increased by the amounts permitted.

The fees assessed under this schedule shall begin at 10 percent of program costs for families whose gross monthly income, less thirty dollars ($30), is 151 percent of the aid for families with dependent children payment standard and progresses proportionately to 50 percent of program costs for families whose gross monthly income, less thirty dollars ($30), is 300 percent of the aid for families with dependent children payment standard. The aid for families with dependent children standard as referred to in this section is as defined within Section 11450 of the Welfare and Institutions Code. The further extension of this fee schedule shall be limited to families eligible to participate in the pilot study pursuant to Chapter 2.5 (commencing with Section 16738) of this division. The fee schedule as described within this section shall apply without priority statewide to the following family groups:

(a) Families who meet all federally eligible tests and whose gross monthly income, less thirty dollars ($30), ranges from 151 percent to 233⅓ percent of the aid to families with dependent children payment standard.

(b) Families who qualified as federally eligible during the 1972–73 fiscal year but lose federal eligibility because of changes in the federal social service regulations and include the following subgroups:

(1) Families with a gross monthly income equal to or less than 150 percent of the aid to families with dependent children payment standard whose loss of federal eligibility is based on factors other than income;

(2) Families whose gross monthly income, less thirty dollars ($30), ranges from 151 percent to 233⅓ percent of the aid to families with dependent children payment standard whose loss of federal eligibility is based on factors other than income; and

(3) Families whose gross monthly income, less thirty dollars ($30), exceeds from 233⅓ percent but is less than or equal to 300 percent of the aid to families with dependent children payment standard.

The hours of service available to families eligible under subdivision (b) shall not exceed the appropriation for such hours within subdivision (a) of Section 32 of the act which added this section. Priorities for allocation of hours within subdivision (b) shall be: first, families with incomes less than 233 percent of the aid to families with dependent children payment standard, and secondly, single parent families.

(c) Other low-income or disadvantaged families who do not qualify as current, former, or potential public assistance recipients under federal regulations in effect during the 1972–73 fiscal year.

The hours of service available under subdivision (c) shall not exceed the total hours utilized by families qualifying for services within this category during the 1972–73 fiscal year. For the purposes

of this section, the costs of child development services reimbursable under this fee schedule shall not exceed cost standards for services as established by the Superintendent of Public Instruction and such services must meet reasonable and uniform standards pursuant to Section 16732.

For purposes of this section, monthly family income for families eligible to services in migrant day care centers shall be defined as the average of monthly income received during the preceding calendar year.

The Superintendent of Public Instruction shall establish guidelines according to which the director or a duly authorized representative, of the child development centers will certify children as eligible for state reimbursement pursuant to this section. Until such time as the Department of Education receives the single state agency waiver pursuant to Section 16704, the Superintendent of Public Instruction, in cooperation with the Secretary of the Health and Welfare Agency or his designee and the Director of the Department of Social Welfare, shall establish guidelines to permit the director of a child development service to submit names of federally eligible candidates with supporting documents to the appropriate person at the county welfare departments so that these candidates may be verified as federally eligible pursuant to the requirements of the social service regulations.

This section shall remain in effect only until July 1, 1976, and as of that date is repealed.

SEC. 10. Section 16732 of the Education Code is amended to read:

16732. The Superintendent of Public Instruction shall establish reasonable standards and maximum reimbursement rates for the delivery of specific types of child development services pursuant to Section 16710 and consistent with Section 16722. No child development program shall be approved or maintained for the 1974–75 fiscal year unless the program costs are within these reimbursement rates and meet these reasonable standards.

The Superintendent of Public Instruction may establish such regulations as he deems advisable concerning conditions of service and hours of enrollment for children in the programs.

SEC. 11. Section 16736 of the Education Code is amended to read:

16736. The Superintendent of Public Instruction shall arrange for the employment of the community social service personnel deemed necessary to provide the home care recruitment activities, child placement services, and the parent counseling services for those parent-child adjustment problems which arise. Such personnel shall be assigned in relation to the need therefor.

SEC. 12. Chapter 2.5 (commencing with Section 16738) is added to Division 12.5 of the Education Code, to read:

## CHAPTER 25 PILOT STUDY

16738 The Legislature declares the need for a two-year pilot study to develop and test a coordinated child care delivery system which shall provide the parent a choice in selecting quality child care at costs responsive to the parent's willingness and ability to pay

The objectives of the pilot study shall include but not be limited to the following objectives:

(a) To measure the effectiveness and efficiency of a delivery system which permits the eligible parent to select and purchase child care services based on a fee schedule requiring the parent to pay a proportionate share of the child care costs, to determine the existing types of care and range of services, to measure changes in the use of these services and development of alternate types of care as determined by parent choice; to stimulate a variety of alternate child care resources; to describe the demographic characteristics of the population seeking these services and their incidence by type of service selected; to assess the costs of delivering these services.

(b) To determine the applicability of the fee schedule described in Section 16729; to define the income level at which the fee schedule no longer applies as measured by its limited utility in aiding low-income families to obtain or maintain employment; to define appropriate eligibility criteria and priorities for services, and to define appropriate standards for cost and quality of types of care and services

(c) To develop and evaluate appropriate eligibility and certification procedures and parent fee payment procedures; to identify informational needs and accountability requirements of the child care delivery system; to develop and evaluate appropriate monitoring and accountability mechanisms required by the system

(d) To develop the management guidelines, policies and techniques for administering the system statewide and to develop strategies for phasing out the existing system and introducing the new on a statewide basis.

16738.1. (a) The site for the pilot study shall be selected according to the following criteria:

(1) It is representative of the majority of the population requiring subsidized child care services throughout the state;

(2) It has a documented demand for child care services;

(3) The facilities and range of services are typical of those occurring throughout the state; and

(4) It has a documented interest in alternate child care arrangements and delivery systems.

(b) Eligibility to participate in the pilot study shall be limited to those families residing within the pilot study area who are: (1) current recipients of Aid for Families with Dependent Children, (2) defined within Section 16729 (a), (b), and (c), and (3) require child care services to obtain or maintain employment or training and whose gross family income falls within the limits of the fee schedule

as developed by the pilot study consistent with the objectives specified within subdivision (b) of Section 16738 The number of families eligible to participate within subdivision (b) (3) of this section shall be limited by the funds appropriated for the pilot study within Section 32 of the act which added this section and may not exceed 1,200 families or approximately 1,800 children.

(c) The eligibility of an agency or entity as defined within Section 16712 to provide child care services under the pilot study to eligible families residing within the study area shall be contingent upon (1) its selection by the eligible family and (2) its conformity to standards and regulations developed by the pilot study and consistent with this division.

16738.2. The Department of Education shall administer the pilot study described within Sections 16738 and 16738.1. The Superintendent of Public Instruction shall be responsible for conducting continuous evaluation of the study, and providing technical assistance to encourage development of child care resources within the pilot study area. He shall report to the Legislative Budget Committee the plan for implementing this pilot study no later than 45 days following the effective date of the act which added this section He shall submit a progress report on the status and evaluation of the pilot study no later than June 1, 1974, and every six months thereafter until the conclusion of the study.

A final report shall be submitted to the Legislature by the Superintendent of Public Instruction on or before January 1, 1976, and such report shall include the results of the study and recommendations for implementing a coordinated, statewide child care delivery system based on these results.

16738.3. The Director of the Department of Finance and the Secretary of the Health and Welfare Agency or their designees shall serve in an advisory capacity to the Superintendent of Public Instruction for the purpose of reviewing, monitoring and evaluating the pilot study plan, implementation, and progress pursuant to Sections 16738 and 16738 1. The results of this review and evaluation shall be submitted to the Legislature with the reports required of the Superintendent of Public Instruction pursuant to Section 16738.2.

16738.4. The planning phase of this pilot study shall begin within 15 days of the effective date of the act which added this chapter. Implementation of the study within a selected test site shall begin no later than February 1, 1974, and shall continue through June 30, 1976.

16738.5. This chapter shall remain in effect only until July 1, 1976, and as of that date is repealed.

SEC 13. Section 16780 of the Education Code is repealed.

SEC. 14. Section 16780 is added to the Education Code, to read:

16780. The maximum reimbursement level for child-hour cost within a child development program for children age two years or over shall be one dollar and five cents ($1.05), or the actual program costs, whichever is less, minus parent fees For children under two years of age in child development programs, the maximum

reimbursement level shall be one dollar and twenty-five cents ($1.25), or actual program costs, whichever is less, minus parent fees. Care of children under two years of age is not authorized where the local public health agency has certified that the facilities and services are such as to endanger the health of the infant.

(a) For development centers for handicapped minors, the Superintendent of Public Instruction shall apportion state funds as provided in Section 16645.11.

(b) The amount apportioned to each applicant or operating agency shall be the agency's cost, as defined within Section 16708, or the maximum reimbursement level, whichever is less.

SEC. 15. The heading of Chapter 5 (commencing with Section 23550) of Division 17 of the Education Code is amended to read:

CHAPTER 5. UNIVERSITY OF CALIFORNIA CHILD DEVELOPMENT CENTERS

SEC. 16. Section 23550 of the Education Code is amended to read:

23550. The Regents of the University of California may establish and maintain a child development center on or near each campus of the university pursuant to the provisions of Division 12.5 (commencing with Section 16700).

SEC. 17. Section 23551 of the Education Code is amended to read:

23551. Nothing in this chapter shall be construed to permit the regents to expend state funds appropriated for support of the University of California for the direct operating costs of child development centers. The regents may accept student fees and private funds to operate child development centers and may be reimbursed for eligible costs pursuant to Sections 16708 and 16780, minus parent fees.

SEC. 18. Section 23552 of the Education Code is amended to read:

23552. Notwithstanding any other provision of law, children under two years of age whose parent or parents are students may attend child development centers consistent with the priorities established within this division.

SEC. 19. Section 23553 of the Education Code is amended to read:

23553. Children of students of that particular campus shall have first priority for attendance at a child development center established within this division.

Each child development center maintained pursuant to Section 23550 shall have an advisory council composed of representatives of the parent-users and persons from fields related to the well-being of children.

SEC. 20. The heading of Chapter 12.5 (commencing with Section 24675) of Division 18 of the Education Code is amended to read:

## CHAPTER 12.5. CALIFORNIA STATE UNIVERSITY AND COLLEGES CHILD DEVELOPMENT CENTERS

SEC. 21. Section 24675 of the Education Code is amended to read:

24675. The Trustees of the California State University and Colleges may establish and maintain a child development center on or near each state university or college campus pursuant to the provisions of Division 12.5 (commencing with Section 16700).

SEC. 22. Section 24676 of the Education Code is amended to read:

24676. The trustees may contract with the Department of Education to establish and maintain such child development centers. The trustees may accept student fees and private funds to operate child development centers and may be reimbursed for eligible costs pursuant to Section 16708 and 16780, minus parent fees.

SEC. 23. Section 24677 of the Education Code is amended to read:

24677. Notwithstanding any other provision of law, children under two years of age whose parent or parents are students may attend child development centers consistent with the priorities established within this division.

SEC. 24. Section 24678 of the Education Code is amended to read:

24678. Children of students of that particular campus shall have first priority for attendance at a child development center established pursuant to this chapter in the order described in Section 16728.

SEC. 25. Section 24679 of the Education Code is amended to read:

24679. Each child development center maintained pursuant to Section 24675 shall have an advisory council, composed of representatives of the parent-users and persons from fields related to the well-being of children.

SEC. 26. The heading of Chapter 8 (commencing with Section 25546.50) of Division 18.5 of the Education Code is amended to read:

## CHAPTER 8. COMMUNITY COLLEGE CHILD DEVELOPMENT CENTERS

SEC. 27. Section 25546.50 of the Education Code is amended to read:

25546.50. The governing board of any school district maintaining a community college may establish and maintain a child development center on or near each community college campus pursuant to the provisions of Division 12.5 (commencing with Section 16700).

SEC. 28. Section 25546.51 of the Education Code is amended to read:

25546.51. The governing board may contract with the Department of Education to establish and maintain such child development centers. The governing boards of school districts maintaining community colleges may accept student fees and private funds to operate child development centers and may be

reimbursed for eligible costs pursuant to Sections 16708 and 16780, minus parent fees. Nothing in this chapter shall be construed to permit the governing board of any school district maintaining a community college to expend state funds appropriated to the district for support of the community college for the operation of a child development center.

SEC. 29. Section 25546.52 of the Education Code is amended to read:

25546.52. Notwithstanding any other provision of law, children under two years of age whose parent or parents are students may attend child development centers consistent with the priorities established within this division.

SEC. 30. Section 25546.53 of the Education Code is amended to read:

25546.53. Children of students of that particular campus shall have first priority for attendance at a child development center established pursuant to this chapter in the order described in Section 16728.

SEC. 31. Section 25546.54 of the Education Code is amended to read:

25546.54. Each child development center maintained pursuant to Section 25546.50 shall have an advisory council composed of representatives of the parent-users and persons from fields related to the well-being of children.

SEC. 32. In addition to any other amount appropriated for such purpose, there is hereby appropriated from the General Fund in the State Treasury the sum of nine million three hundred fifty-two thousand five hundred dollars ($9,352,500) for the purposes of providing child development services pursuant to Division 12.5 (commencing with Section 16700) of the Education Code and Section 10813 of the Welfare and Institutions Code for the 1973–74 fiscal year except as otherwise provided to be allocated in accordance with the following schedule:

(a) Children who would qualify under the 1972–73 Federal Social Service Regulations for maximum reimbursement of child care services as, former or potential welfare recipients but who lose federal eligibility because of changes in federal social service regulations, and who are enrolled in or who would have qualified for services under Division 12.5 (commencing with Section 16700) of the Education Code and Section 10813 of the Welfare and Institutions Code ..... $6,028,000.

Schedule:

(1) Children's centers..... $4,923,000

(2) Campus child development centers ..... ..... $605,000

Provided that the Department of Education shall expend these funds to provide services for children enrolled in or who would have qualified for services pursuant to Section 16710 of the Education Code but who are displaced by revisions of federal regulations

covering the eligibility of participants or the limitation or termination of, or restriction on the use of funds for social services under the Federal Social Security Act.

Provided further, that the Department of Finance may, by executive order, transfer funds scheduled in (1) and (2) above, for and in augmentation of schedule (a) and (c) of Item 309 of Section 2 of Chapter 129 of the Statutes of 1973 and provided further that the Department of Finance may transfer funds among and between schedules (a) and (c) of this section as is necessary to carry out the programs affected.

Schedule:

(3) Child development programs ..... $250,000
(4) Child care services ..... $250,000

Provided, that the Office of Educational Liaison shall allocate the funds only to provide services to children enrolled in or who would have qualified for services pursuant to Section 16710 of the Education Code but who are displaced by revisions of federal regulations covering the eligibility of participants or the limitation or termination of, or restriction on the use of funds for social services under the Federal Social Security Act.

Provided, further, that the Department of Finance may, by executive order, transfer funds scheduled in (3) and (4) above for and in augmentation of the amount contained in schedule (b) of Item 263 of Section 2 of Chapter 129 of the Statutes of 1973 or schedule (a) of Item 309 of Section 2 of Chapter 129 of the Statutes of 1973 for the purpose of providing additional funds for child development programs or child care services.

(b) Children who would qualify under the 1972–73 Federal Social Service Regulations for maximum reimbursement of child care services under the group designated as "migrants" and who are enrolled in or would have been eligible to enroll in·

Migrant day care centers ..... $124,500

Provided that the Department of Human Resources Development shall allocate these funds only to provide services to children enrolled in or who would have qualified for services pursuant to Section 16710 of the Education Code but who are displaced by revisions of federal regulations covering the eligibility of participants or the limitation or termination of, or restriction on the use of funds for social services under the Federal Social Service Act. Provided further, that eligibility for these services shall be certified on a group basis.

Provided further, that the Department of Finance may, by executive order, transfer these funds shown above, for and in augmentation of the amount contained in schedule (a) of Item 270 of Section 2 of Chapter 129 of the Statutes of 1973, for the purpose of providing additional funds for migrant day care.

(c) Children who would qualify in the pilot study area consistent with the legislative intent of Section

16738 of the Education Code and pursuant to the pilot study description contained within Sections 16738.1, 16738.2, and 16738.3 of the Education Code for services under Division 12.5 (commencing with Section 16700) of the Education Code and Section 10813 of the Welfare and Institutions Code ..... $3,000,000

Schedule:

a. Pilot study ..... $2,700,000

b. Administrative expenses..... $300,000

Provided that the money appropriated by the schedule shall be available for expenditure until June 30, 1976, consistent with the conditions set forth herein.

Provided further that the Department of Finance will monitor the use of funds utilized within the pilot study area described within Section 16738 of the Education Code.

(d) Child care management and fiscal audit..... $200,000

To be expended by the Office of the Legislative Analyst pursuant to Section 16720.1 of the Education Code.

SEC. 32.5. If any section, subdivision, sentence, clause, or phrase of this act is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this act. The Legislature hereby declares that it would have enacted this act and each section, subdivision, sentence, clause, or phrase thereof, irrespective of the fact that any one or more of the sections, subdivisions, sentences, clauses, or phrases be declared unconstitutional.

SEC. 33. The Superintendent of Public Instruction shall insure that all public or private funds committed for the support of programs by local agencies or private agencies shall be maintained at levels which existed on June 30, 1973, in order for such agencies to be eligible for funds pursuant to this act.

SEC. 33.5. It is the intent of the Legislature, if this bill and Senate Bill No. 1264 are both chaptered and become effective on or before January 1, 1974, both bills amend Section 16710 of the Education Code, and this bill is chaptered after Senate Bill No. 1264, that the amendments to Section 16710 proposed by both bills be given effect and incorporated in Section 16710 in the form set forth in Section 4.5 of this act. Therefore, Section 4.5 of this act shall become operative only if this bill and Senate Bill No. 1264 are both chaptered and become effective on or before January 1, 1974, both amend Section 16710, and this bill is chaptered after Senate Bill No. 1264, in which case Section 4 of this act shall not become operative.

SEC. 34. It is the intent of the Legislature that this bill shall not take effect unless Assembly Bill 451 of the 1973–74 Regular Session and this bill are both chaptered and become effective on or before January 1, 1974.

SEC. 35. This act is an urgency statute necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into

immediate effect. The facts constituting such necessity are:

In order that the loss of federal funds does not curtail essential social service programs and that local public and private agencies have sufficient time to formulate plans for continuing such essential programs, it is necessary that this act take immediate effect.

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## CHAPTER 1192

*An act to amend Sections 20230, 20453.5, and 20750.8 of, and to add Sections 20493.5, 20740, 20759, 21022 1, 21294.1, 21305, and 21306 to, the Government Code, relating to the Public Employees' Retirement System.*

[Approved by Governor October 2, 1973. Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 20230 of the Government Code is amended to read:

20230. In addition to other records and accounts, the board shall keep such records and accounts as may be necessary to show at any time.

(a) The total accumulated contributions of members.

(b) The total accumulated contributions of retired members and of deceased members, to or on account of whom payments involving life contingencies are paid, less the annuity payments made to such members.

(c) The accumulated contributions of the state and of contracting agencies held for the benefit of members of account of current service.

(d) All other accumulated contributions of the state and of contracting agencies, which shall include the amounts available to meet the obligation of the state and of the contracting agencies, respectively, on account of benefits that have been granted to or on account of retired and deceased employees and on account of prior service of members.

For purposes of this section, "state" includes the state, the university, school districts, county superintendents of schools, and contracting agencies which are employers under Chapter 6 (commencing with 20740) with respect to liability for benefits included in Section 20493 of this part.

SEC. 3. Section 20453.5 of the Government Code is amended to read:

20453.5. Notwithstanding Section 20453, the approximate contribution quoted by the board and the actual contributions for a contracting agency which is an employer for purposes of Chapter 6 (commencing with Section 20740) shall be the employer rate fixed

under Chapter 6 of this part (beginning at Section 20740) plus the additional amount required under said chapter on account of liability for service to date of contract and for benefits with respect to which it is not subject to Section 20493 of this code, said amount to be determined in accordance with Section 20453.

SEC 4 Section 20493 5 is added to the Government Code, to read.

20493.5. A contracting agency whose contract is effective on and after the effective date of this section which does not become an employer for purposes of Chapter 6 (commencing with Section 20740), or a contracting agency which ceases to be such an employer shall be subject to all provisions of the retirement law as it exists on the date of contract or on the date a contracting agency ceases to be such employer, whichever the case may be, and as it may be amended thereafter excepting the provisions of Chapter 6, other than Section 20759, and such amendments thereafter as are expressly made inapplicable to a contracting agency unless and until the agency elects to be subject thereto.

SEC. 5. Section 20740 is added to the Government Code, immediately preceding Section 20750, to read·

20740. "Employer" for purposes of this chapter means the state, university, school districts, county superintendent of schools, and all contracting agencies It shall not include a contracting agency on and after the effective date of such agency's election to be subject to any amendment of this part effective on or after the effective date of this section which provides that it is inapplicable to a contracting agency unless and until the agency elects to be subject thereto or after any amendment which provides that it apply to all miscellaneous members except local miscellaneous members of contracting agency not electing to be subject thereto.

SEC. 6. Section 20750.8, is amended to read:

20750.8. Each contracting agency which is an employer for purposes of this chapter, other than a county superintendent of schools with respect to a contract under Chapter 4.5 (commencing with Section 20580) of this part, shall make contributions in addition to those otherwise specified in this chapter in amounts to be fixed and determined by the board on account of unpaid liability for prior service and on account of liability for benefits under Sections 21222.1, 21263 to 21263.3, inclusive, and 21382 of this code and benefits provided local safety members. Payments shall be under such arrangement as may be agreed to by the board.

SEC. 7. Section 20759 is added to the Government Code, to read·

20759. A contracting agency which is not an employer or which ceases to be an employer for purposes of this chapter shall thereafter make contributions as otherwise provided in Chapter 4 (commencing with Section 20450). If a contracting agency ceases to be an employer for purposes of this section, its contributions thereafter and the accumulated contributions credited to or held as of June 30, 1971 as having been made by such agency adjusted by

addition of all contributions thereafter made by such employer and subtraction of amounts paid thereafter to or on account of employees of such contracting agency shall be held, on and after the date upon which such contracting agency ceases to be such employer, exclusively for the benefit of its employees, retired employees and beneficiaries of such employees and retired employees.

SEC. 8. Section 21022.1 is added to the Government Code, to read:

21022.1. "Member" for purposes of Section 21022 also includes local miscellaneous members if the contracting agency employing such member elects to be subject to the provisions of Section 21022 by amendment to its contract

SEC. 9. Section 21294.1 is added to the Government Code, to read:

21294.1. Upon retirement of a local miscellaneous member for industrial disability, he shall receive a disability allowance of 50 percent of his final compensation plus an annuity purchased with his accumulated additional contributions, if any, or, if qualified for service retirement, he shall receive his service retirement allowance if such allowance, after deducting such annuity is greater.

SEC. 10. Section 21305 is added to the Government Code, to read:

21305 Upon retirement of a local safety member or a local miscellaneous member for industrial disability, if the member is totally disabled he shall receive in lieu of the allowance otherwise provided by this article a disability retirement allowance equal to 75 percent of his final compensation plus an annuity purchased with his accumulated additional contributions, if any.

For purposes of this section, "totally disabled" means inability to perform substantial gainful employment and the presumptions contained in Section 4662 of the Labor Code shall also be applied to the determination of total disability.

This section shall not apply to any contracting agency nor to the employees of any contracting agency unless and until the agency elects to be subject to the provisions of this section by amendment to its contract made in the manner prescribed for approval of contracts, or in the case of contracts made after the date this section takes effect, by express provision in such contract making the contracting agency subject to the provisions of this section.

SEC. 11. Section 21306 is added to the Government Code, to read:

21306. Every retirement allowance payable on account of industrial disability and every allowance payable under Section 21263 for time commencing on the date Section 21305 of this code becomes applicable to employees of a contracting agency, with respect to a local safety member retired prior to that date, is hereby increased to the amount it would be if Section 21305, as it exists on the effective date of this section, had been in effect on the date of the member's retirement. This section does not authorize any decrease in any such retirement allowance, nor does it give any recipient of any allowance, or his successor in interest, any claim

against this system for time prior to the date Section 21305 became applicable to his employer.

The base allowance shall be adjusted in the same manner for purposes of adjustments under Article 1 5 (commencing with Section 21220) beginning with the next following adjustment.

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## CHAPTER 1193

*An act to amend Sections 38541, 38701, 61842, 61843, 61844, 61845, and 61846 of, and to add Sections 37404 and 61847 to, the Food and Agricultural Code, relating to milk.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 37404 is added to the Food and Agricultural Code, to read:

37404. Milk, cream, and milk products used in the manufacture of uncreamed cottage cheese or cottage cheese, creamed cottage cheese, and partially creamed cottage cheese shall be market milk, market cream, or derivatives of market milk.

SEC. 2. Section 38541 of the Food and Agricultural Code is amended to read:

38541. Buttermilk is pasteurized market milk, pasteurized market skim milk, nonfat dry milk solids derived from market milk, condensed skim milk derived from market milk, or any combination of them, with or without an admixture of butter, which has been treated with special cultures of lactic acid bacteria. Buttermilk may contain an admixture of that portion of milk or cream which remains after the separation and complete or partial removal from such milk or cream of milk fat in the process of butter manufacture. It shall contain not less than 8 percent milk solids.

Raw buttermilk may be made from certified raw milk if it meets the standards of this section except as to pasteurization.

SEC. 3. Section 38701 of the Food and Agricultural Code is amended to read:

38701. Sour cream dressing is a product which is made from pasteurized market cream, with added milk solids derived from market milk, to which any strain, or two or more strains, of lactic acid producing organisms has been added to give it a distinct lactic acid flavor. It shall contain not less than 16 percent of milk fat and not less than 24 percent of total milk solids. It may contain salt and a harmless edible stabilizer not to exceed six-tenths of 1 percent.

SEC. 4. Section 61842 of the Food and Agricultural Code is amended to read:

61842. Class 1 comprises:

(a) Any fluid milk or fluid skim milk that is supplied to consumers as market milk, market skim milk, or concentrated milk, with the exception of the following:

(1) Any combination of market milk or market skim milk which is sterilized and packaged in hermetically sealed containers.

(2) Any market half-and-half which is packaged in presterilized containers under aseptic conditions to meet the marketing requirements for such products in states other than this state; provided, however, that nothing in this paragraph shall authorize the sale within this state of any milk product as a sterilized product unless such product meets the standards and requirements for sterilized products contained in Division 15 (commencing with Section 32501).

(b) Any fluid milk, fluid skim milk, or fluid cream which is used in any other milk product, or products resembling milk products, in which the use of market milk or any components or derivatives of market milk is required by, or pursuant to, the provisions of this code, except any such product defined in Section 61843 as class 2.

(c) Any fluid milk, fluid skim milk, fluid cream, milk fat, or milk solids not fat which is used in the standardizing or fortifying of market milk or any milk product which is defined in this section as class 1.

(d) Any fluid milk, fluid skim milk, or fluid cream which is used in any product, not otherwise classified, which is required by any regulations adopted by the director pursuant to Article 2 (commencing with Section 36631), Chapter 1, Part 3, Division 15 of this code to be made from market milk or any components or derivative of market milk.

(e) Any fluid milk, fluid skim milk, fluid cream, milk fat or milk solids not fat used in any filled product or imitation milk product, when the product imitated or resembled, is defined in this section as class 1.

SEC. 5. Section 61843 of the Food and Agricultural Code is amended to read:

61843. Class 2 comprises any fluid milk, fluid skim milk, or fluid cream which is used in the manufacture of market cream, homogenized market cream, sour cream, sour cream dressing, uncreamed, creamed, or partially creamed cottage cheese, and buttermilk. Class 2 also comprises any fluid milk, fluid skim milk, or fluid cream which is used in the manufacture of any product defined in paragraph (2) of subdivision (a) of Section 61842 or for which a definition and standard is prescribed in Division 15 (commencing with Section 32501), except any such product which is included in class 1, class 3 or class 4.

SEC. 6. Section 61844 of the Food and Agricultural Code is amended to read:

61844. Class 3 comprises all fluid milk, fluid skim milk, or fluid cream which is used in the manufacture of frozen dairy products.

SEC. 7. Section 61845 of the Food and Agricultural Code is amended to read:

61845. Class 4 comprises all fluid milk, fluid skim milk, or fluid cream, which is used in the manufacture of butter, cheese other than cottage cheese, dried milk, dried skim milk, nonfat dry milk solids, defatted milk solids, dried buttermilk, and all fluid milk, fluid skim milk, or fluid cream which is supplied to consumers as condensed milk, condensed skim milk, evaporated skim milk, evaporated cream or clotted cream, or evaporated milk, or any product for which no definition and standards are prescribed in Division 15 (commencing with Section 32501), except the products defined in paragraph (2) of subdivision (a) of Section 61842.

SEC. 8. Section 61846 of the Food and Agricultural Code is amended to read:

61846. If the director establishes a temporary definition and standards for any new milk product pursuant to Article 2 (commencing with Section 36631), Chapter 1, Part 3, Division 15 of this code he shall assign such new product to that class under this article which includes the most nearly comparable product as determined by the director.

SEC. 9. Section 61847 is added to the Food and Agricultural Code, to read:

61847. Fluid milk, fluid skim milk, or fluid cream, utilized in bulk by distributors as condensed milk, condensed skim milk, evaporated skim milk, evaporated cream or clotted cream, or evaporated milk, shall be assigned by the director to the classification of ultimate usage of such fluid milk, fluid skim milk, or fluid cream.

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## CHAPTER 1194

*An act to amend Section 24010 of the Food and Agricultural Code, and to add Section 19665 to the Business and Professions Code, relating to horses.*

[Approved by Governor October 2, 1973. Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 24010 of the Food and Agricultural Code is amended to read:

24010. No provision contained in this chapter shall in any way affect existing statutes governing horseracing or affect horse sales or horse auction sales when such sales are solely for the sale of racehorses or breeding stock that is used in the production of racehorses and when such sales are held or conducted on the premises of any racing association under the jurisdiction of, and with the authorization and approval of, the California Horse Racing Board.

"Racehorse" as used in this section means each live horse,

including a stallion, mare, gelding, ridgeling, colt, or filly, that is eligible to participate in a horseracing contest in California wherein parimutuel racing is permitted under rules and regulations prescribed by the California Horse Racing Board.

SEC. 2. Section 19665 is added to the Business and Professions Code, to read:

19665. The board shall establish such rules and regulations for horse sales or horse auction sales of racehorses or breeding stock that is used in the production of racehorses which are held or conducted on the premises of any racing association under the jurisdiction of the board as are reasonably necessary to provide the horses, owners, and general public with adequate protection. Such rules and regulations shall provide for regulation of the medication or drugging of racehorses sold at horse sales or horse auction sales as provided in this section.

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## CHAPTER 1195

*An act to amend Sections 8101 and 8352 of, and to add Section 8352.7 to, the Revenue and Taxation Code, to repeal Section 6 of Chapter 1382 of the Statutes of 1972, and to repeal Section 5 of Chapter 1405 of the Statutes of 1972, relating to motor vehicle fuel revenues, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 8101 of the Revenue and Taxation Code is amended to read:

8101. The following persons who have paid a license tax for motor vehicle fuel, either directly or to the vendor from whom it was purchased, or indirectly by the adding of the amount of the tax to the price of the fuel, shall, except as otherwise provided in this part, be reimbursed and repaid the amount of the tax:

(a) Any person who buys and uses the motor vehicle fuel for purposes other than operating motor vehicles upon the public highways of the state, except vehicles subject to identification under Division 16.5 (commencing with Section 38000) of the Vehicle Code, which are used for recreational purposes or are rented or leased for recreational purposes, and, on and after July 1, 1974, except motor vehicles subject to registration under Division 3 (commencing with Section 4000) of the Vehicle Code while engaged in off-highway recreational use.

(b) Any person who exports the motor vehicle fuel for use outside of this state. Motor vehicle fuel carried from this state in the fuel tank of a motor vehicle is not deemed to be exported from this state unless

the motor vehicle fuel becomes subject to tax as an "import" under the laws of the destination state.

(c) Any person who sells the motor vehicle fuel to the armed forces of the United States for use in ships or aircraft or for use outside this state, under circumstances that would have entitled him to an exemption from the payment of the license tax under Section 7401 had he been the distributor of this fuel.

(d) Any person who buys and uses the motor vehicle fuel in any construction equipment which is exempt from vehicle registration pursuant to the Vehicle Code, while operated within the confines and limits of a construction project.

(e) Any consulate officer or consulate employee of a foreign government who is not engaged in any private occupation for gain within the State of California, whose government has entered into a treaty with the United States providing for the exemption of such representative from national, state, and municipal taxes, or whose government does grant such an exemption to such representatives of the United States, who uses the motor vehicle fuel in a vehicle registered exempt from fees pursuant to Section 9100 of the Vehicle Code.

SEC. 2. Section 8352 of the Revenue and Taxation Code is amended to read:

8352. Subject to the provisions of any budget bill heretofore or hereafter enacted and Section 11006 of the Government Code, the money deposited to the credit of the Motor Vehicle Fuel Account is hereby appropriated for expenditure, allocation, or transfer as provided in this chapter.

SEC. 3. Section 8352.7 is added to the Revenue and Taxation Code, to read:

8352.7. (a) Subject to the provisions of Sections 8352 and 8352.1, there shall be transferred from money deposited to the credit of the Motor Vehicle Fuel Account to the Off-Highway Vehicle Fund created by Section 38225 of the Vehicle Code, the following amounts:

(1) In the first quarter of the 1975–76 fiscal year, the amount of the estimate contained in the report prepared pursuant to this section for the 1974–1975 fiscal year, less an amount equal to the expenses of the Department of Transportation attributable to preparing the first report specified in this section.

(2) In the first quarter of the 1976–77 fiscal year, and in the first quarter of each fiscal year thereafter, an amount equal to the estimate contained in the most recent report prepared pursuant to this section, less an amount, each year, equal to the expenses of the Department of Transportation attributable to preparing the report upon which the amount of the transfer is based, if an amount for such report has not been withheld in a prior year.

(b) The amounts described in paragraphs (1) and (2) of subdivision (a) represent the money deposited to the credit of the Motor Vehicle Fuel Account attributable to taxes imposed upon distributions of motor vehicle fuel used in motor vehicles subject to

registration under Division 3 (commencing with Section 4000) of the Vehicle Code, while engaged in off-highway recreational use, for which a refund has not been claimed, or for which no person is entitled to a refund. Payments made pursuant to this section shall be made prior to payments pursuant to Section 8352.2.

(c) On or before August 15, 1975, and every two years thereafter, the Department of Transportation shall prepare, or cause to be prepared, in cooperation with the Department of Parks and Recreation, a report, a copy of which shall be submitted to the Legislature, setting forth the current estimate of the amount of money credited to the Motor Vehicle Fuel Account attributable to taxes imposed on distributions of motor vehicle fuel used in motor vehicles subject to registration under Division 3 (commencing with Section 4000) of the Vehicle Code, while engaged in off-highway recreational use, and for which a refund has not been claimed, or for which no person is entitled to a refund.

(d) It is the intent of the Legislature that the off-highway recreational use, to be determined by the Department of Transportation pursuant to this section, be that usage by vehicles subject to registration under Division 3 (commencing with Section 4000) of the Vehicle Code, for recreation or the pursuit of recreation on surfaces where the use of vehicles registered under Division 16.5 (commencing with Section 38000) of the Vehicle Code may occur.

SEC. 4. Section 6 of Chapter 1382 of the Statutes of 1972 is repealed.

SEC. 5. Section 5 of Chapter 1405 of the Statutes of 1972 is repealed.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In order that this act take effect in time for the Department of Transportation to adequately prepare the report specified in this act, it is necessary that this act take effect immediately.

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## CHAPTER 1196

*An act to amend Section 23541 of, and to add Sections 29228 and 29229 to, the Elections Code, relating to elections, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 23541 of the Elections Code is amended to read:

23541. The polls shall open at 7 a.m. and remain open until 8 p m In any precinct in which all of the eligible voters have voted prior to the time for closing the polls, the precinct board may thereupon close the polls, canvass the votes and make the returns as required by law; provided, however, that regardless of the time of closing the polls, no totals of votes cast or other returns shall be announced or disclosed prior to 8 p.m.

SEC. 2. Section 29228 is added to the Elections Code, to read·

29228. Any person working for the proponent or proponents of an initiative or referendum measure or recall petition who refuses to allow a prospective signer to read the measure or petition is guilty of a misdemeanor.

An arrest or conviction pursuant to this section shall not invalidate or otherwise affect the validity of any signature obtained by the person arrested or convicted.

SEC. 3. Section 29229 is added to the Elections Code, to read:

29229. Any person working for the proponent or proponents of a statewide initiative or referendum measure who covers or otherwise obscures the summary of the measure prepared by the Attorney General from the view of a prospective signer is guilty of a misdemeanor.

SEC. 4. Notwithstanding Section 2231 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to this section nor shall there be any appropriation made by this act because the Legislature recognizes that during any legislative session a variety of changes to laws relating to crimes and infractions may cause both increased and decreased costs to local government entities and school districts which, in the aggregate, do not result in significant identifiable cost changes and, in part, because duties, obligations, or responsibilities imposed on local governmental entities or school districts by this act are such that related costs are incurred as a part of their normal operating procedures.

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

In order to promote uniformity in polling hours among all precincts for the special statewide election on November 6, 1973, to provide greater convenience for the exercise of the right to vote, and to have this act apply to petitions circulated before the 1974 elections it is necessary that this act take immediate effect.

# CHAPTER 1197

*An act to amend Sections 13140, 13140.6, 13140.7, and 13141 of, to add Sections 13140.5, 13142, 13142.2, 13142.4, 13142.6, and 13142.8 to, to repeal Sections 13140.5 and 13142 of, and to amend the heading of Article 2 (commencing with Section 13140) of Chapter 1 of Part 2 of Division 12 of, the Health and Safety Code, relating to fire protection, and making an appropriation therefor.*

[Approved by Governor October 2, 1973. Filed with Secretary of State October 2, 1973.]

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

SECTION 1. The heading of Article 2 (commencing with Section 13140) of Chapter 1 of Part 2 of Division 12 of the Health and Safety Code is amended to read:

Article 2. The State Board of Fire Services

SEC. 2. Section 13140 of the Health and Safety Code is amended to read:

13140. There is hereby created in the office of the State Fire Marshal a State Board of Fire Services which shall consist of 15 members. The State Board of Fire Services succeeds to all of the powers, duties, and responsibilities of the State Fire Advisory Board, which is hereby abolished. Whenever the term "State Fire Advisory Board" appears in any other law, it means the State Board of Fire Services.

SEC. 3. Section 13140.5 of the Health and Safety Code is repealed.

SEC. 4. Section 13140.5 is added to the Health and Safety Code, to read:

13140.5 The board shall be composed of the following voting members: The State Fire Marshal, the State Forester, the Supervisor of the California Fire Service Training Program, the Chief of the Fire and Rescue Division, Office of Emergency Services, a representative of the insurance industry, four fire chiefs, four fire service labor representatives, one representative from city government, and one representative from county government.

The following members shall be appointed by the Governor: a representative of the insurance industry, four fire chiefs, four fire service labor representatives, one representative from city government, and one representative from county government. Each member appointed shall be a resident of this state. The fire chiefs appointed to the board shall be selected from a list of names recommended by the Board of Directors of the California Fire Chiefs' Association, Inc. The four fire service labor representatives shall be selected from a list of names recommended by employee organizations representing fire service employees with organization memberships exceeding 12,000, but not more than one fire service

labor representative shall be selected from among persons recommended by any one of such employee organizations, unless each such organization is represented on the membership of the board. The city government representative shall be selected from elected or appointed city chief administrative officers. The county government representative shall be selected from elected or appointed county chief administrative officers. Such appointed members, except those first appointed, shall be appointed for a term of four years. Of the members first appointed seven shall be appointed for a term of two years and four shall be appointed for a term of four years. Any member chosen by the Governor to fill a vacancy created other than by expiration of a term shall be appointed for the unexpired term of the member he is to succeed.

SEC. 5. Section 13140.6 of the Health and Safety Code is amended to read:

13140.6. A quorum of the board shall consist of not less than eight members of the board. Proxy representation shall not be permitted.

SEC. 6. Section 13140.7 of the Health and Safety Code is amended to read:

13140.7. The State Fire Marshal shall act as chairman of the board and provide necessary staff services. A vice chairman shall be selected by majority vote of the members.

SEC. 7. Section 13141 of the Health and Safety Code is amended to read:

13141. The board shall meet at the call of the State Fire Marshal, or at the request of any two members, but not less than bimonthly, and shall receive no salary. Board members shall be paid actual and necessary expenses related to activities of the board. Meetings of the board shall be announced in writing to all members at least 15 days in advance of the meeting date.

SEC. 8. Section 13142 of the Health and Safety Code is repealed.

SEC. 9. Section 13142 is added to the Health and Safety Code, to read:

13142. The board, shall from time to time make full and complete studies, recommendations, and reports to the Governor and the Legislature for the purpose of recommending establishment of minimum standards with respect to all of the following:

(a) Physical requirements, education and training of fire protection personnel appointed to positions in regularly organized fire service agencies in this state, who are to be engaged in fire protection, including, but not limited to, fire suppression, fire prevention, arson investigation, and other allied fields.

(b) Fire apparatus, equipment, hose, tools, and related items.

(c) Basic minimum courses of training and education for fire protection personnel.

SEC. 10. Section 13142.2 is added to the Health and Safety Code, to read:

13142.2. The board shall establish all of the following:

(a) Suggested minimum standards with respect to physical

requirements, education, and training of fire service personnel.

(b) Suggested minimum operational standards of firefighting techniques.

(c) Suggested minimum standards for fire apparatus and equipment.

(d) Recommended curricula for courses and seminars in fire science and technology training in colleges and institutions of higher education.

(e) Advisory committees or panels, as necessary, to assist the board in carrying out its functions under this section and Sections 13142 and 13142.4.

(f) Procedures for seeking, accepting, and administering gifts and grants for use in implementing the intents and purposes of the board

SEC. 11. Section 13142.4 is added to the Health and Safety Code, to read:

13142.4. The board, in cooperation with the State Department of Education, shall:

(a) Establish standards and procedures for the certification of fire protection personnel and fire protection instructors.

(b) Establish a certification program for fire protection personnel and fire protection instructors.

(c) The standards and program for certification of fire protection personnel and fire protection instructors established pursuant to subdivisions (a) and (b) shall not apply to any agency of the state or any agency of any political subdivision within the state unless that agency elects to be subject to these provisions.

SEC. 12. Section 13142.6 is added to the Health and Safety Code, to read:

13142.6. The board, under the direction of the vice chairman, shall sit as a board of appeals on the application of the State Fire Marshal's regulations by the State Fire Marshal or his salaried assistants. When any affected person believes that such regulations are being applied incorrectly, such person may appeal the decision of the State Fire Marshal to the board. The board shall not consider any such appeal unless the matter has come to the attention of the State Fire Marshal and he has rendered a decision in writing. Any appeal to the board shall be made by the affected person or his agent in writing in the form and manner prescribed by the board. The decision of the board shall be binding upon the State Fire Marshal. Any decision made by the board shall be for the instant case only and shall not be construed as setting precedent for general application.

SEC. 13. Section 13142.8 is added to the Health and Safety Code, to read:

13142.8. When the board sits as a board of appeals:

(a) The State Fire Marshal shall not sit as a member of the board.

(b) Any member of the board shall not sit as a member or participant in the decision of any particular appeal if such member has a financial or other interest which would influence his decision on the particular appeal.

SEC. 14. The sum of fourteen thousand dollars ($14,000) is appropriated from the General Fund in the State Treasury to the State Board of Fire Services in the office of the State Fire Marshal for support of the board during the 1973–74 fiscal year.

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## CHAPTER 1198

*An act to add Chapter 6.5 (commencing with Section 14835) to Part 5.5 of Division 3 of Title 2 of the Government Code, relating to state purchases.*

[Approved by Governor October 2, 1973. Filed with Secretary of State October 2, 1973.]

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

SECTION 1. Chapter 6.5 (commencing with Section 14835) is added to Part 5.5 of Division 3 of Title 2 of the Government Code, to read:

### CHAPTER 6.5. SMALL BUSINESS PROCUREMENT AND CONTRACT ACT

14835. This chapter shall be known and may be cited as the Small Business Procurement and Contract Act.

14836. (a) The Legislature hereby declares that it serves a public purpose, and is of benefit to the state, to promote and facilitate the fullest possible participation by all citizens in the affairs of the State of California and it is desirable to improve the economy of the State of California in every possible way. It is also essential that opportunity is provided for full participation in our free enterprise system by small business enterprises.

(b) Further, it is the declared policy of the Legislature that the state should aid, counsel, assist, and protect, insofar as is possible, the interests of small business concerns in order to preserve free competitive enterprise and to ensure that a fair proportion of the total purchases and contracts or subcontracts for property and services for the state be placed with small business enterprises.

14837. As used in this chapter:

(a) "Department" means the Department of General Services.

(b) "Director" means the Director of General Services.

(c) "Small business" means a business which is independently owned and operated, and which is not dominant in its field of operation.

In addition to the foregoing criteria the director, in making a detailed definition, shall use these criteria, among others:

(1) Numbers of employees.

(2) Dollar volume of business.

The maximum number of employees and the maximum dollar volume which a small business may have under the definition shall vary from industry to industry to the extent necessary to reflect differing characteristics of such industries and the director may take account of other relevant factors as determined by regulation.

14838. In order to facilitate the participation of small business in state procurement and in construction contracts under the Office of Architecture and Construction, the director shall:

(a) Establish goals for the extent of participation of small businesses in state procurement and in Office of Architecture and Construction contracts.

(b) Provide for small business preference where responsibility and quality are equal. Such preference to small business shall be 5 percent for the lowest responsible bidder meeting specifications.

(c) Give special consideration to small businesses under Section 1890 of subchapter 7 of Chapter 3 of Division 2 of Title 2, California Administrative Code (prequalification of vendors) by both:

(1) Reducing the experience required.

(2) Reducing the level of inventory normally required.

(d) Give special assistance to small businesses in their preparation and submission of the information requested in Government Code Section 14310.

(e) Under the authorization granted in Section 14311 of the Government Code, make awards, whenever feasible, to small business bidders for each project bid upon within their prequalification rating. This may be accomplished by dividing major projects into subprojects so as to allow a small business contractor to qualify to bid on such subprojects.

14839. There is hereby established within the department the Office of Small Business Procurements and Contracts. The duties of such office shall include:

(a) Compiling and maintaining a comprehensive bidders list of qualified small businesses.

(b) Coordinating with the Federal Small Business Administration, the Office of Minority Business Enterprises, and the Executive Board of the California Job Development Corporation.

(c) Assisting small business in complying with the procedures for bidding on state contracts.

(d) Working with appropriate state, federal, and private organizations in disseminating information on bidding procedures and the opportunities of small businesses for state contracts.

(e) Assisting state agencies in determining which invitations to bid are to be designated as small business preferences.

(f) Making recommendations to the department and other state agencies for simplification of specifications and terms in order to increase the opportunities for small business participation.

14840. The department shall submit an annual report to the Legislature no later than January 1 of each year commencing in 1975 containing the following information:

(a) An up-to-date list of eligible small business bidders by general procurement and construction contract categories, noting company names and addresses.

(b) By general procurement and construction contract categories, statistics comparing the number of eligible small business bidders to the total number of qualified bidders.

(c) A list of small businesses which were awarded contracts under this chapter and the dollar amount of each contract.

(d) Any recommendations for changes in statutes or state policies to improve opportunities for small business.

14841. The department shall submit to the Legislature a comprehensive evaluation of this act no later than January 1, 1976, in which recommendations are made for the modification and expansion of this act to other state agencies.

14842. The department may make all rules and regulations consistent with the law for the purpose of carrying into effect the provisions of this article. Rules and regulations shall be adopted, amended, or repealed in accordance with the provisions of Chapter 4.5 (commencing with Section 11371) of Part 1 of this division.

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## CHAPTER 1199

*An act to add Part 13 (commencing with Section 37910) to Division 24 of the Health and Safety Code, relating to housing and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Part 13 (commencing with Section 37910) is added to Division 24 of the Health and Safety Code, to read:

### PART 13. RESIDENTIAL REHABILITATION

#### CHAPTER 1. GENERAL PROVISIONS AND DEFINITIONS

37910. This part shall be known and may be cited as the Foran-Marks Residential Rehabilitation Act of 1973.

37911. The Legislature hereby finds and declares that it is necessary and essential that cities and cities and counties having populations of over 600,000 persons, and redevelopment agencies and housing authorities within such cities and cities and counties, be authorized to make long-term, low-interest loans to finance residential rehabilitation in depressed residential areas in order to encourage the upgrading of property in such areas. Unless such local agencies intervene to provide some form of assistance to finance

residential rehabilitation, many depressed residential areas will deteriorate at an accelerated pace because property owners are not able to obtain rehabilitation loans from private sources.

The Legislature further finds and declares that, while all cities suffer from the problem of deteriorating neighborhoods, the problem is more severe in large cities. In addition, large cities have a greater capacity to obtain funds for and to administer a program for financing residential rehabilitation. Therefore, this part shall be applicable only to cities and cities and counties having a population of more than 600,000 persons and to housing authorities and redevelopment agencies located therein.

37912. Unless the context otherwise requires, the following definitions shall govern the construction of this part:

(a) "Bonds" means any bonds, notes, interim certificates, debentures, or other obligations issued by a local agency pursuant to this part and which are payable exclusively from the revenues, as defined in subdivision (i), and from any other funds specified in this part upon which the bonds may be made a charge and from which they are payable.

(b) "Financing" means the lending of moneys or any other thing of value for the purpose of residential rehabilitation and includes refinancing of outstanding indebtedness of the participating party with respect to property which is subject to residential rehabilitation or the purchase of structures rehabilitated by a redevelopment agency functioning pursuant to Part 1 (commencing with Section 33000) of this division.

(c) "Legislative body" means the city council, board of supervisors, or other legislative body of the local agency.

(d) "Local agency" means any of the following:

(1) Any city or city and county having a population of over 600,000 persons.

(2) The redevelopment agency in a city or city and county having a population of over 600,000 persons which is functioning pursuant to Part 1 (commencing with Section 33000) of this division.

(3) The housing authority in a city or city and county having a population of over 600,000 persons which is functioning pursuant to Part 2 (commencing with Section 34200) of this division.

(e) "Participating party" means any person, company, corporation, partnership, firm, or other entity or group of entities requiring financing for residential rehabilitation pursuant to the provisions of this part. No elective officer of the state or any of its political subdivisions shall be eligible to be a participating party under the provisions of this part.

(f) "Residential rehabilitation" means the construction, reconstruction, renovation, replacement, extension, repair, betterment, equipping, developing, embellishing, or otherwise improving residences consistent with standards of strength, effectiveness, fire resistance, durability, and safety, so that such structures are satisfactory and safe to occupy for residential purposes

and are not conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime because of any one or more of the following factors:

(1) Defective design and character of physical construction.

(2) Faulty interior arrangement and exterior spacing

(3) Inadequate provision for ventilation, lighting, and sanitation.

(4) Obsolescence, deterioration, and dilapidation.

(g) "Residence" means a residential structure and means a commercial structure which, in the judgment of the local agency, is an integral part of a residential neighborhood.

(h) "Rehabilitation standards" means the applicable local or state standards for the rehabilitation of buildings located in rehabilitation assistance areas, including any higher standards adopted by the local agency as part of its residential rehabilitation financing program.

(i) "Revenues" means all amounts received as repayment of principal, interest, and all other charges received for, and all other income and receipts derived by, the local agency from the financing of residential rehabilitation, including moneys deposited in a sinking, redemption, or reserve fund or other fund to secure the bonds or to provide for the payment of the principal of, or interest on, the bonds, and such other moneys as the legislative body may, in its discretion, make available therefor.

(j) "Residential rehabilitation area" means the geographical area designated by the local agency as one for inclusion in a comprehensive residential rehabilitation financing program pursuant to the provisions of this part.

## CHAPTER 2. POWERS AND PROCEDURES

37915. A local agency may determine the location and character of any residential rehabilitation to be financed under the provisions of this part and may lend financial assistance to any participating party for the purpose of such residential rehabilitation in areas so designated by the local agency.

37916. The local agency may issue bonds and bond anticipation notes of the local agency for the purpose of financing residential rehabilitation authorized by this part and for the purpose of funding or refunding such bonds or notes.

37917 The local agency may fix fees, charges, and interest rates for financing residential rehabilitation and may from time to time revise such fees, charges, and interest rates to reflect changes in interest rates on the local agency's bonds, losses due to defaults, changes in loan servicing charges, or other expenses related to administration of the residential rehabilitation financing program Any change in interest rate shall conform to the provisions of Section 1916.5 of the Civil Code, except that paragraph (3) of subdivision (a) of Section 1916.5 shall not apply and that the "prescribed standard" specified in Section 1916.5 shall be periodically determined by the governing body of the local agency after hearing preceded by public

notice to affected parties, and shall reflect changes in interest rates on the local agency's bonds, losses due to defaults, and bona fide changes in loan servicing charges related to the administration of a program under the provisions of this part The local agency may collect interest and principal together with such fees and charges incurred in such financing and may contract to pay any person, partnership, association, corporation, or public agency with respect thereto. The local agency may hold deeds of trust as security for financing residential rehabilitation and may pledge the same as security for repayment of bonds issued pursuant to this part The local agency may establish the terms and conditions for the financing of residential rehabilitation undertaken pursuant to this part.

The full amount owed on any loan for residential rehabilitation made pursuant to this part shall be due and payable upon sale or other transfer of ownership of the property subject to such rehabilitation, except that assignment of the loan to the buyer or transferee may be permitted in cases of hardship, which shall be defined, and procedures established for the determination of their existence, in the guidelines established pursuant to subdivision (c) of Section 37922

37918. The local agency may employ engineering, architectural, accounting, collection, or other services, including services in connection with the servicing of loans made to participating parties, as may be necessary in the judgment of the local agency for the successful financing of such residential rehabilitation. The local agency may pay the reasonable costs of consulting engineers, architects, accountants, and construction experts, if, in the judgment of the local agency, such services are necessary to the successful financing of any residential rehabilitation and if the local agency is not able to provide such services The local agency may employ and fix the compensation of financing consultants, bond counsel, and other advisers as may be necessary in its judgment to provide for the issuance and sale of any bonds or bond anticipation notes of the local agency

37919. In addition to all other powers specifically granted by this part, the local agency may do all things necessary or convenient to carry out the purposes of this part

37920. Revenues shall be the sole source of funds pledged by the local agency for repayment of its bonds. Bonds issued under the provisions of this part shall not be deemed to constitute a debt or liability of the local agency or a pledge of the faith and credit of the local agency but shall be payable solely from revenues. The issuance of bonds shall not directly, indirectly, or contingently obligate the legislative body to levy or pledge any form of taxation or to make any appropriation for their payment

37921. All residential rehabilitation shall be constructed or completed subject to the rules and regulations of the local agency. A local agency may acquire by deed, purchase, lease, contract, gift, devise, or otherwise any real or personal property, structures, rights,

rights-of-way, franchises, easements, and other interests in lands necessary or convenient for the financing of residential rehabilitation, upon such terms and conditions as it deems advisable, and may lease, sell, or dispose of the same in such manner as may be necessary or desirable to carry out the objectives and purposes of this part.

37922. Prior to the issuance of any bonds or bond anticipation notes of the local agency for residential rehabilitation, the local agency shall by ordinance or resolution adopt a comprehensive residential rehabilitation financing program which shall include, but is not limited to, the following items:

(a) Criteria for selection of residential rehabilitation areas by the local agency which shall include findings by the local agency that:

(1) There are a substantial number of deteriorating structures in the area which do not conform to community standards for decent, safe, sanitary housing.

(2) Financial assistance from the local agency for residential rehabilitation is necessary to arrest the deterioration of the area.

(3) Financing of residential rehabilitation in the area is economically feasible.

However, these findings are not required when the residential rehabilitation area is a redevelopment project area that the provisions of the Community Redevelopment Law (Part 1 (commencing with Section 33000)) apply to.

(b) Procedures for selection of residential rehabilitation areas by the local agency which shall include:

(1) Provisions for citizen participation in selection of residential rehabilitation areas.

(2) Provisions for a public hearing by the governing body of the local agency prior to selection of any particular residential rehabilitation area by the local agency.

(c) A commitment that, subject to budgeting and fiscal limitations of the local agency, rehabilitation standards will be enforced in 95 percent of the residences in each residential rehabilitation area.

(d) Guidelines for financing residential rehabilitation which shall be subject to the following limitations:

(1) Outstanding loans on the property to be rehabilitated, including the amount of the loans for rehabilitation, shall not exceed 80 percent of the anticipated after-rehabilitation value of the property to be rehabilitated, except that the local agency may authorize loans of up to 95 percent of the anticipated after-rehabilitation value of the property if such loans are made for the purpose of rehabilitating the property for residential purposes, there is demonstrated need for such higher limit, and there is a high probability that the value of the property will not be impaired during the term of the loan.

(2) The maximum repayment period for residential rehabilitation loans shall be 20 years or three-fourths of the economic life of the property, whichever is less.

(3) The maximum amount loaned for rehabilitation for each dwelling unit and for each commercial unit which is, or is part of, a "residence" within the meaning of that term as defined in this part, shall be seventeen thousand five hundred dollars ($17,500)

(4) No more than 20 percent of any loan for residential rehabilitation shall be used for residential rehabilitation which is not required under the local agency's rehabilitation standards except that in the case of owner-occupied one-to-four-dwelling unit properties, up to 40 percent of the loan for residential rehabilitation may be used for residential rehabilitation not required under the local agency's rehabilitation standards.

(5) Loans shall not be made for the purpose of refinancing the outstanding indebtedness of the participating party with respect to property which is subject to residential rehabilitation, unless the cost of meeting the rehabilitation standards is at least 20 percent of the principal amount of the loan.

(e) A requirement that a plan for public improvements necessary to successful rehabilitation of the residential rehabilitation area be developed, with citizen participation, for each residential rehabilitation area and that the plan for public improvements be adopted by the local agency prior to the financing of residential rehabilitation in any residential rehabilitation area, together with a commitment that, subject to budgetary and fiscal limitations, such plan will be carried out by the local agency.

37922.5. A local agency, in order to prevent precipitous increases in rent which the loans would engender as to residential rental property, may require, as a condition of making a loan pursuant to this part, that the borrower contract during the term of the loan not to raise the rental amount over an amount which the agency by regulation establishes will yield a fair rate of return for similar investments and will allow for increases that are reasonably necessary to provide and continue proper maintenance of the property. This section shall apply only to structures which will contain 12 or more dwelling units after rehabilitation and to structures for which loans exceeding five thousand dollars ($5,000) per dwelling unit have been extended pursuant to this part.

37923. The local agency shall require that any residence which is rehabilitated with financing obtained under this part shall, until that financing is repaid, be open, upon sale or rental of any portion thereof, to all persons regardless of race, color, religion, national origin, or ancestry. The local agency shall also request that contractors and subcontractors engaged in residential rehabilitation financed under this part provide equal opportunity for employment, without discrimination as to race, sex, marital status, color, religion, national origin, or ancestry. All contracts and subcontracts for residential rehabilitation financed under this part shall be let without discrimination as to race, sex, marital status, color, religion, national origin, or ancestry. It shall be the policy of the local agency financing residential rehabilitation under this part to encourage participation

by minority contractors. The local agency shall adopt rules and regulations to implement the provisions of this section.

37924. The authority of this part may be used to issue bonds for the purpose of financing residential rehabilitation in areas which were designated for concentrated code enforcement and have received federal funds under the Federally Assisted Code Enforcement Program (Sections 115, 117, and 312 of the Housing Act of 1949, 42 U.S.C. 1466, 1468, and 1452b), and nothing in this part shall prevent using funds generated by bonds issued pursuant to the provisions of this part to finance residential rehabilitation in such areas.

37925. Any action challenging the legality of a comprehensive residential rehabilitation program, or of the selection of a residential rehabilitation area, or the adoption of a plan for public improvements for a residential rehabilitation area, shall be commenced within 60 days of the adoption of such program, selection of such area, or adoption of such plan for public improvements.

## CHAPTER 3. BONDS AND NOTES

37930. (a) A local agency may, from time to time, issue its negotiable bonds or notes for the purpose of financing residential rehabilitation, including the rehabilitation of (1) single residences for single participating parties, (2) a series of residences for a single participating party, (3) single residences for several participating parties, or (4) several residences for several participating parties. In anticipation of the sale of such bonds, the local agency may issue negotiable bond anticipation notes and may renew such notes from time to time. Bond anticipation notes may be paid from the proceeds of sale of the bonds of the local agency in anticipation of which they were issued. Bond anticipation notes and agreements relating thereto and the resolution or resolutions authorizing such notes and agreements may contain any provisions, conditions, or limitations which a bond, agreement relating thereto, or bond resolution of the local agency may contain except that any such note or renewal thereof shall mature at a time not later than two years from the date of the issuance of the original note

(b) Every issue of its bonds shall be a special obligation of the local agency payable from all or any part of the revenues specified in this part. The bonds shall be negotiable instruments for all purposes, subject only to the provisions of such bonds for registration.

37931. The bonds may be issued as serial bonds or as term bonds, or the local agency, in its discretion, may issue bonds of both types. The bonds shall be authorized by resolution of the local agency and shall bear such date or dates, mature at such time or times, not exceeding 50 years from their respective dates of issuance, bear interest at such fixed or variable rate or rates, be payable at such time or times, be in such denominations, be in such form, either coupon

or registered, carry such registration privileges, be executed in such manner, be payable in lawful money of the United States of America, at such place or places, and be subject to such terms of redemption as the resolution or resolutions of the local agency may provide. The bonds may be sold at either a public or private sale and for such prices as the local agency shall determine. Pending preparation of the definitive bonds, the local agency may issue interim receipts, certificates, or temporary bonds, which shall be exchanged for such definitive bonds. The local agency may sell any bonds, notes, or other evidence of indebtedness at a price below the par value thereof, but the discount on any bond so sold shall not exceed 6 percent of the par value thereof.

37932. Any resolution or resolutions authorizing any bonds or any issue of bonds may contain provisions respecting any of the following terms and conditions, which shall be a part of the contract with the holders of the bonds:

(a) The pledge of all or any part of the revenues, as defined in this part, subject to such agreements with bondholders as may then exist.

(b) The interest and principal to be received and other charges to be charged and the amounts to be raised each year thereby, and the use and disposition of the revenues.

(c) The setting aside of reserves or sinking funds and the regulation and disposition thereof.

(d) Limitations on the purposes to which the proceeds of a sale of any issue of bonds, then or thereafter issued, may be applied, and pledging such proceeds to secure the payment of the bonds or any issue of bonds.

(e) Limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured, and the refunding of outstanding bonds.

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

(g) Limitation on expenditures for operating, administration, or other expenses of the local agency.

(h) Specification of the acts or omissions to act which shall constitute a default in the duties of the local agency to holders of its obligations, and providing the rights and remedies of such holders in the event of default.

(i) The mortgaging of any residence and the site thereof for the purpose of securing the bondholders.

(j) The mortgaging of land, improvements, or other assets owned by a participating party for the purpose of securing the bondholders.

37933. Neither the members of the governing board of the local agency nor any person executing the bonds or notes shall be liable personally on the bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof.

37934. The local agency shall have the power out of any funds

available therefor to purchase its bonds or notes. The local agency may hold, pledge, cancel, or resell such bonds, subject to and in accordance with agreements with the bondholders.

37935. In the discretion of the local agency, any bonds issued under the provisions of this part may be secured by a trust agreement by and between the local agency and a corporate trustee or trustees, which may be any trust company or bank having the powers of a trust company within or without this state. Such trust agreement or the resolution providing for the issuance of such bonds may pledge or assign the revenues to be received or proceeds of any contract or contracts pledged, and may convey or mortgage any residence the rehabilitation of which is to be financed out of the proceeds of such bonds. Such trust agreement or resolution providing for the issuance of bonds may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including such provisions as may be included in any resolution or resolutions of the local agency authorizing the issuance of bonds pursuant to Section 37932. Any bank or trust company doing business under the laws of this state which may act as depositary of the proceeds of bonds or of revenues or other moneys may furnish such indemnity bonds or pledge such securities as may be required by the local agency. Any such trust agreement may set forth the rights and remedies of the bondholders and of the trustee or trustees, and may restrict the individual right of action by bondholders. In addition to the foregoing, any such trust agreement or resolution may contain such other provisions as the local agency may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of such trust agreement or resolution may be treated as a part of the cost of residential rehabilitation.

37936. Any holder of bonds issued under the provisions of this part or any of the coupons appertaining thereto, and the trustee or trustees appointed pursuant to any resolution authorizing the issuance of such bonds, except to the extent the rights thereof may be restricted by the resolution authorizing the issuance of the bonds, may, either at law or in equity, by suit, action, mandamus, or other proceedings, protect or enforce any and all rights specified in the laws of the state or in such resolution, and may enforce and compel the performance of all duties required by this part or by such resolution to be performed by the local agency or by any officer, employee, or agent thereof, including the fixing, charging, and collecting of rates, fees, interest, and charges authorized and required by the provisions of such resolution to be fixed, established, and collected.

37937. Bonds issued under the provisions of this part shall not be deemed to constitute a debt or liability of the local agency or a pledge of the faith and credit of the local agency, but shall be payable solely from the funds specified in this part. All such bonds shall contain on the face thereof a statement to the following effect:

Neither the faith and credit nor the taxing power of the [local agency] is pledged to the payment of the principal of or interest on this bond.

The issuance of bonds under the provisions of this part shall not directly, indirectly, or contingently obligate the local agency to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment.

37938. (a) The local agency may provide for the issuance of the bonds of the local agency for the purpose of refunding any bonds of the local agency then outstanding including the payment of any redemption premiums thereof and any interest accrued or to accrue to the earliest or subsequent date of redemption, purchase, or maturity of such bonds, and, if deemed advisable by the local agency, for the additional purpose of paying all or any part of the cost of additional residential rehabilitation.

(b) The proceeds of bonds issued for the purpose of refunding any outstanding bonds may, in the discretion of the local agency, be applied to the purchase or retirement at maturity or redemption of such outstanding bonds, either at their earliest or any subsequent redemption date or upon the purchase or retirement at the maturity thereof and may, pending such application, be placed in escrow, to be applied to such purchase or retirement at maturity or redemption on such date as may be determined by the local agency.

(c) Pending use for purchase, retirement at maturity, or redemption of outstanding bonds, any proceeds held in escrow pursuant to subdivision (b) may be invested and reinvested as provided in the resolution authorizing the issuance of the bonds. Any interest or other increment earned or realized on any such investment may also be applied to the payment of the outstanding bonds to be refunded. After the terms of the escrow have been fully satisfied and carried out, any balance of such proceeds and any interest or increment earned or realized from the investment thereof may be returned to the local agency to be used by it for any lawful purpose.

(d) That portion of the proceeds of any such bonds designated for the purpose of paying all or any part of the cost of additional residential rehabilitation pursuant to subdivision (a) may be invested and reinvested in obligations of, or guaranteed by, the United States of America or in certificates of deposit or time deposits secured by obligations of, or guaranteed by, the United States of America, maturing not later than the time or times when such proceeds will be needed for the purpose of paying all or any part of such cost.

(e) All bonds issued pursuant to this section shall be subject to the provisions of this part in the same manner and to the same extent as other bonds issued pursuant to this part.

37939. Notwithstanding any other provisions of law, bonds issued pursuant to this part shall be legal investments for all trust funds, the funds of insurance companies, savings and loans associations,

investment companies and banks, both savings and commercial, and shall be legal investments for executors, administrators, trustees, all other fiduciaries. Such bonds shall be legal investments for state school funds and for any funds which may be invested in county, municipal, or school district bonds, and such bonds shall be deemed to be securities which may properly and legally be deposited with, and received by, any state or municipal officer or by any agency or political subdivision of the state for any purpose for which the deposit of bonds or obligations of the state is now, or may hereafter be, authorized by law, including deposits to secure public funds.

37940. The exercise of the powers granted by this part shall be in all respects for the benefit of the people of this state and for their health and welfare. Any bonds or notes issued under the provisions of this chapter, their transfer and the income therefrom, shall at all times be free from taxation of every kind by the state and by the municipalities and other political subdivisions of the state.

## CHAPTER 4. REHABILITATION LOANS

37950. The local agency may lend money to any participating party in an area designated pursuant to Section 37921 for the purpose of residential rehabilitation. All agreements for such loans shall provide that the architectural and engineering design of the residential rehabilitation shall be subject to such standards as may be established by the local agency and that the work of such residential rehabilitation shall be subject to such supervision as the local agency deems necessary

37951. The local agency may enter into loan agreements with any participating party relating to residential rehabilitation of any kind or character. The terms and conditions of such loan agreements may be as mutually agreed upon. Any such loan agreement may provide the means or methods by which any mortgage taken by the local agency shall be discharged, and it shall contain such other terms and conditions as the local agency may require. The local agency is authorized to fix, revise, charge, and collect interest and principal and all other rates, fees, and charges with respect to financing of residential rehabilitation. Such rates, fees, charges, and interest shall be fixed and adjusted so that the aggregate of such rates, fees, charges, and interest will provide funds sufficient with other revenues and moneys which it is anticipated will be available therefor, if any, to do all of the following:

(a) Pay the principal of and interest on outstanding bonds of the local agency issued to finance such residential rehabilitation as the same shall become due and payable.

(b) Create and maintain reserves required or provided for in any resolution authorizing such bonds. A sufficient amount of the revenues derived from residential rehabilitation may be set aside at such regular intervals as may be provided by the resolution in a sinking or other similar fund, which is hereby pledged to, and

charged with, the payment of the principal of and interest on such bonds as the same shall become due, and the redemption price or the purchase price of bonds retired by call or purchase as therein provided Such pledge shall be valid and binding from the time the pledge is made. The rates, fees, interest, and other charges, revenues, or moneys so pledged and thereafter received by the local agency shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the local agency, irrespective of whether such parties have notice thereof Neither the resolution nor any loan agreement by which a pledge is created need be filed or recorded except in the records of the local agency. The use and disposition of moneys to the credit of such sinking or other similar fund shall be subject to the provisions of the resolution authorizing the issuance of such bonds. Except as may otherwise be provided in such resolution, such sinking or other similar fund may be a fund for all bonds of the local agency issued to finance the rehabilitation of the residence of a particular participating party without distinction or priority. The local agency, however, in any such resolution may provide that such sinking or other similar fund shall be the fund for a particular residential rehabilitation project or projects and for the bonds issued to finance such residential rehabilitation project or projects and may, additionally, authorize and provide for the issuance of bonds having a lien with respect to the security authorized by this section which is subordinate to the lien of other bonds of the local agency, and, in such case, the local agency may create separate sinking or other similar funds securing the bonds having the subordinate lien.

(c) Pay operating and administrative costs of the local agency incurred in the administration of the program authorized by this part.

37952. All moneys received pursuant to the provisions of this part, whether proceeds from the sale of bonds or revenues, shall be deemed to be trust funds to be held and applied solely as provided in this part. Any bank or trust company in which such moneys are deposited shall act as trustee of such moneys and shall hold and apply the same for the purposes specified in this part, subject to the terms of the resolution authorizing the bonds.

## CHAPTER 5. CONSTRUCTION AND EFFECT

37960. This part being necessary for the welfare of the state and its inhabitants, shall be liberally construed to effect its purposes.

37961. If the jurisdiction of the legislative body to order the proposed act is not affected, an omission of any officer or the local agency in proceedings under this part does or any other defect in the proceedings shall not invalidate the proceedings or bonds issued pursuant to this part.

37962. This part is full authority for the issuance of bonds by a local agency for the purpose of financing residential rehabilitation.

37963. This part shall be deemed to provide a complete, additional, and alternative method for doing the things authorized thereby, and shall be regarded as supplemental and additional to the powers conferred by other laws. The issuance of bonds and refunding bonds under the provisions of this part need not comply with the requirements of any other law applicable to the issuance of bonds.

37964. An action may be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure to determine the validity of bonds and the legality and validity of all proceedings previously taken and (as provided in the bond resolution) proposed to be taken for the authorization, issuance, sale, and delivery of the bonds and for the payment of the principal thereof and interest thereon.

SEC. 2. Any local agency implementing a program of loans authorized by this act during the first two years after the effective date of Part 13 (commencing with Section 37910) of Division 24 of the Health and Safety Code, as added by this act, shall report to the Legislature once every six months on the progress of such program, commencing six months after the inception of the program. The obligation to report shall terminate after submission of the report for the period which includes December 31, 1975.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of 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:

Federal financial assistance for residential rehabilitation under the Federally Assisted Code Enforcement program has been terminated. The burden of financing residential rehabilitation has now fallen upon the major cities in the State of California. It is imperative to facilitate local financing of residential rehabilitation together with private-sector cooperation, so that urban neighborhoods will not deteriorate and become subject to blight, constituting buildings which are unfit or unsafe to occupy for residential purposes and are conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime. Unless this act is passed as an urgency statute, the financing of residential rehabilitation will cease and the several major cities in the State of California having staffs experienced in the administration of the Federally Assisted Code Enforcement program will be discharged, thus preventing the continuance of the financing of residential rehabilitation in such cities on an orderly basis during the fiscal year 1973–74. For these reasons it is necessary that the act take effect immediately.

## CHAPTER 1200

*An act making an appropriation for property tax assistance in augmentation of Item 81, Budget Act of 1973, relating to senior citizens property tax assistance, declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. The sum of six million dollars ($6,000,000) is hereby appropriated from the Federal Revenue Sharing Fund to the General Fund for property tax assistance in augmentation of and upon the same terms and conditions as the appropriation made by Item 81 of the Budget Act of 1973.

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

In order to provide senior citizens property tax relief as intended by the Legislature, this act must take effect immediately.

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## CHAPTER 1201

*An act to add Part 13 (commencing with Section 37910) to Division 24 of the Health and Safety Code, relating to housing and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Part 13 (commencing with Section 37910) is added to Division 24 of the Health and Safety Code, to read:

### PART 13. RESIDENTIAL REHABILITATION

#### CHAPTER 1. GENERAL PROVISIONS AND DEFINITIONS

37910. This part shall be known and may be cited as the Marks-Foran Residential Rehabilitation Act of 1973.

37911. The Legislature hereby finds and declares that it is necessary and essential that cities and cities and counties having populations of over 600,000 persons, and redevelopment agencies and housing authorities within such cities and cities and counties, be authorized to make long-term, low-interest loans to finance

residential rehabilitation in depressed residential areas in order to encourage the upgrading of property in such areas. Unless such local agencies intervene to provide some form of assistance to finance residential rehabilitation, many depressed residential areas will deteriorate at an accelerated pace because property owners are not able to obtain rehabilitation loans from private sources.

The Legislature further finds and declares that, while all cities suffer from the problem of deteriorating neighborhoods, the problem is more severe in large cities. In addition, large cities have a greater capacity to obtain funds for and to administer a program for financing residential rehabilitation. Therefore, this part shall be applicable only to cities and cities and counties having a population of more than 600,000 persons and to housing authorities and redevelopment agencies located therein.

37912. Unless the context otherwise requires, the following definitions shall govern the construction of this part:

(a) "Bonds" means any bonds, notes, interim certificates, debentures, or other obligations issued by a local agency pursuant to this part and which are payable exclusively from the revenues, as defined in subdivision (i), and from any other funds specified in this part upon which the bonds may be made a charge and from which they are payable.

(b) "Financing" means the lending of moneys or any other thing of value for the purpose of residential rehabilitation and includes refinancing of outstanding indebtedness of the participating party with respect to property which is subject to residential rehabilitation or the purchase of structures rehabilitated by a redevelopment agency functioning pursuant to Part 1 (commencing with Section 33000) of this division.

(c) "Legislative body" means the city council, board of supervisors, or other legislative body of the local agency.

(d) "Local agency" means any of the following:

(1) Any city or city and county having a population of over 600,000 persons.

(2) The redevelopment agency in a city or city and county having a population of over 600,000 persons which is functioning pursuant to Part 1 (commencing with Section 33000) of this division.

(3) The housing authority in a city or city and county having a population of over 600,000 persons which is functioning pursuant to Part 2 (commencing with Section 34200) of this division.

(e) "Participating party" means any person, company, corporation, partnership, firm, or other entity or group of entities requiring financing for residential rehabilitation pursuant to the provisions of this part. No elective officer of the state or any of its political subdivisions shall be eligible to be a participating party under the provisions of this part.

(f) "Residential rehabilitation" means the construction, reconstruction, renovation, replacement, extension, repair, betterment, equipping, developing, embellishing, or otherwise

improving residences consistent with standards of strength, effectiveness, fire resistance, durability, and safety, so that such structures are satisfactory and safe to occupy for residential purposes and are not conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime because of any one or more of the following factors:

(1) Defective design and character of physical construction.

(2) Faulty interior arrangement and exterior spacing.

(3) Inadequate provision for ventilation, lighting, and sanitation.

(4) Obsolescence, deterioration, and dilapidation.

(g) "Residence" means a residential structure and means a commercial structure which, in the judgment of the local agency, is an integral part of a residential neighborhood.

(h) "Rehabilitation standards" means the applicable local or state standards for the rehabilitation of buildings located in rehabilitation assistance areas, including any higher standards adopted by the local agency as part of its residential rehabilitation financing program.

(i) "Revenues" means all amounts received as repayment of principal, interest, and all other charges received for, and all other income and receipts derived by, the local agency from the financing of residential rehabilitation, including moneys deposited in a sinking, redemption, or reserve fund or other fund to secure the bonds or to provide for the payment of the principal of, or interest on, the bonds and such other moneys as the legislative body may, in its discretion, make available therefor.

(j) "Residential rehabilitation area" means the geographical area designated by the local agency as one for inclusion in a comprehensive residential rehabilitation financing program pursuant to the provisions of this part.

## CHAPTER 2. POWERS AND PROCEDURES

37915. A local agency may determine the location and character of any residential rehabilitation to be financed under the provisions of this part and may lend financial assistance to any participating party for the purpose of such residential rehabilitation in areas so designated by the local agency.

37916. The local agency may issue bonds and bond anticipation notes of the local agency for the purpose of financing residential rehabilitation authorized by this part and for the purpose of funding or refunding such bonds or notes.

37917 The local agency may fix fees, charges, and interest rates for financing residential rehabilitation and may from time to time revise such fees, charges, and interest rates to reflect changes in interest rates on the local agency's bonds, losses due to defaults, changes in loan servicing charges, or other expenses related to administration of the residential rehabilitation financing program. Any change in interest rate shall conform to the provisions of Section 1916.5 of the Civil Code, except that paragraph (3) of subdivision (a)

of Section 1916.5 shall not apply and that the "prescribed standard" specified in Section 1916.5 shall be periodically determined by the governing body of the local agency after hearing preceded by public notice to affected parties, and shall reflect changes in interest rates on the local agency's bonds, losses due to defaults, and bona fide changes in loan servicing charges related to the administration of a program under the provisions of this part. The local agency may collect interest and principal together with such fees and charges incurred in such financing and may contract to pay any person, partnership, association, corporation, or public agency with respect thereto. The local agency may hold deeds of trust as security for financing residential rehabilitation and may pledge the same as security for repayment of bonds issued pursuant to this part. The local agency may establish the terms and conditions for the financing of residential rehabilitation undertaken pursuant to this part.

The full amount owed on any loan for residential rehabilitation made pursuant to this part shall be due and payable upon sale or other transfer of ownership of the property subject to such rehabilitation, except that assignment of the loan to the buyer or transferee may be permitted in cases of hardship, which shall be defined, and procedures established for the determination of their existence, in the guidelines established pursuant to subdivision (c) of Section 37922.

37918. The local agency may employ engineering, architectural, accounting, collection, or other services, including services in connection with the servicing of loans made to participating parties, as may be necessary in the judgment of the local agency for the successful financing of such residential rehabilitation. The local agency may pay the reasonable costs of consulting engineers, architects, accountants, and construction experts, if, in the judgment of the local agency, such services are necessary to the successful financing of any residential rehabilitation and if the local agency is not able to provide such services. The local agency may employ and fix the compensation of financing consultants, bond counsel, and other advisers as may be necessary in its judgment to provide for the issuance and sale of any bonds or bond anticipation notes of the local agency.

37919. In addition to all other powers specifically granted by this part, the local agency may do all things necessary or convenient to carry out the purposes of this part.

37920. Revenues shall be the sole source of funds pledged by the local agency for repayment of its bonds. Bonds issued under the provisions of this part shall not be deemed to constitute a debt or liability of the local agency or a pledge of the faith and credit of the local agency but shall be payable solely from revenues. The issuance of bonds shall not directly, indirectly, or contingently obligate the legislative body to levy or pledge any form of taxation or to make any appropriation for their payment.

37921. All residential rehabilitation shall be constructed or

completed subject to the rules and regulations of the local agency. A local agency may acquire by deed, purchase, lease, contract, gift, devise, or otherwise any real or personal property, structures, rights, rights-of-way, franchises, easements, and other interests in lands necessary or convenient for the financing of residential rehabilitation, upon such terms and conditions as it deems advisable, and may lease, sell, or dispose of the same in such manner as may be necessary or desirable to carry out the objectives and purposes of this part.

37922. Prior to the issuance of any bonds or bond anticipation notes of the local agency for residential rehabilitation, the local agency shall by ordinance or resolution adopt a comprehensive residential rehabilitation financing program which shall include, but not be limited to, the following items:

(a) Criteria for selection of residential rehabilitation areas by the local agency which shall include findings by the local agency that:

(1) There are a substantial number of deteriorating structures in the area which do not conform to community standards for decent, safe, sanitary housing.

(2) Financial assistance from the local agency for residential rehabilitation is necessary to arrest the deterioration of the area.

(3) Financing of residential rehabilitation in the area is economically feasible.

However, these findings are not required when the residential rehabilitation area is a redevelopment project area that the provisions of the Community Redevelopment Law (Part 1 (commencing with Section 33000)) apply to.

(b) Procedures for selection of residential rehabilitation areas by the local agency which shall include:

(1) Provisions for citizen participation in selection of residential rehabilitation areas.

(2) Provisions for a public hearing by the governing body of the local agency prior to selection of any particular residential rehabilitation area by the local agency.

(c) A commitment that, subject to budgeting and fiscal limitations of the local agency, rehabilitation standards will be enforced in 95 percent of the residences in each residential rehabilitation area.

(d) Guidelines for financing residential rehabilitation which shall be subject to the following limitations:

(1) Outstanding loans on the property to be rehabilitated, including the amount of the loans for rehabilitation, shall not exceed 80 percent of the anticipated after-rehabilitation value of the property to be rehabilitated, except that the local agency may authorize loans of up to 95 percent of the anticipated after-rehabilitation value of the property if such loans are made for the purpose of rehabilitating the property for residential purposes, there is demonstrated need for such higher limit, and there is a high probability that the value of the property will not be impaired during the term of the loan.

(2) The maximum repayment period for residential rehabilitation loans shall be 20 years or three-fourths of the economic life of the property, whichever is less.

(3) The maximum amount loaned for rehabilitation for each dwelling unit and for each commercial unit which is, or is part of, a "residence" within the meaning of that term as defined in this part, shall be seventeen thousand five hundred dollars ($17,500).

(4) No more than 20 percent of any loan for residential rehabilitation shall be used for residential rehabilitation which is not required under the local agency's rehabilitation standards except that in the case of owner-occupied one-to-four-dwelling unit properties, up to 40 percent of the loan for residential rehabilitation may be used for residential rehabilitation not required under the local agency's rehabilitation standards

(5) Loans shall not be made for the purpose of refinancing the outstanding indebtedness of the participating party with respect to property which is subject to residential rehabilitation, unless the cost of meeting the rehabilitation standards is at least 20 percent of the principal amount of the loan

(e) A requirement that a plan for public improvements necessary to successful rehabilitation of the residential rehabilitation area be developed, with citizen participation, for each residential rehabilitation area and that the plan for public improvements be adopted by the local agency prior to the financing of residential rehabilitation in any residential rehabilitation area, together with a commitment that, subject to budgetary and fiscal limitations, such plan will be carried out by the local agency.

37922.5 A local agency, in order to prevent precipitous increases in rent which the loans would engender as to residential rental property, may require, as a condition of making a loan pursuant to this part, that the borrower contract during the term of the loan not to raise the rental amount over an amount which the agency by regulation establishes will yield a fair rate of return for similar investments and will allow for increases that are reasonably necessary to provide and continue proper maintenance of the property. This section shall apply only to structures which will contain 12 or more dwelling units after rehabilitation and to structures for which loans exceeding five thousand dollars ($5,000) per dwelling unit have been extended pursuant to this part.

37923. The local agency shall require that any residence which is rehabilitated with financing obtained under this part shall, until that financing is repaid, be open, upon sale or rental of any portion thereof, to all regardless of race, color, religion, national origin, or ancestry. The local agency shall also request that contractors and subcontractors engaged in residential rehabilitation financed under this part shall provide equal opportunity for employment, without discrimination as to race, sex, marital status, color, religion, national origin, or ancestry. All contracts and subcontracts for residential rehabilitation financed under this part shall be let without

discrimination as to race, sex, marital status, color, religion, national origin, or ancestry. It shall be the policy of the local agency financing residential rehabilitation under this part to encourage participation by minority contractors, and the local agency shall adopt rules and regulations to implement the provisions of this section.

37924. The authority of this part may be used to issue bonds for the purpose of financing residential rehabilitation in areas which were designated for concentrated code enforcement and have received federal funds under the Federally Assisted Code Enforcement program (Sections 115, 117, and 312 of the Housing Act of 1949, 42 U.S.C. 1466, 1468, and 1452b), and nothing in this part shall prevent using funds generated by bonds issued pursuant to the provisions of this part to finance residential rehabilitation in such areas.

37925 Any action challenging the legality of a comprehensive residential rehabilitation program, or of the selection of a residential rehabilitation area, or the adoption of a plan for public improvements for a residential rehabilitation area, shall be commenced within 60 days of the adoption of such program, selection of such area, or adoption of such plan for public improvements.

## CHAPTER 3. BONDS AND NOTES

37930. (a) A local agency may, from time to time, issue its negotiable bonds or notes for the purpose of financing residential rehabilitation, including the rehabilitation of (1) single residences for single participating parties, (2) a series of residences for a single participating party, (3) single residences for several participating parties, or (4) several residences for several participating parties. In anticipation of the sale of such bonds, the local agency may issue negotiable bond anticipation notes and may renew such notes from time to time Bond anticipation notes may be paid from the proceeds of sale of the bonds of the local agency in anticipation of which they were issued. Bond anticipation notes and agreements relating thereto and the resolution or resolutions authorizing such notes and agreements may contain any provisions, conditions, or limitations which a bond, agreement relating thereto, or bond resolution of the local agency may contain except that any such note or renewal thereof shall mature at a time not later than two years from the date of the issuance of the original note.

(b) Every issue of its bonds shall be a special obligation of the local agency payable from all or any part of the revenues specified in this part. The bonds shall be negotiable instruments for all purposes, subject only to the provisions of such bonds for registration.

37931 The bonds may be issued as serial bonds or as term bonds, or the local agency, in its discretion, may issue bonds of both types The bonds shall be authorized by resolution of the local agency and shall bear such date or dates, mature at such time or times, not

exceeding 50 years from their respective dates of issuance, bear interest at such fixed or variable rate or rates, be payable at such time or times, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in lawful money of the United States of America, at such place or places, and be subject to such terms of redemption as the resolution or resolutions of the local agency may provide. The bonds may be sold at either a public or private sale and for such prices as the local agency shall determine. Pending preparation of the definitive bonds, the local agency may issue interim receipts, certificates, or temporary bonds, which shall be exchanged for such definitive bonds. The local agency may sell any bonds, notes, or other evidence of indebtedness at a price below the par value thereof, but the discount on any bond so sold shall not exceed 6 percent of the par value thereof.

37932. Any resolution or resolutions authorizing any bonds or any issue of bonds may contain provisions respecting any of the following terms and conditions, which shall be a part of the contract with the holders of the bonds:

(a) The pledge of all or any part of the revenues, as defined in this part, subject to such agreements with bondholders as may then exist.

(b) The interest and principal to be received and other charges to be charged and the amounts to be raised each year thereby, and the use and disposition of the revenues.

(c) The setting aside of reserves or sinking funds and the regulation and disposition thereof.

(d) Limitations on the purposes to which the proceeds of a sale of any issue of bonds, then or thereafter issued, may be applied, and pledging such proceeds to secure the payment of the bonds or any issue of bonds.

(e) Limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured, and the refunding of outstanding bonds.

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

(g) Limitation on expenditures for operating, administration, or other expenses of the local agency.

(h) Specification of the acts or omissions to act which shall constitute a default in the duties of the local agency to holders of its obligations, and providing the rights and remedies of such holders in the event of default.

(i) The mortgaging of any residence and the site thereof for the purpose of securing the bondholders.

(j) The mortgaging of land, improvements, or other assets owned by a participating party for the purpose of securing the bondholders.

37933. Neither the members of the governing board of the local agency nor any person executing the bonds or notes shall be liable

personally on the bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof.

37934. The local agency shall have the power out of any funds available therefor to purchase its bonds or notes. The local agency may hold, pledge, cancel, or resell such bonds, subject to and in accordance with agreements with the bondholders.

37935. In the discretion of the local agency, any bonds issued under the provisions of this part may be secured by a trust agreement by and between the local agency and a corporate trustee or trustees, which may be any trust company or bank having the powers of a trust company within or without this state. Such trust agreement or the resolution providing for the issuance of such bonds may pledge or assign the revenues to be received or proceeds of any contract or contracts pledged, and may convey or mortgage any residence the rehabilitation of which is to be financed out of the proceeds of such bonds. Such trust agreement or resolution providing for the issuance of bonds may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including such provisions as may be included in any resolution or resolutions of the local agency authorizing the issuance of bonds pursuant to Section 37932. Any bank or trust company doing business under the laws of this state which may act as depositary of the proceeds of bonds or of revenues or other moneys may furnish such indemnity bonds or pledge such securities as may be required by the local agency. Any such trust agreement may set forth the rights and remedies of the bondholders and of the trustee or trustees, and may restrict the individual right of action by bondholders. In addition to the foregoing, any such trust agreement or resolution may contain such other provisions as the local agency may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of such trust agreement or resolution may be treated as a part of the cost of residential rehabilitation.

37936. Any holder of bonds issued under the provisions of this part or any of the coupons appertaining thereto, and the trustee or trustees appointed pursuant to any resolution authorizing the issuance of such bonds, except to the extent the rights thereof may be restricted by the resolution authorizing the issuance of the bonds, may, either at law or in equity, by suit, action, mandamus, or other proceedings, protect or enforce any and all rights specified in the laws of the state or in such resolution, and may enforce and compel the performance of all duties required by this part or by such resolution to be performed by the local agency or by any officer, employee, or agent thereof, including the fixing, charging, and collecting of rates, fees, interest, and charges authorized and required by the provisions of such resolution to be fixed, established, and collected.

37937. Bonds issued under the provisions of this part shall not be deemed to constitute a debt or liability of the local agency or a pledge

of the faith and credit of the local agency, but shall be payable solely from the funds specified in this part. All such bonds shall contain on the face thereof a statement to the following effect:

> Neither the faith and credit nor the taxing power of the [local agency] is pledged to the payment of the principal of or interest on this bond.

The issuance of bonds under the provisions of this part shall not directly, indirectly, or contingently obligate the local agency to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment.

37938. (a) The local agency may provide for the issuance of the bonds of the local agency for the purpose of refunding any bonds of the local agency then outstanding including the payment of any redemption premiums thereof and any interest accrued or to accrue to the earliest or subsequent date of redemption, purchase, or maturity of such bonds, and, if deemed advisable by the local agency, for the additional purpose of paying all or any part of the cost of additional residential rehabilitation.

(b) The proceeds of bonds issued for the purpose of refunding any outstanding bonds may, in the discretion of the local agency, be applied to the purchase or retirement at maturity or redemption of such outstanding bonds, either at their earliest or any subsequent redemption date or upon the purchase or retirement at the maturity thereof and may, pending such application, be placed in escrow, to be applied to such purchase or retirement at maturity or redemption on such date as may be determined by the local agency.

(c) Pending use for purchase, retirement at maturity, or redemption of outstanding bonds, any proceeds held in escrow pursuant to subdivision (b) may be invested and reinvested as provided in the resolution authorizing the issuance of the bonds. Any interest or other increment earned or realized on any such investment may also be applied to the payment of the outstanding bonds to be refunded. After the terms of the escrow have been fully satisfied and carried out, any balance of such proceeds and any interest or increment earned or realized from the investment thereof may be returned to the local agency to be used by it for any lawful purpose.

(d) That portion of the proceeds of any such bonds designated for the purpose of paying all or any part of the cost of additional residential rehabilitation pursuant to subdivision (a) may be invested and reinvested in obligations of, or guaranteed by, the United States of America or in certificates of deposit or time deposits secured by obligations of, or guaranteed by, the United States of America, maturing not later than the time or times when such proceeds will be needed for the purpose of paying all or any part of such cost.

(e) All bonds issued pursuant to this section shall be subject to the

provisions of this part in the same manner and to the same extent as other bonds issued pursuant to this part.

37939. Notwithstanding any other provisions of law, bonds issued pursuant to this part shall be legal investments for all trust funds, the funds of insurance companies, savings and loan associations, investment companies and banks, both savings and commercial, and shall be legal investments for executors, administrators, trustees, all other fiduciaries. Such bonds shall be legal investments for state school funds and for any funds which may be invested in county, municipal, or school district bonds, and such bonds shall be deemed to be securities which may properly and legally be deposited with, and received by, any state or municipal officer or by any agency or political subdivision of the state for any purpose for which the deposit of bonds or obligations of the state is now, or may hereafter be, authorized by law, including deposits to secure public funds.

37940. The exercise of the powers granted by this part shall be in all respects for the benefit of the people of this state and for their health and welfare. Any bonds or notes issued under the provisions of this chapter, their transfer and the income therefrom, shall at all times be free from taxation of every kind by the state and by the municipalities and other political subdivisions of the state.

## CHAPTER 4. REHABILITATION LOANS

37950. The local agency may lend money to any participating party in an area designated pursuant to Section 37921 for the purpose of residential rehabilitation. All agreements for such loans shall provide that the architectural and engineering design of the residential rehabilitation shall be subject to such standards as may be established by the local agency and that the work of such residential rehabilitation shall be subject to such supervision as the local agency deems necessary.

37951. The local agency may enter into loan agreements with any participating party relating to residential rehabilitation of any kind or character. The terms and conditions of such loan agreements may be as mutually agreed upon. Any such loan agreement may provide the means or methods by which any mortgage taken by the local agency shall be discharged, and it shall contain such other terms and conditions as the local agency may require. The local agency is authorized to fix, revise, charge, and collect interest and principal and all other rates, fees, and charges with respect to financing of residential rehabilitation. Such rates, fees, charges, and interest shall be fixed and adjusted so that the aggregate of such rates, fees, charges, and interest will provide funds sufficient with other revenues and moneys which it is anticipated will be available therefor, if any, to do all of the following:

(a) Pay the principal of and interest on outstanding bonds of the local agency issued to finance such residential rehabilitation as the same shall become due and payable.

(b) Create and maintain reserves required or provided for in any resolution authorizing such bonds. A sufficient amount of the revenues derived from residential rehabilitation may be set aside at such regular intervals as may be provided by the resolution in a sinking or other similar fund, which is hereby pledged to, and charged with, the payment of the principal of and interest on such bonds as the same shall become due, and the redemption price or the purchase price of bonds retired by call or purchase as therein provided. Such pledge shall be valid and binding from the time the pledge is made. The rates, fees, interest, and other charges, revenues, or moneys so pledged and thereafter received by the local agency shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the local agency, irrespective of whether such parties have notice thereof. Neither the resolution nor any loan agreement by which a pledge is created need be filed or recorded except in the records of the local agency. The use and disposition of moneys to the credit of such sinking or other similar fund shall be subject to the provisions of the resolution authorizing the issuance of such bonds. Except as may otherwise be provided in such resolution, such sinking or other similar fund may be a fund for all bonds of the local agency issued to finance the rehabilitation of the residence of a particular participating party without distinction or priority. The local agency, however, in any such resolution may provide that such sinking or other similar fund shall be the fund for a particular residential rehabilitation project or projects and for the bonds issued to finance such residential rehabilitation project or projects and may, additionally, authorize and provide for the issuance of bonds having a lien with respect to the security authorized by this section which is subordinate to the lien of other bonds of the local agency, and, in such case, the local agency may create separate sinking or other similar funds securing the bonds having the subordinate lien.

(c) Pay operating and administrative costs of the local agency incurred in the administration of the program authorized by this part.

37952. All moneys received pursuant to the provisions of this part, whether proceeds from the sale of bonds or revenues, shall be deemed to be trust funds to be held and applied solely as provided in this part. Any bank or trust company in which such moneys are deposited shall act as trustee of such moneys and shall hold and apply the same for the purposes specified in this part, subject to the terms of the resolution authorizing the bonds.

## CHAPTER 5. CONSTRUCTION AND EFFECT

37960. This part being necessary for the welfare of the state and its inhabitants, shall be liberally construed to effect its purposes.

37961. If the jurisdiction of the legislative body to order the proposed act is not affected, an omission of any officer or the local agency in proceedings under this part or any other defect in the proceedings shall not invalidate the proceedings or bonds issued pursuant to this part.

37962. This part is full authority for the issuance of bonds by a local agency for the purpose of financing residential rehabilitation.

37963. This part shall be deemed to provide a complete, additional, and alternative method for doing the things authorized thereby, and shall be regarded as supplemental and additional to the powers conferred by other laws. The issuance of bonds and refunding bonds under the provisions of this part need not comply with the requirements of any other law applicable to the issuance of bonds.

37964. An action may be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure to determine the validity of bonds and the legality and validity of all proceedings previously taken and (as provided in the bond resolution) proposed to be taken for the authorization, issuance, sale, and delivery of the bonds and for the payment of the principal thereof and interest thereon.

SEC. 2. Any local agency implementing a program of loans authorized by this act during the first two years after the effective date of Part 13 (commencing with Section 37910) of Division 24 of the Health and Safety Code, as added by this act, shall report to the Legislature once every six months on the progress of such program, commencing six months after the inception of the program. The obligation to report shall terminate after submission of the report for the period which includes December 31, 1975.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of 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:

Federal financial assistance for residential rehabilitation under the Federally Assisted Code Enforcement program has been terminated. The burden of financing residential rehabilitation has now fallen upon the major cities in the State of California. It is imperative to facilitate local financing of residential rehabilitation together with private sector cooperation, so that urban neighborhoods will not deteriorate and become subject to blight, constituting buildings which are unfit or unsafe to occupy for residential purposes and are conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime. Unless this act is passed as an urgency statute, the financing of residential rehabilitation will cease and the several major cities in the State of California having staffs experienced in the administration of the Federally Assisted Code Enforcement program will be discharged, thus preventing the continuance of the financing of residential rehabilitation in such cities on an orderly basis during the fiscal year 1973–74. For these reasons it is necessary that the act take effect

immediately.

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## CHAPTER 1202

*An act to add Chapter 2 (commencing with Section 1250) to Division 2 of, and to repeal Chapter 2 (commencing with Section 1250) of Division 2 of, the Health and Safety Code, to amend Sections 16300 and 16312 of the Welfare and Institutions Code, and to amend Section 19 of Chapter 1148 of the Statutes of 1972, relating to health.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Chapter 2 (commencing with Section 1250) of Division 2 of the Health and Safety Code, as added by Chapter 1148 of the Statutes of 1972, is repealed.

SEC. 2. Chapter 2 (commencing with Section 1250) is added to Division 2 of the Health and Safety Code, to read:

### CHAPTER 2 HEALTH FACILITIES

### Article 1 General

1250. As used in this chapter "health facility" means any facility, place or building which is organized, maintained and operated for the diagnosis, care and treatment of human illness, physical or mental, including convalescence and rehabilitation and including care during and after pregnancy, or for any one or more of these purposes, for one or more persons, to which such persons are admitted for a 24-hour stay or longer, and includes the following types:

(a) "General acute care hospital" means a health facility having a duly constituted governing body with overall administrative and professional responsibility and an organized medical staff which provides 24-hour in-patient care, including the following basic services: medical, nursing, surgical, anesthesia, laboratory, radiology, pharmacy, and dietary services.

(b) "Acute psychiatric hospital" means a health facility having a duly constituted governing body with overall administrative and professional responsibility and an organized medical staff which provides 24-hour inpatient care for mentally disordered, incompetent, or other patients referred to in Division 5 (commencing with Section 5000) or Division 6 (commencing with Section 6000) of the Welfare and Institutions Code, including the following basic services: medical, nursing, rehabilitative, pharmacy,

and dietary services.

(c) "Skilled nursing facility" means a health facility which provides the following basic services: skilled nursing care and supportive care to patients whose primary need is for availability of skilled nursing care on an extended basis.

(d) "Intermediate care facility" means a health facility which provides the following basic services: in-patient care to ambulatory or semi-ambulatory patients who have recurring need for skilled nursing supervision and need supportive care, but who do not require availability of continuous skilled nursing care.

1250.5. "Council" means the Advisory Health Council.

1251. "License" means a basic permit to operate a health facility, which shall not be transferable.

1251.5. A "special permit" is a permit issued in addition to a license, authorizing a health facility to offer one or more of the special services specified in Section 1255 when the state department has determined that the health facility has met the standards for quality of care established by state department pursuant to Article 3 (commencing with Section 1275).

1252. "Special service" means a functional division, department, or unit of a health facility which is organized, staffed and equipped to provide a specific type or types of patient care and which has been identified by regulations of the state department and for which the state department has established special standards for quality of care.

1253. No person, firm, partnership, association, corporation, or political subdivision of the state, or other governmental agency within the state shall operate, establish, manage, conduct, or maintain a health facility in this state, without first obtaining a license therefor as provided in this chapter, nor provide, after July 1, 1974, special services without approval of the state department. However, any health facility offering any special service on the effective date of this section shall be approved by the state department to continue such services until the state department evaluates the quality of such services and takes permitted action.

1254. The state department shall inspect and license health facilities. The state department shall license general acute care hospitals, acute psychiatric hospitals, skilled nursing facilities, and intermediate care facilities to provide their respective basic services specified in Section 1250. Except as provided in Section 1253, the state department shall inspect and approve a general acute care hospital to provide special services as specified in Section 1255. The state department shall develop and adopt regulations to implement the provisions contained in this section prior to July 1, 1974.

1255. In addition to the basic services offered under the license, a general acute care hospital may be approved in accordance with subdivision (b) of Section 1277 to offer special services including, but not limited to, the following:

(a) Radiation therapy department.

(b) Burn center.

(c) Emergency center.
(d) Hemodialysis center (or unit).
(e) Psychiatric unit.
(f) Such other special services as the department may prescribe by regulation.

The state department shall adopt standards for special services and such other regulations as may be necessary to implement this section.

1256. The use of the name or title "hospital" by any person or persons to identify or represent a facility for the diagnosis, care, and treatment of human illness other than a facility subject to or specifically exempted from the licensure provisions of this chapter is prohibited. Notwithstanding any other provisions of the laws of this state, the name or title "hospital" shall not be used by any sanitarium, nursing home, convalescent home, or maternity home, unless preceded by some qualifying descriptive word such as convalescent, geriatric, rehabilitation, or nursing.

1257. The state department may delegate to local health departments the authority to verify compliance with the licensing and approval provisions of this chapter, to provide consultation, and to recommend disciplinary action by the department against those licensed or approved under the provisions of this chapter. In exercising the authority so delegated, the local health department shall conform to the requirements of this chapter and to the rules and regulations of the state department. Payment to the local health departments for services performed pursuant to this section shall be in accordance with a budget submitted by the local health department and approved by the state department. Such expenditures shall not exceed amounts appropriated by the Legislature for the purpose of such inspection and enforcement.

## Article 2. Administration

1265. Any person, political subdivision of the state, or governmental agency desiring a license for a health facility or approval for a special service under the provisions of this chapter shall file with the state department a verified application on forms prescribed and furnished by the state department, containing:

(a) The name of the applicant and, if an individual, whether the applicant has attained the age of 18 years.
(b) The type of facility or health facility.
(c) The location thereof.
(d) The name of the person in charge thereof.
(e) Evidence satisfactory to the state department that the applicant is of reputable and responsible character. If applicant is a firm, association, organization, partnership, business trust, corporation, or company, like evidence shall be submitted as to the members or shareholders thereof, and the person in charge of the health facility for which application for license is made. If the applicant is a political subdivision of the state or other governmental

agency, like evidence shall be submitted as to the person in charge of the health facility for which application for license is made.

(f) Evidence satisfactory to the state department of the ability of the applicant to comply with the provisions of this chapter and of rules and regulations promulgated under this chapter by the state department.

(g) Such other information as may be required by the state department for the proper administration and enforcement of this chapter.

1265.5. In addition to the requirements of Section 1265, any person, political subdivision of the state, or governmental agency desiring a license as a health facility or a facility for the mentally disordered or incompetent under the provisions of this chapter which shall cover a new health facility or additional bed capacity or the conversion of existing bed capacity to a different license category, except outpatient and emergency services, shall file with the state department a verified statement on a form prescribed, prepared, and furnished by the state department containing:

(a) The date applicant filed its complete application for new or additional bed capacity or conversion of an existing bed capacity with the voluntary area health planning agency or voluntary local health planning agency approved pursuant to Section 437.7.

(b) The date or dates the voluntary area health planning agency or voluntary local health planning agency held a public hearing or hearings on the proposal, and evidence that the applicant participated in the hearing in accordance with established procedures of such group.

(c) The date the voluntary area health planning agency or the consumer members of a voluntary area health planning agency acting as an appeals body or the council made a final and favorable decision concerning the new or additional bed capacity or conversion of facilities and a statement that the time for appeal has expired, or in the case of a modified approval, that the modifications have been made, or

(d) That the time allowed for decision has passed and no decision has been made or that the voluntary area health planning agency failed to act upon a lack of recommendation by the voluntary local health planning agency within the time allowed, or

(e) That more than 12 months have expired since a decision has been reached by the voluntary area health planning agency.

1265.7. The state department may review, but shall not approve, any construction plans or issue any license for a health facility or a facility for the mentally disordered or incompetent under this chapter which shall cover new or additional bed capacity, or the conversion of an existing bed capacity to a different license category, except outpatient and emergency services, until the applicant has complied with the provisions of Section 1265.5.

1265.8. In addition to the requirements of this chapter, any person, political subdivision of the state, or governmental agency

desiring a license for a health facility shall file with the state department a verified statement that it has complied with the requirements of Chapter 1 (commencing with Section 15000) of Division 12.5, and it has received approval pursuant to that chapter. The state department shall not issue any license until such requirement has been met.

1266. Each application for a license or a special permit submitted pursuant to this chapter shall be accompanied by a fee to be determined annually by the director by regulation adopted in accordance with Chapter 4.5 (commencing with Section 11371) of Part 1 of Division 3 of Title 2 of the Government Code. Such fee shall be in an amount sufficient to cover the cost to the State General Fund for administering and enforcing the licensing and approval provisions of this chapter, including inspections. Separate fees shall be established for each of the types of health facilities, as defined in Section 1250, in an amount commensurate with their respective share of the cost of administering this chapter. Health facilities which pay fees shall not be required to pay, directly or indirectly, the share of administrative costs of those health facilities for which fees are waived. The fee for any of such types of health facilities shall not be increased by more than 10 percent over the amount of the fee charged for the prior year.

The fees determined pursuant to this section shall be waived for any health facility conducted, maintained, or operated by this state or any state department, authority, bureau, commission, or officer, or by the Regents of the University of California, or by a local hospital district, city, or county.

1267. Each license issued pursuant to this chapter shall expire 12 months from the date of its issuance and each special permit shall expire on the expiration date of the license. Application for renewal of a license or special permit accompanied by the necessary fee shall be filed with the state department not less than 10 days prior to the expiration date. Failure to make a timely renewal shall result in expiration of the license or special permit.

A renewal license or special permit may be issued for a period not to exceed two years if the holder of the license or special permit has been found not to have been in violation of any statutory requirements, regulations, or standards during the preceding license period.

1268. Upon the filing of the application for licensure or for a special permit for special services and full compliance with the provisions of this chapter and the rules and regulations of the state department, the state department shall issue to the applicant the license or special permit applied for. However, if the director finds that the applicant is not in compliance with the laws or regulations of this part, he shall deny the applicant a license or a special permit for special services.

1269. Immediately upon the denial of any application for a license or for a special permit for special services, the state

department shall notify the applicant in writing. Within 20 days after the state department mails the notice, the applicant may present his written petition for a hearing to the state department. Upon receipt by the state department of the petition in proper form, such petition shall be set for hearing. The proceedings shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the state department has all the powers granted therein.

1270. The provisions of this chapter do not apply to the following institutions:

(a) Any facility conducted by and for the adherents of any well-recognized church or religious denomination for the purpose of providing facilities for the care or treatment of the sick who depend upon prayer or spiritual means for healing in the practice of the religion of such church or denomination.

(b) Hotels or other similar places that furnish only board and room, or either, to their guests.

(c) Any house or institution supplying board and room only, or room only, or board only; provided, that no resident thereof requires any element of medical care as determined by the department.

## Article 2.5. Advisory Board

1272. The advisory board created by Chapter 1148 of the Statutes of 1972 is continued in existence. The board shall assist, advise, and make recommendations to the director and the state department for the establishment of rules and regulations necessary to insure the proper administration and enforcement of the provisions of this chapter and for those purposes to serve as consultants to the director.

The board shall consist of the director, who shall serve as chairman ex officio, and 11 members, four of whom shall be superintendents or administrators of hospitals with at least five years of experience as such in hospitals having a capacity of 100 beds or more, one of whom shall be a superintendent or administrator of a hospital having a capacity of 99 beds or less two of whom shall be administrators or operators of nursing homes with at least five years of experience in the operation of such homes, and four of whom shall be representatives of the general public, appointed by the Governor to hold office for four-year terms and until the appointment and qualification of their successors. One or more of the appointed members shall be a doctor of medicine who is licensed in California. Terms of the members of the advisory board shall expire in the following order: hospital representatives, one on October 15, 1973, two on October 15, 1975, and two on October 15, 1976; nursing home representatives, one on October 15, 1973, and one on October 15, 1974; and the remaining member of the board on October 15, 1973. The initial terms of the consumer representatives shall expire one on October 15, 1974, two on October 15, 1975, an one on October 15, 1976. At the time of making the appointments the Governor shall

designate the term for which each member of the board is appointed. Vacancies shall be filled by appointment for the unexpired term.

The repeal and reenactment of the provisions relating to the board by the Statutes of 1973 shall not affect the term of office of any member of the board appointed prior to January 1, 1974.

1273. Members of the board shall serve without compensation but shall receive their actual and necessary expenses incurred in the performance of the duties of their office.

1274. The board shall meet with the director at least twice each year and at such other times during the year as may be determined from time to time by the director.

## Article 3. Regulations

1275. The state department shall adopt, amend, or repeal, in accordance with Chapter 4.5 (commencing with Section 11371) of Part 1 of Division 3 of Title 2 of the Government Code, such reasonable rules and regulations as may be necessary or proper to carry out the purposes and intent of this chapter and to enable the state department to exercise the powers and perform the duties conferred upon it by this chapter, not inconsistent with any of the provisions of any statute of this state.

All regulations in effect on December 31, 1973, which were adopted by the State Board of Public Health, the State Department of Public Health, the State Department of Mental Hygiene, or the State Department of Health relating to licensed health facilities shall remain in full force and effect until altered, amended, or repealed by the director.

1276. The regulations shall prescribe standards of adequacy, safety, and sanitation of the physical plant, of staffing with duly qualified licensed personnel, and of services, based on the type of health facility and the needs of the persons served thereby.

1277. (a) No license shall be issued by the state department unless it finds that the premises, the management, the bylaws, rules and regulations, the equipment, the staffing, both professional and nonprofessional, and the standards of care and services are adequate and appropriate, and that the facility is operated in the manner required by this chapter and by the rules and regulations adopted hereunder.

(b) A special permit shall be issued by the state department when it finds that the staff, both professional and nonprofessional, and the standards of care and services are adequate and appropriate, and that the special services unit is operated in the manner required in this chapter and by the rules and regulations adopted hereunder.

1278. Any officer, employee, or agent of the state department may, upon presentation of proper identification, enter and inspect any building or premises at any reasonable time to secure compliance with, or to prevent a violation of, any provision of this chapter.

1279. Every health facility for which a license or special permit has been issued shall be periodically inspected by a representative or representatives appointed by the state department, depending upon the type and complexity of the health facility or special service to be inspected. Inspections shall be conducted no less than once every two years and as often as necessary to insure the quality of care being provided. During the inspection, the representative or representatives shall offer such advice and assistance to the health facility as they deem appropriate.

For acute care hospitals of 100 beds or more, the inspection team shall include at least a physician, registered nurse, and persons experienced in hospital administration and sanitary inspections. During the inspection, the team shall offer such advice and assistance to the hospital as it deems appropriate.

1280. The state department may provide consulting services upon request to any health facility to assist in the identification or correction of deficiencies or the upgrading of the quality of care provided by the health facility.

The state department shall notify the health facility of all deficiencies in its compliance with the provisions of this chapter and the rules and regulations adopted hereunder, and the health facility shall agree with the state department upon a plan of corrections which shall give the health facility a reasonable time to correct such deficiencies. If at the end of the allotted time, as revealed by inspection, the health facility has failed to correct the deficiencies, the director may take action to revoke or suspend the license.

Reports on the results of each inspection of a health facility shall be prepared by the inspector or inspector team and shall be kept on file in the state department along with the plan of correction and health facility comments. The inspection report may include a recommendation for reinspection.

All inspection reports, lists of deficiencies, and plans of correction shall be open to public inspection.

1282. The state department shall have the authority to contract for outside personnel to perform inspections of health facilities as the need arises. The state department, when feasible, shall contract with nonprofit, professional organizations which have demonstrated the ability to carry out the provisions of this chapter. Such organizations shall include, but not be limited to, the California Medical Association Committee on Medical Staff Surveys and participants in the Consolidated Hospital Survey Program.

Quality of care inspections have been performed in recent years by the California Medical Association Committee on Staff Surveys and other organizations which have combined their efforts in the Consolidated Hospital Survey Program. It is the intent of the Legislature that these organizations or comparable organizations shall continue to perform such inspections by contract when sufficient manpower is available from such organizations to do so, unless the state department demonstrates that such inspections fail

to assure compliance with the quality of care standards set by this chapter.

## Article 4. Offenses

1290. Any person who violates any of the provisions of this chapter or who willfully or repeatedly violates any rule or regulation promulgated under this chapter is guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not to exceed five hundred dollars ($500) or by imprisonment in the county jail for a period not to exceed 180 days or by both such fine and imprisonment.

1291. The director may bring an action to enjoin the violation or threatened violation of Section 1253 in the superior court in and for the county in which the violation occurred or is about to occur. Any proceeding under the provisions of this section shall conform to the requirements of Chapter 3 (commencing with Section 525) of Title 7 of Part 2 of the Code of Civil Procedure, except that the director shall not be required to allege facts necessary to show or tending to show lack of adequate remedy at law or irreparable damage or loss. Upon a finding by the director that such violations threaten the health or safety of patients in, or served by, a health facility, the health officer of any county or city health department which has been delegated inspection authority as defined in Section 1257 may bring an action to enjoin the violation, threatened violation, or continued violation by any health facility which is located in an area which is under his local health jurisdiction.

1292. Any action brought by the director against a health facility shall not abate by reason of a sale or other transfer of ownership of the health facility which is a party to the action except with express written consent of the director.

1293. The district attorney of every county shall, upon application by the state department or its authorized representative, institute and conduct the prosecution of any action for violation within his county of any provisions of this chapter.

## Article 5. Suspension and Revocation

1294. The state department may suspend or revoke any license or special permit issued under the provisions of this chapter upon any of the following grounds and in the manner provided in this chapter:

(a) Violation by the licensee or holder of a special permit of any of the provisions of this chapter or of the rules and regulations promulgated under this chapter

(b) Aiding, abetting, or permitting the violation of any provision of this chapter or of the rules and regulations promulgated under this chapter.

(c) Conduct inimical to the public health, morals, welfare, or safety of the people of the State of California in the maintenance and operation of the premises or services for which a license or special

permit is issued.

1295 Proceedings for the suspension, revocation, or denial of licenses or special permits under this chapter shall be conducted in accordance with the provisions of Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the state department shall have all the powers granted by such provisions. In the event of conflict between the provisions of this chapter and such provisions of the Government Code, the provisions of the Government Code shall prevail

1296. The director may temporarily suspend any license or special permit prior to any hearing, when in his opinion such action is necessary to protect the public welfare The director shall notify the licensee or holder of a special permit of the temporary suspension and the effective date thereof and at the same time shall serve such provider with an accusation Upon receipt of a notice of defense by the licensee or holder of a special permit, the director shall set the matter for hearing within 30 days after receipt of such notice. The temporary suspension shall remain in effect until such time as the hearing is completed and the director has made a final determination on the merits, provided, however, that the temporary suspension shall be deemed vacated if the director fails to make a final determination on the merits within 60 days after the original hearing has been completed.

If the provisions of this chapter or the rules or regulations promulgated by the director are violated by a licensee or holder of a special permit which is a group, corporation, or other association, the director may suspend the license or special permit of such organization or may suspend the license or special permit as to any individual person within such organization who is responsible for such violation.

1297. The withdrawal of an application for a license or a special permit after it has been filed with the state department shall not, unless the state department consents in writing to such withdrawal, deprive the state department of its authority to institute or continue a proceeding against the applicant for the denial of the license or a special permit upon any ground provided by law or to enter an order denying the license or special permit upon any such ground.

The suspension, expiration, or forfeiture by operation of law of a license or a special permit issued by the state department, or its suspension, forfeiture, or cancellation by order of the state department or by order of a court of law, or its surrender without the written consent of the state department, shall not deprive the state department of its authority to institute or continue a disciplinary proceeding against the licensee or holder of a special permit upon any ground provided by law or to enter an order suspending or revoking the license or special permit or otherwise taking disciplinary action against the licensee or holder of a special permit on any such ground.

1298. No person, firm, partnership, association, corporation,

political subdivision of the state, or other governmental agency within the state shall continue to operate, conduct or maintain an existing health facility without having applied for and obtained a license or a special permit as provided for in this chapter.

Any license or special permit revoked pursuant to this chapter may be reinstated pursuant to the provisions of Section 11522 of the Government Code.

1300. Any licensee or holder of a special permit may, with the approval of the state department, surrender his license or special permit for suspension or cancellation by the state department. Any license or special permit suspended or canceled pursuant to this section may be reinstated by the state department on receipt of an application showing compliance with the requirements of Section 1265.

## Article 6. Malpractice Actions

1305. (a) Every insurer providing professional liability insurance to a health facility licensed pursuant to this chapter and every health facility or associated group of health facilities licensed pursuant to this chapter under common ownership which are self insured shall report periodically, but in no event less than once each year, to the state department any final judgment over three thousand dollars ($3,000) rendered against such health facility during the preceding year in, or any settlement over three thousand dollars ($3,000) during the preceding year of, a claim or action for damages for personal injuries caused by an error, omission, or negligence in the performance of its professional services, or by the performance of its professional services without consent.

(b) In the event that there are no final judgments or settlements in excess of three thousand dollars ($3,000) during the year such fact shall also be reported to the department.

1306. Notwithstanding any other provision of law, no insurer shall enter into a settlement exceeding three thousand dollars ($3,000) to settle a claim or action referred to in Section 1305 without the written consent of the insured, except that this prohibition shall not void any settlement entered into without such written consent.

The requirement of written consent can only be waived by both the insured and the insurer.

The provisions of this section shall only apply to a settlement on a policy of insurance executed or renewed on or after January 1, 1971.

1307. The state department shall keep a record of all reports made pursuant to Section 1305.

The department shall prepare a statistical report based upon such records for presentation to the Legislature not later than March 1st of each year.

1308. The state department shall notify every health facility licensed pursuant to this chapter and every insurer providing professional liability insurance to such health facilities of the

provisions of this article.

Article 7. Other Services

1315. Dental services, as defined in the Dental Practice Act, may be provided patients in health facilities licensed under this chapter. Such services shall be provided by persons licensed by the State of California pursuant to Section 1611 of the Business and Professions Code. However, this section shall not limit or restrict the right of a licensed physician and surgeon to perform any acts authorized under the Medical Practice Act.

1316. The rules of a health facility may include provisions for use of the facility by duly licensed podiatrists subject to rules and regulations governing such use established by the medical staff or the podiatric staff of the health facility Such staff comprised of physicians and surgeons, podiatrists, or any combination thereof, may regulate the admission, conduct suspension, or termination of the staff appointment of the podiatrists while using the facilities. No classification of health facilities by the state department, nor any other classification of health facilities based on quality of service or otherwise, by any person, body, or governmental agency of this state or any subdivision thereof shall be affected by a health facility's provision for use of its facilities by duly licensed podiatrists, nor shall any such classification be affected by the subjection of the podiatrists to the rules and regulations of a staff comprising podiatrists, physicians and surgeons, or any combination thereof, which govern the podiatrists' use of the facilities. No classification of health facilities by any governmental agency of this state or any subdivision thereof pursuant to present law or laws passed hereinafter for the purposes of ascertaining eligibility for compensation, reimbursement, or other benefit for treatment of patients shall be affected by a health facility's provision for use of its facilities by duly licensed podiatrists, nor shall any such classification be affected by the subjection of the podiatrists to the rules and regulations of a staff comprising podiatrists, physicians and surgeons, or any combination thereof, which govern the podiatrists use of the facilities.

1317. Emergency services and care shall be provided to any person requesting such services or care, or for whom such services or care is requested, for any condition in which the person is in danger of loss of life, or serious injury or illness, at any health facility licensed under this chapter that maintains and operates an emergency department to provide emergency services to the public when such health facility has appropriate facilities and qualified personnel available to provide such services or care.

Neither the health facility, its employees, nor any physician, dentist, or podiatrist shall be held liable in any action arising out of a refusal to render emergency services or care if reasonable care is exercised in determining the condition of the person, or in determining the appropriateness of the facilities, the qualifications

and availability of personnel to render such services.

Emergency services and care shall be rendered without first questioning the patient or any other person as to his ability to pay therefor, provided that the patient or his legally responsible relative or guardian shall execute an agreement to pay therefor or otherwise supply insurance or credit information promptly after the services are rendered.

If a health facility subject to the provisions of this chapter does not maintain an emergency department, its employees shall nevertheless exercise reasonable care to determine whether an emergency exists and shall direct the persons seeking emergency care to a nearby facility which can render the needed services, and shall assist the persons seeking emergency care in obtaining such services, including transportation services, in every way reasonable under the circumstances.

No act or omission of any rescue team established by any health facility licensed under this chapter, or operated by the federal or state government, a county, or by the Regents of the University of California, done or omitted while attempting to resuscitate any person who is in immediate danger of loss of life shall impose any liability upon the health facility, the officers, members of the staff, nurses, or employees of the health facility, including, but not limited to the members of the rescue team, or upon the federal or state government or a county, if good faith is exercised.

"Rescue team," as used in this section, means a special group of physicians and surgeons, nurses, and employees of a health facility who have been trained in cardiopulmonary resuscitation and have been designated by the health facility to attempt, in cases of emergency, to resuscitate persons who are in immediate danger of loss of life.

This section shall not relieve a health facility of any duty otherwise imposed by law upon the health facility for the designation and training of members of a rescue team or for the provision or maintenance of equipment to be used by a rescue team.

1318. The director shall require as a condition precedent to the issuance, or renewal, of any license for a health facility, if the licensee handles or will handle any money of patients within the health facility, that the applicant for the license or the renewal of the license file or have on file with the state department a bond issued by a surety company admitted to do business in this state in a sum to be fixed by the state department based upon the magnitude of the operations of the applicant, but which sum shall not be less than one thousand dollars ($1,000), running to the State of California and conditioned upon his faithful and honest handling of the money of patients within the health facility.

Every person injured as a result of any improper or unlawful handling of the money of a patient of a health facility may bring an action in a proper court on the bond required to be posted by the licensee pursuant to this section for the amount of damage he

suffered as a result thereof to the extent covered by the bond.

Whenever the state department determines that the amount of any bond which is filed pursuant to this section is insufficient to adequately protect the money of patients which is being handled, or whenever the amount of any such bond is impaired by any recovery against the bond, the state department may require the licensee to file an additional bond in such amount as necessary to adequately protect the money of patients which is being handled.

The failure of any licensee under this chapter to maintain on file with the state department a bond in the amount prescribed by the director or who embezzles any patient's trust funds shall constitute cause for the revocation of the license.

The provisions of this section shall not apply if the licensee handles less than twenty-five dollars ($25) per patient and less than five hundred dollars ($500) for all patients in any month.

SEC. 3. Section 16300 of the Welfare and Institutions Code, as amended by Chapter 1148 of the Statutes of 1972, is amended to read:

16300. Any organization or person may receive transfers of property from an aged person, conditioned upon an agreement to furnish life care or care for a period of more than one year, which agreement may include the cash payment of personal and incidental expenses to the transferor or his nominee; provided, such organization or person has received a written license pursuant to Chapter 2 (commencing with Section 1250) or Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code, and such organization or person has been granted a certificate of authority by the department.

Organizations or persons who furnish care exclusively under agreements, which may be canceled by either party without cause, are required to obtain a certificate of authority from the department for all agreements issued after October 1, 1957, if payment or transfer of property is made in advance to cover cost of care for one year or more; provided, however, that, if any such organization or person is a nonprofit benevolent organization, which accepts property in an amount less than the cost of care, the amount of reserve required of it under Section 16304 shall be reduced in the same proportion as the estimated cost of care bears to the value of the property transferred.

SEC. 4. Section 16312 of the Welfare and Institutions Code, as amended by Chapter 1148 of the Statutes of 1972, is amended to read:

16312. Certificates of authority may be suspended or revoked for cause by the department.

Failure of the organization or person to meet the licensing requirements of Chapter 2 (commencing with Section 1250) or Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code or the reserve requirements of Section 16304 shall constitute cause for suspension or revocation of the certificate of authority.

The person or organization whose certificate of authority is suspended or revoked shall have right of appeal to the department.

The proceedings shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the department shall have all of the powers granted therein.

SEC. 5. Section 19 of Chapter 1148 of the Statutes of 1972 is amended to read:

Sec. 19. Whenever in any provision of law there is a reference to Chapter 1 (commencing with Section 7000) of Division 7 of the Welfare and Institutions Code or Chapter 2 (commencing with Section 1400) of Division 2 of the Health and Safety Code, if it applies to a health facility, it shall be deemed to mean Chapter 2 (commencing with Section 1250) of Division 2 of the Health and Safety Code.

Whenever in any provision of law there is a reference to Chapter 1 (commencing with Section 7000) of Division 7 of the Welfare and Institutions Code or Chapter 2 (commencing with Section 1400) of Division 2 of the Health and Safety Code, if it applies to a community care facility, it shall be deemed to mean Chapter 3 (commmencing with Section 1500) of Division 2 of the Health and Safety Code.

SEC. 6. No appropriation is made by this act, nor is any obligation created thereby under Section 2164.3 of the Revenue and Taxation Code, for the reimbursement of any local agency because the Legislature hereby determines and finds that in this act there are no duties, obligations, or responsibilities imposed on local governmental entities.

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## CHAPTER 1203

*An act to amend Sections 436.2, 436.9, 1312, and 13143.7 of, and to add Chapter 3 (commencing with Section 1500) to, and to repeal Chapter 3 (commencing with Section 1500) of, Division 2 of, the Health and Safety Code, and to amend Sections 7354, 16100, 16300, and 16312 of, and to repeal Section 7354.1 of, the Welfare and Institutions Code, relating to community care facilities.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 436.2 of the Health and Safety Code is amended to read:

436.2. Unless the context otherwise requires, the definitions in this section govern the construction of this chapter and of Section 32127.2.

(a) "Bondholder" means the legal owner of a bond or other evidence of indebtedness issued by a political subdivision or a nonprofit corporation.

(b) "Borrower" means a political subdivision or nonprofit corporation which has secured or intends to secure a loan for the construction of a health facility.

(c) "Construction" includes construction of new buildings, expansion, modernization, renovation, remodeling and alteration of existing buildings, and initial or additional equipping of any such buildings. "Construction" also includes consulting, financing, architectural, and engineering costs and fees, cost of land acquisition and site development, including parking facilities, and all other costs necessary or incidental to construct a new building or to expand, modernize, renovate, remodel or alter an existing building.

(d) "Council" means the Advisory Health Council.

(e) "Debenture" means any form of written evidence of indebtedness issued by the State Treasurer pursuant to this chapter, as authorized by Article XIII, Section 21.5 of the California Constitution.

(f) "Department" means the State Department of Health.

(g) "Fund" means the Health Facility Construction Loan Insurance Fund.

(h) "Health facility" means any facility providing or designed to provide services for the acute, convalescent, and chronically ill and impaired, including but not limited to public health centers, community mental health centers, facilities for the mentally retarded, nonprofit community care facilities that provide care, habilitation, rehabilitation or treatment to mentally impaired persons, and general tuberculosis, mental, and other types of hospitals and related facilities, such as laboratories, outpatient departments, extended care, nurses' home and training facilities, offices and central service facilities operated in connection with hospitals, diagnostic or treatment centers, extended care facilities, nursing homes, and rehabilitation facilities. Except for facilities for the mentally retarded, "health facility" does not include any institution furnishing primarily domiciliary care.

(i) "Lender" means the provider of a loan and its successors and assigns.

(j) "Loan" means money or credit advanced for the construction costs of the health facility, and includes both initial loans and loans secured upon refinancing and may include both interim, or short-term loans, and long-term loans. A duly authorized bond or bond issue may constitute a "loan."

(k) "Maturity date" means the date on which the loan indebtedness would be extinguished if paid in accordance with periodic payments provided for by the terms of the loan.

(*l*) "Mortgage" means a first mortgage on real estate. "Mortgage" includes a first deed of trust.

(m) "Mortgagee" includes a lender whose loan is secured by a mortgage. "Mortgagee" includes a beneficiary of a deed of trust.

(n) "Mortgagor" includes a borrower, a loan to whom is secured by a mortgage, and the trustor of a deed of trust.

(o) "Nonprofit corporation" means any corporation organized under the General Nonprofit Corporation Law (Part 1 (commencing with Section 9000), Division 2 of the Corporations Code) or its equivalent under the laws of the state of incorporation, organized for the purpose of owning and operating a health facility

(p) "Political subdivision" means any city, county, city and county, and local hospital district

(q) "Project property" means the real property upon which the health facility is, or is to be, constructed, the health facility, and the initial equipment in such health facility

(r) "Public health facility" means any health facility which is or will be constructed for and operated and maintained by any city, county, city and county, or local hospital district.

SEC. 2 Section 436 9 of the Health and Safety Code is amended to read.

436.9. Health facilities to be or already owned, established and operated by nonprofit corporations or political subdivisions may apply for state insurance of needed construction loans as provided in this chapter Applications shall be submitted to the department by the nonprofit corporation or political subdivision authorized to construct and operate a health facility. Each application shall conform to state requirements, shall be submitted in the manner and form prescribed by the department, and shall be accompanied by an application fee of one-half of 1 percent of the amount of the loan applied for, but in no case shall the application fee exceed five hundred dollars ($500). Such fees shall be deposited by the department in the fund and used to defray the department's expenditures in the administration of this chapter

SEC. 2.5. Section 1312 of the Health and Safety Code is amended to read:

1312. The provisions of this chapter do not apply to any of the following institutions:

(a) Any hospital conducted, maintained or operated by the United States government or a duly authorized agency thereof.

(b) Any hospital conducted, maintained or operated by this state or any state department, authority, bureau, commission, or officer, nor to any hospital conducted, maintained or operated by the Regents of the University of California, the autonomous character of said Regents of the University of California having been established by the provisions of Article IX, Section 9, of the Constitution of the state However, a local hospital district or city is not a state agency or a state department, authority, bureau, commission, or officer within the meaning of this subdivision, and this subdivision does not exempt a hospital conducted, maintained, or operated by a local hospital district or city from the provisions of this chapter.

(c) Any facility conducted by and for the adherents of any well recognized church or religious denomination for the purpose of providing facilities for the care or treatment of the sick who depend upon prayer or spiritual means for healing in the practice of the

religion of such church or denomination

(d) Hotels or other similar places that furnish only board and room, or either, to their guests.

(e) Any school dormitory or similar facility described in subdivision (c) of Section 1250 for the care of persons aged 16 and above determined by the department

(f) Any house or institution supplying board and room only, or room only, or board only, provided that no resident thereof requires any element of care as determined by the department.

(g) Any similar facility described in subdivision (c) of Section 1250 for the care of persons aged 16 and above determined by the department.

(h) Any community care facility required to be licensed under the provisions of Chapter 3 (commencing with Section 1500) of this division.

SEC. 3. Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code is repealed.

SEC. 4. Chapter 3 (commencing with Section 1500) is added to Division 2 of the Health and Safety Code, to read.

## CHAPTER 3. CALIFORNIA COMMUNITY CARE FACILITIES ACT

### Article 1. General Provisions

1500 This chapter shall be known and may be cited as the California Community Care Facilities Act.

1501. (a) The Legislature hereby finds and declares that there is an urgent need to establish a coordinated and comprehensive statewide service system of quality community care for mentally ill, developmentally and physically disabled, and socially dependent children and adults.

(b) Therefore, the Legislature declares it is the intent of the state to develop policies and programs designed to: (1) insure a level of care and services in the community which is equal to or better than that provided by the state hospitals; (2) assure that all people who require them are provided with the appropriate range of social rehabilitative, habilitative and treatment services, including residential and nonresidential programs tailored to their needs; (3) protect the legal and human rights of a person in or receiving services from a community care facility; (4) insure continuity of care between the medical-health elements and the supportive care-rehabilitation elements of California's health systems; (5) insure that facilities providing community care are adequate, safe and sanitary; (6) assure that rehabilitative and treatment services are provided at a reasonable cost; (7) assure that state payments for community care services are based on a flexible rate schedule varying according to type and cost of care and services provided; (8) encourage the utilization of personnel from state hospitals and the development of training programs to improve the quality of staff in

community care facilities; and (9) insure the quality of community care facilities by evaluating the care and services provided and furnishing incentives to upgrade their quality.

1502. As used in this chapter, "community care facility" means any facility, place, or building which is maintained and operated to provide nonmedical residential care, day care, or homefinding agency services for children, adults, or children and adults, including, but not limited to, the physically handicapped, mentally impaired, or incompetent persons, and includes the following:

(a) "Residential facility" means any family home, group care facility, or similar facility determined by the director, for 24-hour nonmedical care of persons in need of personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual.

(b) "Day care center" means any facility which provides nonmedical care to persons in need of personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual on less than a 24-hour basis.

(c) "Homefinding agency" means any individual or organization engaged in finding homes or other places for placement of persons of any age for temporary or permanent care or adoption.

1503. As used in this chapter, "license" means a basic permit to operate a community care facility.

A license shall not be transferable.

1504. As used in this chapter, "special permit" means a permit issued by the state department authorizing a community care facility to offer specialized services as designated by the director in regulations.

A certificate shall not be transferable.

1505. The provisions of this chapter shall not apply to any of the following:

(a) Any health facility, as defined by Section 1250.

(b) Any clinic, as defined by Section 1202.

(c) Any neighborhood family day care home which is accredited by a school district pursuant to Section 16725 of the Education Code.

(d) Any juvenile placement facility approved by the California Youth Authority or any juvenile hall operated by a county.

(e) Any place in which a juvenile is judicially placed pursuant to subdivision (a) of Section 727 of the Welfare and Institutions Code.

(f) Any facility conducted by and for the adherents of any well-recognized church or religious denomination for the purpose of providing facilities for the care or treatment of the sick who depend upon prayer or spiritual means for healing in the practice of the religion of such church or denomination.

(g) Any school dormitory or similar facility determined by the department.

(h) Any house, institution, hotel, or other similar place that supplies board and room only, or room only, or board only, provided that no resident thereof requires any element of care as determined

by the director.

(i) Recovery houses or other similar facilities providing group living arrangements for persons recovering from alcoholism or drug addiction where the facility provides no care or supervision.

(j) Any cooperative arrangement between parents for the care of their children by one or more of the parents where no payment for the care is involved.

(k) Any arrangement for the receiving and care of persons by a relative or any arrangement for the receiving and care of persons from only one family by a close friend of the parent, guardian, or conservator, if such arrangement is not for financial profit and occurs only occasionally and irregularly, as defined by regulations of the state department.

(*l*) Any similar facility determined by the director.

1506. Any holder of a valid license and special permit issued by the state department, which authorizes the licensee to engage in any homefinding functions, may, unless the license provides otherwise, place persons in any residential facility selected. A residential facility selected and exclusively used for the reception and care of persons placed by such licensee shall not, during the time it is used exclusively for such placements or care, be subject to the provisions of Section 1508.

1507. A community care facility may provide incidental medical services. If such medical services constitute a substantial component of the services provided by the community care facility as defined by the director in regulations, such component shall be required to obtain approval as provided by Chapter 1 (commencing with Section 1200) or Chapter 2 (commencing with Section 1250).

1508. No person, firm, partnership, association, or corporation within the state shall operate, establish, manage, conduct, or maintain a community care facility in this state, without first obtaining a license therefor as provided in this chapter.

No person, firm, partnership, association, or corporation within the state shall provide specialized services within a community care facility in this state, without first obtaining a special permit therefor as provided in this chapter.

Except for a juvenile hall operated by a county, this section shall apply to community care facilities directly operated by a county. Each county operated community care facility shall comply with the standards established by the director for community care facilities.

1509. The state department shall inspect and license community care facilities, except as otherwise provided in Section 1508. The state department shall inspect and approve a community care facility to provide specialized services.

1510. The state department may provide consulting services upon request to any community care facility to assist in the identification or correction of deficiencies and in the upgrading of the quality of care provided by such community care facility.

1511. The state department may contract for state, county, or

other public agencies to assume specified licensing, approval, or consultation responsibilities. In exercising the authority so delegated, such agencies shall conform to the requirements of this chapter and to the rules, regulations, and standards of the state department. The state department shall reimburse agencies for services performed pursuant to this section, and such payments shall not exceed actual cost.

If any grants-in-aid are made by the federal government for the support of any inspection or consultation service approved by the state department, the amount of the federal grant shall first be applied to defer the cost of the service before state reimbursement is made.

1512. In the event of conflict between the provisions of this chapter and Chapter 2 (commencing with Section 1250) of this division, the provisions of this chapter shall control, and community care facilities shall not be subject to the provisions of Chapter 2.

This section shall not become operative if Senate Bill No. 413 of the 1973–74 Regular Session of the Legislature is chaptered and becomes effective on or before January 1, 1974, whether Senate Bill No. 413 is chaptered prior or subsequent to the act enacting this section.

## Article 2. Administration

1520. Any person desiring a license for a community care facility or a special permit for specialized services under the provisions of this chapter shall file with the state department, pursuant to regulations, an application on forms furnished by the state department, which shall include, but not be limited to:

(a) Evidence satisfactory to the state department that the applicant is of reputable and responsible character. If applicant is a firm, association, organization, partnership, business trust, corporation, or company, like evidence shall be submitted as to the members or shareholders thereof, and the person in charge of the community care facility for which application for license or special permit is made

(b) Evidence satisfactory to the state department of the ability of the applicant to comply with the provisions of this chapter and of rules and regulations promulgated under this chapter by the state department.

(c) Such other information as may be required by the state department for the proper administration and enforcement of this chapter.

1521. Any person desiring a license for a community care facility under the provisions of this chapter which is required by other code provisions or rules or regulations of the state department to have a medical director, organized medical staff, or resident medical staff or to provide professional nursing services by a registered nurse or supervision of nursing services by a licensed registered nurse, a graduate nurse, a licensed vocational nurse, or a certified psychiatric

technician shall comply with the health planning requirements contained in Part 1.5 (commencing with Section 437) of Division 1.

All other community care facilities are exempt from the health planning requirements contained in Part 1.5 (commencing with Section 437) of Division 1.

1522. Before issuing a license to any person or persons to operate or manage a community care facility, the state department shall secure from an appropriate law enforcement agency a criminal record to determine whether the applicant, facility administrator or manager, or the spouse of such persons living in the same location, has ever been convicted of a crime other than a minor traffic violation. If it is found that the applicant, facility administrator or manager, or the spouse of such persons living in the same location, has been so convicted, the application shall be denied, unless otherwise provided pursuant to this section.

After review of the record, the director may exempt any applicant for a license from the provisions of this section if the director or person in charge of the county inspection service believes the applicant to be of such good character as to justify issuance of a license.

This section shall not become operative if Senate Bill No. 197 of the 1973–74 Regular Session of the Legislature is chaptered and becomes effective on or before January 1, 1974, whether Senate Bill No. 197 is chaptered prior or subsequent to the act enacting this section.

1522. Before issuing a license to any person or persons to operate or manage a community care facility, the state department shall secure from an appropriate law enforcement agency a criminal record to determine whether the applicant, facility administrator or manager, or the spouse of such persons living in the same location, has ever been convicted of a crime other than a minor traffic violation. No fee shall be charged by the Department of Justice or the state department for the fingerprinting of an applicant for a license to operate a facility providing nonmedical board, room, and care for six or less children or for obtaining a criminal record of such an applicant pursuant to this section. If it is found that the applicant, facility administrator or manager, or the spouse of such persons living in the same location, has been so convicted, the application shall be denied, unless otherwise provided pursuant to this section.

After review of the record, the director may exempt any applicant for a license or certificate from the provisions of this section if the director or person in charge of the county inspection service believes the applicant to be of such good character as to justify issuance of a license.

This section shall become operative only if Senate Bill No. 197 of the 1973–74 Regular Session of the Legislature is chaptered and becomes effective on or before January 1, 1974, whether Senate Bill No. 197 is chaptered prior or subsequent to the act enacting this section.

1523. Each application for a license or special permit submitted

to the state department shall be accompanied by a fee to be determined annually by the director. To the degree possible, fees shall be established so that applications will produce sufficient revenue to recover the costs of licensure or special permit approval less reimbursements from federal or other sources. However, the director may by regulation waive or reduce the fee for a license or special permit for community care facilities in any category of licensure if the director determines that imposition of the fees which would otherwise be required by this chapter would cause undue financial hardship with respect to a substantial number of community care facilities within such category of licensure.

On and after January 1, 1974, no local jurisdiction shall impose any business license, fee, or tax for the privilege of operating a facility licensed under this chapter which serves six or fewer persons.

1524. Each new license or special permit issued pursuant to this chapter shall expire 12 months from the date of its issuance. Application for renewal of a license or special permit accompanied by the necessary fee shall be filed with the state department not less than 30 days prior to the expiration date each year. Failure to make a timely renewal shall result in expiration of the license or special permit.

A renewal license or special permit may be issued for a period not to exceed two years, providing the licensee has been found not to be in violation of any statutory requirements, regulations, or standards during the preceding license period. In all other cases, the renewal license or special permit shall be issued for a period not to exceed one year.

1525. Upon the filing of the application for a license or for a special permit and full compliance with the provisions of this chapter and the rules, regulations, and standards of the department, the director shall issue to the applicant the license or special permit. If the director finds that the applicant is not in compliance with the laws or regulations of this chapter, he shall deny the applicant a license or a special permit.

However, prior to July 1, 1974, the director may issue provisional licenses to operate community care facilities for facilities which the director determines are in substantial compliance with the provisions of this chapter and the rules and regulations adopted pursuant to this chapter. Such a provisional license shall expire six months from the date of issuance, or at such earlier time as the director may determine, and may not be renewed.

1526. Immediately upon the denial of any application for a license or for a special permit, the state department shall notify the applicant in writing. Within 10 days after the state department mails the notice, the applicant may present his written petition for a hearing to the state department. Upon receipt by the state department of the petition in proper form, such petition shall be set for hearing. The proceedings shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3

of Title 2 of the Government Code, and the state department has all the powers granted therein.

## Article 3. Regulations

1530. The state department shall adopt, amend, or repeal, in accordance with Chapter 4.5 (commencing with Section 11371) of Part 1 of Division 3 of Title 2 of the Government Code, such reasonable rules, regulations, and standards as may be necessary or proper to carry out the purposes and intent of this chapter and to enable the department to exercise the powers and perform the duties conferred upon it by this chapter, not inconsistent with any of the provisions of any statute of this state.

Such regulations shall designate separate categories of licensure under which community care facilities shall be licensed pursuant to this chapter. Such regulations shall also designate the specialized services which community care facilities may be approved to provide pursuant to this chapter.

1531. The regulations for a license shall prescribe standards of safety and sanitation for the physical plant and standards for basic personal care, supervision, and services based upon the category of licensure.

The regulations for a special permit shall prescribe standards for the quality of specialized services, including, but not limited to, staffing with duly qualified personnel which take into account the age, physical and mental capabilities, and the needs of the persons to be served.

The state department's regulations shall allow for the development of new and innovative community programs.

1532. The Director of Health shall appoint a statewide Advisory Committee on Community Care Facilities consisting of 21 members to advise him on the delivery of care and services through community care facilities. The membership of the advisory committee shall be divided into three groups of seven members each, to be appointed at staggered intervals for three-year terms. The advisory committee shall advise the director regarding regulations, policy, and administrative practices pertaining to community care facilities. The advisory committee shall review proposed regulations for community care facilities, and submit its written comments to the director prior to the adoption of such regulations.

The Advisory Committee on Community Care Facilities shall be solely advisory in character and shall not be delegated any administrative authority or responsibility. Committee members shall be selected from concerned interests including representatives of professional associations, providers and employees of care and services, and consumers of all major types of community care facility services. Such members shall serve without compensation, but shall be reimbursed for actual and necessary expenses incurred in

connection with the performance of their duties.

1533. Any duly authorized officer, employee, or agent of the state department may, upon presentation of proper identification, enter and inspect any place providing personal care, supervision, and services at any time, with or without advance notice, to secure compliance with, or to prevent a violation of, any provision of this chapter

1534. Every licensed community care facility shall be periodically inspected and evaluated for quality of care by a representative or representatives designated by the director. Evaluations shall be conducted at least once per year and as often as necessary to insure the quality of care being provided

The state department shall notify the community care facility in writing of all deficiencies in its compliance with the provisions of this chapter and the rules and regulations adopted pursuant to this chapter, and shall set a reasonable length of time for compliance by the facility. Upon finding of noncompliance, the state department may levy a civil penalty not to exceed fifty dollars ($50) per day which shall be paid to the state department each day until the state department finds the facility in compliance. If the facility fails to comply within the established length of time, then the amount collected from the facility shall be forfeited to the state department. In such case, the state department may also initiate action against the facility in accordance with the provisions of Article 5 (commencing with Section 1550) of this chapter

Reports on the results of each inspection, evaluation, or consultation shall be kept on file in the state department, and all inspection reports, consultation reports, lists of deficiencies, and plans of correction shall be open to public inspection in the county in which the facility is located.

1535. On or before July 1, 1975, the director shall by regulation adopt an equitable and uniform method of evaluating the quality of care and services provided by each category of community care facility.

The director shall develop the evaluation method, in cooperation to the degree possible with appropriate professional personnel, placement, and user agencies, and shall take into account any existing evaluation methods currently in use. The evaluation method adopted by the state department shall include provision for a rating scale and the results of each evaluation of each community care facility shall be expressed in terms of a position on the rating scale.

The evaluation method adopted by the state department shall be published and distributed to all licensed community care facilities and all other interested persons

1536. Not less than four times a year, the director shall publish and make available to interested persons a list of all licensed community care facilities, the services for which each facility is certified, and the relative evaluation rating of each community care facility, as determined pursuant to Section 1535

1537. The director shall have the authority to contract for personal services as required in order to perform inspections of, or consultation with, community care facilities.

1538. (a) Any person may request an inspection of any community care facility in accordance with the provisions of this chapter by transmitting to the state department notice of an alleged violation of applicable requirements prescribed by statutes or regulations of this state. Any such notice shall be in writing, specifying to a reasonable extent the details of the alleged violation, and shall be signed by the complainant.

(b) The substance of the complaint shall be provided to the licensee no earlier than at the time of the inspection. Unless the complainant specifically requests otherwise, neither the substance of the complaint provided the licensee nor any copy of the complaint or any record published, released, or otherwise made available to the licensee shall disclose the name of any person mentioned in the complaint except the name of any duly authorized officer, employee, or agent of the state department conducting the investigation or inspection pursuant to this chapter

(c) Upon receipt of a complaint, the state department shall make a preliminary review and, unless the state department determines that the complaint is willfully intended to harass a licensee or is without any reasonable basis, it shall make an onsite inspection within 10 days after receiving the complaint. In either event, the complainant shall be promptly informed of the state department's proposed course of action.

1539. No licensee shall discriminate or retaliate in any manner against any person receiving the services of such licensee's community care facility, or against any employee of such licensee's facility, on the basis, or for the reason that, such person or employee or any other person has initiated or participated in an inspection pursuant to Section 1538.

## Article 4 Offenses

1540. Any person who violates any of the provisions of this chapter, or who willfully or repeatedly violates any rule or regulation promulgated under this chapter, is guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not to exceed five hundred dollars ($500) or by imprisonment in the county jail for a period not to exceed 180 days, or by both such fine and imprisonment.

1541. The director may bring an action to enjoin the violation or threatened violation of Section 1509 in the superior court in and for the county in which the violation occurred or is about to occur. Any proceeding under the provisions of this section shall conform to the requirements of Chapter 3 (commencing with Section 525) of Title 7 of Part 2 of the Code of Civil Procedure, except that the director shall not be required to allege facts necessary to show or tending to

show lack of adequate remedy at law or irreparable damage or loss. Upon a finding by the director that such violations threaten the health or safety of persons in, or served by, a community care facility, the agency contracted with pursuant to Section 1510 may bring an action to enjoin the violation, threatened violation, or continued violation by any community care facility which is located in an area for which it is responsible pursuant to the terms of the contract.

1542. Any action brought by the director against a community care facility shall not abate by reason of a sale or other transfer of ownership of the community care facility which is a party to the action except with express written consent of the director.

1543. The district attorney of every county shall, upon application by the state department or its authorized representative, institute and conduct the prosecution of any action for violation within his county of any provisions of this chapter.

## Article 5. Suspension and Revocation

1550. The state department may suspend or revoke any license or special permit issued under the provisions of this chapter upon any of the following grounds and in the manner provided in this chapter:

(a) Violation by the licensee or holder of a special permit of any of the provisions of this chapter or of the rules and regulations promulgated under this chapter.

(b) Aiding, abetting, or permitting the violation of any provision of this chapter or of the rules and regulations promulgated under this chapter.

(c) Conduct in the operation or maintenance, or both the operation and maintenance, of a community care facility which is inimical to the health, morals, welfare, or safety of either an individual in or receiving services from the facility or the people of the State of California.

1551. Proceedings for the suspension, revocation, or denial of a license or special permit under this chapter shall be conducted in accordance with the provisions of Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the state department shall have all the powers granted by such provisions. Except as provided in Section 1552, in the event of conflict between the provisions of this chapter and such provisions of the Government Code, the provisions of the Government Code shall prevail.

1552. When the director intends to seek the suspension or revocation of a license or special permit, he shall notify the licensee or holder of the special permit of the proposed suspension or revocation and at the same time shall serve such person with an accusation. Upon receipt of a notice of defense from the licensee or holder of the special permit, the director shall set the matter for hearing within five days after receipt of such notice. The director shall make a final determination as to whether to suspend or revoke

the license or special permit within 30 days after the original hearing has been completed.

1553. The withdrawal of an application for a license or a special permit after it has been filed with the state department shall not, unless the state department consents in writing to such withdrawal, deprive the state department of its authority to institute or continue a proceeding against the applicant for the denial of the license or a special permit upon any ground provided by law or to enter an order denying the license or special permit upon any such ground.

The suspension, expiration, or forfeiture by operation of law of a license or a special permit issued by the state department, or its suspension, forfeiture, or cancellation by order of the state department or by order of a court of law, or its surrender without the written consent of the state department, shall not deprive the state department of its authority to institute or continue a disciplinary proceeding against the licensee or holder of a special permit upon any ground provided by law or to enter an order suspending or revoking the license or special permit or otherwise taking disciplinary action against the licensee or holder of a special permit on any such ground.

1554. Any license or special permit revoked pursuant to this chapter may be reinstated pursuant to the provisions of Section 11522 of the Government Code.

## Article 6. Other Provisions

1560. The director shall require as a condition precedent to the issuance, or renewal, of any license for a community care facility, if the licensee handles or will handle any money of a person within the community care facility, that the applicant for the license or the renewal of the license file or have on file with the state department a bond issued by a surety company admitted to do business in this state in a sum to be fixed by the state department based upon the magnitude of the operations of the applicant, but which sum shall not be less than one thousand dollars ($1,000), running to the State of California and conditioned upon his faithful and honest handling of the money of persons within the facility.

Every person injured as a result of any improper or unlawful handling of the money of a person of a community care facility may bring an action in a proper court on the bond required to be posted by the licensee pursuant to this section for the amount of damage he suffered as a result thereof to the extent covered by the bond.

Whenever the state department determines that the amount of any bond which is filed pursuant to this section is insufficient to adequately protect the money of persons which is being handled, or whenever the amount of any such bond is impaired by any recovery against the bond, the state department may require the licensee to file an additional bond in such amount as necessary to adequately protect the money of persons which is being handled.

The failure of any licensee under this chapter to maintain on file with the state department a bond in the amount prescribed by the director or who embezzles the trust funds of a person in the facility shall constitute cause for the revocation of the license.

The provisions of this section shall not apply if the licensee handles less than fifty dollars ($50) per person and less than five hundred dollars ($500) for all persons in any month.

1561. The director may grant a partial or total variance from the bonding requirements of Section 1560 for any community care facility if he finds that compliance with them is so onerous that a community care facility will cease to operate, and if he also finds that money of the persons received or cared for in the community care facility has been, or will be, deposited in a bank in this state, in a trust company authorized to transact a trust business in this state, or in a savings and loan association in this state, upon condition that such money may not be withdrawn except on authorization of the guardian or conservator of such person.

1562. The director shall insure that operators and staffs of community care facilities have appropriate training to provide the care and services for which a license or certificate is issued.

1563. The director shall insure that licensing personnel at the state department have appropriate training to properly carry out the provisions of this chapter.

1564. The director shall develop, establish, and maintain an equitable system of rates of state payment for care and services purchased by the department from community care facilities. Such rate system shall be flexible and reflect the differing costs associated with the differing types and levels of care and services provided.

1565. The director shall provide by March 31, 1974, a report to the Legislature detailing the impact of local zoning ordinances on community care facilities upon the state's policy of encouraging the provision of care and services in the local community. The report shall contain appropriate recommendations that include, but are not limited to, the need for further legislation.

SEC. 5. Section 13143.7 of the Health and Safety Code is amended to read:

13143.7. It is the intent of the Legislature that the provisions of Section 13143.6 and the regulations and standards adopted by the State Fire Marshal pursuant to Section 13143.6 shall apply uniformly throughout the State of California and no county, city, city and county, or district shall adopt or enforce any ordinance or local rule or regulation relating to fire and panic safety in buildings or structures used or intended for use as community care facilities, as defined in Section 1502.

SEC. 6. Section 7354 of the Welfare and Institutions Code is amended to read:

7354. Any mentally retarded, developmentally disabled, or mentally disordered person may be granted care in an institution or other suitable facility licensed and approved pursuant to Chapter 3

(commencing with Section 1500) of Division 2 of the Health and Safety Code. The State Department of Health may pay for such care at a rate not exceeding the average cost of care of patients in the state hospitals as determined by the Director of Health. Such payments shall be made from funds available to the department for that purpose.

The State Department of Health may make payments for services for mentally retarded, developmentally disabled and mentally disordered patients in private facilities released or discharged from state hospitals on the basis of reimbursement for reasonable cost, using the same standards and rates consistent with those established by the department for similar types of care. Such payments shall be made within the limitation of funds appropriated to the department for that purpose.

No payments for care or services of a mentally disordered patient shall be made by the State Department of Health pursuant to this section unless such care or services are requested by the local director of the mental health services of the county of the patient's residence, unless provision for such care or services is made in the county Short-Doyle plan of the county under which the county shall reimburse the department for 10 percent of the amount expended by the department, exclusive of such portion of the cost as is provided by the federal government.

The provision for such 10-percent county share shall be inapplicable with respect to any county with a population of under 100,000 which has not elected to participate financially in providing services under Division 5 (commencing with Section 5000) in accordance with Section 5709.5.

No payments for care or services of a mentally retarded or developmentally disabled person shall be made by the State Department of Health pursuant to this section, unless requested by the regional center having jurisdiction over the patient and provision for such care or services is made in the areawide mental retardation plan.

SEC. 7. Section 7354.1 of the Welfare and Institutions Code is repealed.

SEC. 8. Section 16100 of the Welfare and Institutions Code is amended to read:

16100. Any county may apply for, and the State Department of Health may issue pursuant to Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code to any county agency designated by the county making the application, a license to perform the home-finding and placement functions, to investigate, examine, and make reports upon petitions for adoption filed in the superior court, to act as a placement agency in the placement of children for adoption, to accept relinquishments for adoption, and to perform such other functions in connection with adoption as the department deems necessary, or to do any of them.

In order to extend the services of county adoption agencies to the

maximum number of counties practicable within the limits of funds appropriated therefor, the department may license a county adoption agency to operate in such other counties in the general area of the agency as it deems conducive to the effective and efficient administration of the adoption program.

A license issued to a county agency pursuant to this section constitutes the holder thereof a "county adoption agency" and the holder shall be deemed to be an "organization" within the meaning of this code and of Chapter 2 (commencing with Section 221), Title 2, Part 3, Division 1 of the Civil Code.

SEC. 9. Section 16300 of the Welfare and Institutions Code is amended to read:

16300. Any organization or person may receive transfers of property from an aged person, conditioned upon an agreement to furnish life care or care for a period of more than one year, which agreement may include the cash payment of personal and incidental expenses to the transferor or his nominee; provided, such organization or person has received a written license pursuant to Chapter 2 (commencing with Section 1250) of, or Chapter 3 (commencing with Section 1500) of, Division 2 of the Health and Safety Code, and such organization or person has been granted a certificate of authority by the department.

Organizations or persons who furnish care exclusively under agreements, which may be canceled by either party without cause, are required to obtain a certificate of authority from the department for all agreements issued after October 1, 1957, if payment or transfer of property is made in advance to cover cost of care for one year or more; provided, however, that, if any such organization or person is a nonprofit benevolent organization, which accepts property in an amount less than the cost of care, the amount of reserve required of it under Section 16304 shall be reduced in the same proportion as the estimated cost of care bears to the value of the property transferred.

SEC. 10. Section 16312 of the Welfare and Institutions Code is amended to read:

16312. Certificates of authority may be suspended or revoked for cause by the department.

Failure of the organization or person to meet the licensing requirements of Chapter 2 (commencing with Section 1250) of, or Chapter 3 (commencing with Section 1500) of, Division 2 of the Health and Safety Code or the reserve requirements of Section 16304 shall constitute cause for suspension or revocation of the certificate of authority.

The person or organization whose certificate of authority is suspended or revoked shall have right of appeal to the department. The proceedings shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the department shall have all of the powers granted therein.

SEC. 11. Whenever in any provision of law there is a reference

to Chapter 1 (commencing with Section 7000) of Division 7 of the Welfare and Institutions Code relating to community care facilities as defined by Section 1500 of the Health and Safety Code or Chapter 1 (commencing with Section 16000) of Part 4 of Division 9 of the Welfare and Institutions Code or to Chapter 3 (commencing with Section 16200) of Part 4 of Division 9 of the Welfare and Institutions Code, it shall be deemed to mean Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code.

SEC. 12. No appropriation is made by this act, nor is any obligation created thereby under Section 2164.3 of the Revenue and Taxation Code, for the reimbursement of any local agency for any costs that may be incurred by it in carrying on any program or performing any service required to be carried on or performed by it by this act, because there are no duties, obligations, or responsibilities imposed on local governmental entities by this act.

SEC. 13. Section 2.5 of this act shall not become operative if Senate Bill No. 413 of the 1973–74 Regular Session of the Legislature is chaptered and becomes effective on or before January 1, 1974 whether Senate Bill No. 413 is chaptered prior or subsequent to this act.

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## CHAPTER 1204

*An act to amend Section 1347 of, and to add Section 13143.5 to, the Health and Safety Code, relating to licensed facilities.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Section 1347 of the Health and Safety Code, as added by Chapter 1148 of the Statutes of 1972, is amended to read:

1347. Before issuing a license to any person to operate a facility described in subdivision (c) of Section 1250 for children under 16 years of age, the department shall secure from the Department of Justice or Federal Bureau of Investigation a full criminal record to determine whether the applicant or his spouse has ever been convicted of a crime other than a minor traffic violation. No fee shall be charged by the Department of Justice or the state department for the fingerprinting of an applicant for a license to operate a facility providing nonmedical board, room, and care for six or less children or for obtaining a criminal record of such an applicant pursuant to this section. If it is found that the applicant, or his spouse living in the same location, has been so convicted, the application shall be denied, unless otherwise provided pursuant to the following paragraph.

After review of the record, the director may exempt any applicant for a license from the provisions of this section, if the record reveals

no conviction of a felony involving intentional bodily harm or a sex offense, and if the director or person in charge of the county or city inspection service believes the applicant to be of such good character as to justify issuance of a license.

SEC. 2. Section 13143.5 is added to the Health and Safety Code, to read:

13143.5. Neither the State Fire Marshal nor any local public entity shall charge any fee for enforcing the provisions of Section 13143 or regulations adopted pursuant thereto with respect to facilities providing nonmedical board, room, and care for six or less children which are required to be licensed under the provisions of Chapter 2 (commencing with Section 1250) of Division 2.

SEC. 3. Section 1 of this act shall not become operative if (1) Senate Bill No. 413 of the 1973–74 Regular Session of the Legislature is chaptered, becomes effective on or before January 1, 1974, and repeals Section 1347 of the Health and Safety Code, or (2) if Assembly Bill No. 2262 of the 1973–74 Regular Session of the Legislature is chaptered, becomes effective on or before January 1, 1974, and adds a Section 1523 to the Health and Safety Code, whether Senate Bill No. 413 or Assembly Bill No. 2262, or both, are chaptered prior or subsequent to this act.

SEC. 4. Notwithstanding Section 2231 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to this section nor shall there be any appropriation made by this act because there are no state-mandated local costs in this act and any revenue loss implied herein is not reimbursable under Section 2231 of the Revenue and Taxation Code.

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## CHAPTER 1205

*An act to amend Section 10053.5 of the Welfare and Institutions Code, relative to public social services.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973]

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

SECTION 1. Section 10053.5 of the Welfare and Institutions Code is amended to read:

10053.5. The State Department of Health or through the county department shall provide protective social services:

(a) For the care of mentally retarded and developmentally disabled patients released from state hospitals of the State Department of Health, or to prevent the unnecessary admission of mentally retarded and developmentally disabled persons to hospitals at public expense or to facilitate the release of mentally retarded and developmentally disabled patients for whom such hospital care is no

longer the appropriate treatment, provided that such services may be rendered only if requested by the regional center having jurisdiction over the mentally retarded or developmentally disabled patient and if provision for such services is made in the areawide mental retardation plan.

(b) For the care of mentally disordered patients released from state hospitals or to prevent the unnecessary admission of mentally disordered persons to hospitals at public expense or to facilitate the release of mentally disordered patients for whom such hospital care is no longer the appropriate treatment; provided that such services may be rendered only if requested by the local director of mental health and if provision for such services is made in the county Short-Doyle plan for the county.

The State Department of Health, to the extent funds are appropriated and available, shall pay for the cost of providing for care in a private home, certified by the State Department of Health, for mentally disordered, mentally retarded or developmentally disabled persons described in, and subject to the request and plan conditions of, subdivisions (a) and (b) above. The monthly rate for such private home care shall be set by the State Department of Health at an amount which will provide the best possible care at minimum cost and also insure:

(1) That the person will receive proper treatment and may be expected to show progress in achieving the maximum adjustment toward returning to community life, and

(2) That sufficient homes can be recruited to achieve the stated objectives of this section.

For all such persons without public or private financial resources who are placed in private homes at State Department of Health expense, if requested by the local director of mental health services in the case of mentally disordered persons, the State Department of Health may provide from local assistance budget funds, at a rate to be determined by the secretary of the Health and Welfare Agency, moneys necessary to furnish clothing and to meet incidental living expenses. No such moneys shall be provided by the State Department of Health for mentally retarded patients after July 1, 1971

It is the legislative intent that the State Department of Health may make the fullest possible use of available resources in serving mentally retarded and developmentally disabled persons.

Any funds expended for the care of persons in a private home certified by the State Department of Health, including costs of administration and staffing and including money necessary to furnish clothing and to meet incidental living expenses, at the request of the local director of a mental health service pursuant to this section shall be expended by the State Department of Health only if the State Department of Health and the local mental health service enter a contract in accordance with the Short-Doyle Act (commencing with Section 5600) under which the county shall reimburse the State

Department of Health for 10 percent of the amount expended by the department, exclusive of such portion of the cost as is provided by the federal government.

The provision for such 10-percent county share shall be inapplicable with respect to any county with a population of under 100,000 which has not elected to participate financially in providing services under Division 5 of this code in accordance with Section 5709.5.

The Department of Health may provide services pursuant to this section directly or through contract with public or private entities.

The State Department of Health may directly or through the county department provide protective social services, including the cost of care in a private home pursuant to this section or in a suitable facility as specified in Section 7354 for judicially committed patients released from a state hospital on leave of absence or parole, and payments therefor shall be made from funds available to the State Department of Health for that purpose or for the support of patients in state hospitals.

In facilitating the release of mentally disordered patients or persons who have been mentally disordered patients to suitably licensed facilities, the State Department of Health and local community mental health programs shall provide the licensee with information concerning the previous conduct of the patient which would be relevant in determining the suitability of the particular facility for the patient and the suitability of placement of such patient in such facility. The release of this information shall be consistent with the confidentiality guidelines under the Lanterman-Petris-Short Act and the Short-Doyle Act.

SEC. 2. Section 10053.5 of the Welfare and Institutions Code, as amended by Chapter 142 of the Statutes of 1973, is amended and renumbered to read:

10053.8. The State Department of Health or through the county department may provide protective social services:

(a) For the care of mentally retarded and developmentally disabled patients released from state hospitals of the State Department of Health, or to prevent the unnecessary admission of mentally retarded and developmentally disabled persons to hospitals at public expense or to facilitate the release of mentally retarded and developmentally disabled patients for whom such hospital care is no longer the appropriate treatment; provided that such services may be rendered only if requested by the regional center having jurisdiction over the mentally retarded or developmentally disabled patient and if provision for such services is made in the areawide mental retardation plan.

(b) For the care of mentally disordered patients released from state hospitals or to prevent the unnecessary admission of mentally disordered persons to hospitals at public expense or to facilitate the release of mentally disordered patients for whom such hospital care is no longer the appropriate treatment; provided that such services

may be rendered only if requested by the local director of mental health and if provision for such services is made in the county Short-Doyle plan for the county.

The State Department of Benefit Payments, to the extent funds are appropriated and available, shall pay for the cost of providing for care in a private home, certified by the State Department of Health, for mentally disordered, mentally retarded or developmentally disabled persons described in, and subject to the request and plan conditions of, subdivisions (a) and (b) above. The monthly rate for such private home care shall be set by the State Department of Health at an amount which will provide the best possible care at minimum cost and also insure:

(1) That the person will receive proper treatment and may be expected to show progress in achieving the maximum adjustment toward returning to community life; and

(2) That sufficient homes can be recruited to achieve the stated objectives of this section.

For all such persons without public or private financial resources who are placed in private homes at state expense, if requested by the local director of mental health services in the case of mentally disordered persons, the Department of Benefit Payments may provide from local assistance budget funds, at a rate to be determined by the Secretary of the Health and Welfare Agency, moneys necessary to furnish clothing and to meet incidental living expenses. No such moneys shall be provided by the State Department of Health for mentally retarded patients after July 1, 1971.

It is the legislative intent that the State Department of Health may make the fullest possible use of available resources in serving mentally retarded and developmentally disabled persons.

Any funds expended for the care of persons in a private home certified by the State Department of Health, including costs of administration and staffing and including money necessary to furnish clothing and to meet incidental living expenses, at the request of the local director of a mental health service pursuant to this section shall be expended by the Department of Benefit Payments only if the State Department of Health and the local mental health service enter a contract in accordance with the Short-Doyle Act (commencing with Section 5600) under which the county shall reimburse the Department of Benefit Payments for 10 percent of the amount expended by the State Department of Health, exclusive of such portion of the cost as is provided by the federal government.

The provision for such 10-percent county share shall be inapplicable with respect to any county with a population of under 100,000 which has not elected to participate financially in providing services under Division 5 (commencing with Section 5000) in accordance with Section 5709.5.

The State Department of Health may provide services pursuant to this section directly or through contract with public or private

entities.

The State Department of Health, or through the county department may provide protective social services, including the cost of care in a private home pursuant to this section or in a suitable facility as specified in Section 7354 for judicially committed patients released from a state hospital on leave of absence or parole, and payments therefor shall be made from funds available to the Department of Benefit Payments or the State Department of Health for the purpose or for the support of patients in state hospitals.

In facilitating the release of mentally disordered patients or persons who have been mentally disordered patients to suitably licensed facilities, the State Department of Health and local community mental health programs shall provide the licensee with information concerning the previous conduct of the patient which would be relevant in determining the suitability of the particular facility for the patient and the suitability of placement of such patient in such facility. The release of this information shall be consistent with the confidentiality guidelines under the Lanterman-Petris-Short Act and the Short-Doyle Act.

SEC. 3. It is the intent of the Legislature if this bill and Assembly Bill No. 1950 are both chaptered and amend or amend and renumber Section 10053.5 of the Welfare and Institutions Code, and this bill is chaptered after Assembly Bill No. 1950, that Section 10053.5 of the Welfare and Institutions Code, as amended by Section 1 of this act shall remain operative only until the operative date of Assembly Bill No. 1950, and on the operative date of Assembly Bill No. 1950, Section 10053.5 of the Welfare and Institutions Code as amended by Section 1 of this act be further amended and renumbered in the form set forth in Section 2 of this act to incorporate the changes in Section 10053.5 proposed by Assembly Bill No. 1950. Therefore, Section 2 of this act shall become operative only if Assembly Bill No. 1950 is chaptered before this bill and amends and renumbers Section 10053.5, and in such case Section 2 of this act shall become operative on the operative date of Assembly Bill No. 1950.

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## CHAPTER 1206

*An act to amend Section 690.175 of the Code of Civil Procedure, to amend Sections 14020, 14021, and 14024 of the Corporations Code, to amend Sections 5209, 6257, 6261, 6268, 6268.2, 6268.6, 6268.8, 6268.22, 6268.24, 6735, 6819, 13658.5, 16721, 16735, 16746, and 37022 of the Education Code, to amend Sections 7100, 11012, 11200, 11552, 11556, 12803, and 15702.1 of the Government Code, to amend Section 5474.30 of the Health and Safety Code, to amend Section 10270.2 of the Insurance Code, to amend Sections 1690.1, 2014, and 3071 of the Labor Code, to amend Sections 7057, 17061, and 19268 of the Revenue and Taxation Code, to amend Sections 130, 133, 134,*

*301, 303, 401, 605.5, 821.3, 1087, 1095, 1342, 1585, 2111, 2606, 2714, 3012, 5001, 5002, 5003, 9001, 9100, 9101, 9102, 9106, 9107, 9111, 9500, 9600, 9602, 9603, 9604, 9605, 9701, 9702, 9703, 9704, 10000, 10001, 10103, and 10106 of, the heading of Article 1 (commencing with Section 301) of Chapter 2 of Part 1 of Division 1 of, the heading of Division 3 (commencing with Section 9000) of, the heading of Part 1 (commencing with Section 9000) of Division 3 of, the heading of Chapter 2 (commencing with Section 9500) of Part 1 of Division 3 of, and the heading of Chapter 3 (commencing with Section 10000) of Part 1 of Division 3 of, to amend and renumber Sections 9606, 9608, 9609, and 10501 of, to add Sections 301.1, 301.2, 305.5, 9000, 9604.5, 9606, 9607, 9608, 9609, and 9613 to, and Chapter 4.5 (commencing with Section 10510) to Part 1 of Division 3 of, and to repeal Sections 313, 327, 328, 5009, 5012, 9000, 9103, 9104, 9113, 9501, 9607, and 10500 of, Chapter 5 (commencing with Section 5400) of Division 2 of, Article 4 (commencing with Section 9800) of Chapter 2 of Part 1 of Division 3 of, Chapter 5 (commencing with Section 11000) of Part 1 of Division 3 of, and Part 2 (commencing with Section 11500) of Division 3 of, the Unemployment Insurance Code, and to amend Sections 10560, 10653, 10654, 10655, 11252.5, 11300, 11301, 11303, 11304, 11306, 11308, 11308.5, 11308.6, 11308.8, 11325, 11327, 13500, 13902, 15100, and 15153.5 of, and to repeal Section 10560.5 of, the Welfare and Institutions Code, relating to manpower programs.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. This act shall be known and may be cited as the Employment Development Act of 1973.

SEC. 2. The Legislature hereby makes the following declaration of purpose and intent in enacting the Employment Development Act of 1973.

It is the public policy of the State of California to provide for comprehensive statewide and local manpower planning, to improve the efficiency of, and the accountability for, delivery systems for manpower programs, to promptly place job-ready individuals in suitable jobs, to provide qualified job applicants to employers, to assist potentially employable individuals to become job-ready, and to create employment opportunities.

SEC. 3. Section 690.175 of the Code of Civil Procedure is amended to read:

690.175. State unemployment compensation benefits or extended duration benefits or federal-state extended benefits or unemployment compensation disability benefits, incentive payments provided by Division 2 (commencing with Section 5000) of the Unemployment Insurance Code, and payments to an

individual under a plan or system established by an employer which makes provision for his employees generally, or for a class or group of his employees, for the purpose of supplementing unemployment compensation benefits. Such benefits or payments, prior to actual payment, shall be exempt without filing a claim of exemption, as provided in Section 690.50.

SEC. 4. Section 14020 of the Corporations Code is amended to read:

14020. There is in the Department of Employment Development a California Job Development Corporation Law Executive Board.

SEC. 5. Section 14020 of the Corporations Code is amended to read:

14020. There is in the Department of Employment Development a California Job Creation Program Board.

SEC. 6. Section 14021 of the Corporations Code is amended to read:

14021. The board consists of the following membership:

Secretary of the Health and Welfare Agency;

Superintendent of Banks;

Director of the Department of Commerce;

Director of Employment Development;

Eleven members appointed by the Governor, including:

Two persons residing in economically disadvantaged areas who are actively engaged in providing leadership and assistance for persons residing in these areas;

Four persons experienced in financial matters and actively engaged in the banking, savings and loan, or insurance business;

Four persons actively engaged in commercial or industrial business, two of whom are members of the California Commission for Economic Development; and

One person who is an officer of a labor organization.

Two Members of the Legislature, one of whom shall be appointed by the Speaker of the Assembly, and one by the Senate Rules Committee, shall advise with the board insofar as it does not conflict with the duties of the legislators. For purposes of this part, such two Members of the Legislature shall constitute a joint interim legislative committee on the subject of this part and shall have all the powers and duties imposed upon such committees by the Joint Rules of the Senate and Assembly.

One person from each job creation corporation, who shall be selected by the board of directors or members of each corporation in accordance with its bylaws, each of whom shall serve as nonvoting members of the board.

SEC. 7. Section 14024 of the Corporations Code is amended to read:

14024. The executive board shall not allocate any funds to a job development corporation unless the executive board determines to its satisfaction:

(a) That there is sufficient interest in the region, including

commitments to provide financial support, business consultation and education, and other assistance.

(b) That the corporation will agree to repay administrative cost allocations within a reasonable period of time.

(c) That the plan of operation submitted by the corporation includes:

(1) Substantiation of the ability of the corporation to maintain and increase its loan guarantee fund.

(2) A reasonably complete description of the disadvantaged area to be served.

(3) A description of methods to be used to mobilize community resources within the region to carry out the purposes of this chapter.

(4) An agreement that at least one-third of the corporation's lendable funds and guarantee capacity will be utilized to make or guarantee small business loans. There shall be no discrimination on the basis of race in considering individual applications for loans. To prevent discrimination, small business loans shall be made to persons whose minority group characteristics coincide, to the fullest extent possible consistent with provisions of law, with the minority group characteristics of the economically disadvantaged area.

(5) An agreement to require, as a condition to the granting of any loan or guarantee, that the borrower in an employment incentive loan will accept for permanent employment a significant number of disadvantaged persons referred for placement by the Department of Employment Development. There shall be no discrimination on the basis of race by an employment incentive borrower in hiring employees from disadvantaged areas. To prevent discrimination, the minority group characteristics of these employees shall, to the fullest extent possible consistent with provisions of law, coincide with the minority group characteristics of the unemployed in the economically disadvantaged area.

(6) An agreement to require, as a condition to the granting of any loan or guarantee, that the borrower in a small business loan will agree to a continuing consulting relationship with the corporation for a period of two years or during the existence of the loan or guarantee, whichever is shorter.

(7) An agreement to coordinate to the maximum extent feasible with existing job development and placement programs.

SEC. 8. Section 14024 of the Corporations Code is amended to read:

14024. The board shall not allocate any funds to a job creation corporation unless the board determines to its satisfaction:

(a) That there is sufficient interest in the region, including commitments to provide financial support, business consultation and education, and other assistance.

(b) That the corporation will agree to repay administrative cost allocations within a reasonable period of time.

(c) That the plan of operation submitted by the corporation includes:

(1) Substantiation of the ability of the corporation to maintain and increase its loan guarantee fund.

(2) A reasonably complete description of the disadvantaged area or areas to be served.

(3) A description of methods to be used to mobilize community resources within the region to carry out the purposes of this chapter.

(4) An agreement that at least one-third of the corporation's lendable funds and guarantee capacity will be utilized to make or guarantee small business loans. There shall be no discrimination on the basis of race in considering individual applications for loans. To prevent discrimination, small business loans shall be made to persons whose minority group characteristics coincide, to the fullest extent possible consistent with provisions of law, with the minority group characteristics of the economically disadvantaged area or areas to be served.

(5) An agreement to require, as a condition to the granting of any loan or guarantee, that the borrower in an employment incentive loan will accept for permanent employment a significant number of disadvantaged persons referred for placement by the Department of Employment Development. There shall be no discrimination on the basis of race by an employment incentive borrower in hiring employees from disadvantaged area. To prevent discrimination, the minority group characteristics of these employees shall, to the fullest extent possible consistent with provisions of law, coincide with the minority group characteristics of the unemployed in the economically disadvantaged area or areas to be served.

(6) An agreement to require, as a condition to the granting of any loan or guarantee, that the borrower in a small business loan will agree to a continuing consulting relationship with the corporation for a period of two years or during the existence of the loan or guarantee, whichever is shorter.

(7) An agreement to coordinate to the maximum extent feasible with existing job development and placement programs.

SEC. 9. Section 5209 of the Education Code is amended to read:

5209. During any national emergency declared by the President of the United States of America, or during any war in which the United States of America is engaged, upon a finding by the Department of Employment Development that spoilage of a perishable crop will result because of a critical shortage of farm labor the governing board of a school district in which such crop is located may maintain the schools of the district on Saturdays, the first day of January, the 12th day of February, the third Monday of February, the last Monday of May, and the fourth Monday in October, in order to make pupils of the district available for the harvesting of crops without undue reduction in the number of days the schools of the district are maintained

Nothing in this section shall permit or allow any student under the age of fourteen (14) to harvest such crops nor shall any student be permitted or allowed to use or to be in a position to use any

dangerous equipment.

SEC. 10 Section 6257 of the Education Code is amended to read:

6257 The governing board of each school district participating in a vocational education program shall appoint a vocational education advisory committee to develop recommendations on the program and to provide liaison between the district and potential employers

The committee shall consist of one or more representatives of the general public knowledgeable about the disadvantaged, students, teachers, business, industry, school administration, and the field office of the Department of Employment Development

SEC. 11 Section 6261 of the Education Code is amended to read:

6261. The California Advisory Council on Vocational Education and Technical Training, hereinafter referred to as the council in this article, is hereby created, consisting of the Director of Employment Development or his representative, a member of the Assembly Education Committee appointed by the Speaker of the Assembly, a member of the Senate Education Committee appointed by the Senate Committee on Rules, and 27 members appointed by the Governor. The 19 members originally appointed by the Governor pursuant to the terms of this section as added by Chapter 1555 of the Statutes of 1969, shall serve four-year terms, provided that of the initial appointments by the Governor, four shall serve one year, five shall serve two years, five shall serve three years, and five shall serve four years. Each of the three additional members appointed pursuant to this section as amended at the 1970 Regular Session shall serve for terms of four years. The terms of the five additional members appointed pursuant to this section as amended at the 1971 Regular Session shall be as follows: (a) the person representing the county offices of education shall serve a one-year term; (b) the two persons who are students currently enrolled in a vocational education program shall serve a two-year term; (c) the two persons representing a cross section of industrial, business, professional, agricultural, and health service occupations shall serve a three-year term.

SEC. 12 Section 6268 of the Education Code is amended to read:

6268. There are hereby created within the state a number of vocational areas, not to exceed 15, which shall have boundaries as determined, within 90 days after the effective date of this section, by the Director of Employment Development, the Director of Vocational Education, and the Chancellor of the California Community Colleges Such areas shall, as far as possible, be developed along job market lines

SEC. 13. Section 6268.2 of the Education Code is amended to read:

6268.2 In a minimum of four vocational areas, an area vocational planning committee shall be selected pursuant to Section 6268.8 to assume the responsibility of developing recommendations for the short-term improvement of existing vocational educational programs and a master plan for the improvement of vocational



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education within the area; subject to appropriations by the Legislature, an area vocational planning committee shall be selected pursuant to Section 6268.2 in a maximum of nine vocational areas for such purposes.

The selection of such vocational areas shall be made by the Director of Employment Development, the Director of Vocational Education, and the Chancellor of the California Community Colleges The selected vocational areas shall be sufficiently representative of all the vocational areas to demonstrate the feasibility of extending this system of planning throughout the state.

SEC. 14. Section 6268.6 of the Education Code is amended to read:

6268.6. Each area vocational planning committee shall be composed of 21 members, as follows:

(a) Three members who shall be members of governing boards of community college districts within the area;

(b) Three members who shall be members of governing boards of school districts maintaining high schools within the area;

(c) One representative of the Department of Employment Development;

(d) Five public members who, through knowledge and experience, are representative of business and industry, and labor organizations in the area;

(e) Three public members who, through personal involvement and experience, are knowledgeable about the disadvantaged. At least one such member shall be representative of the private organizations concerned with manpower training programs or opportunity programs, or both, for the disadvantaged in the area;

(f) Three members representing private postsecondary educational institutions within the area which have been authorized or approved under the provisions of paragraph (2) of subdivision (a), and subdivisions (b), (c), and (d) of, Section 29007, and Section 29007.5;

(g) One member representing a county office of education within the area.

(h) One member representing a regional occupational center or program within the area. If a regional occupation center or program does not exist in the area, the member shall be a person who is knowledgeable about such programs.

(i) One member representing a multicounty joint apprenticeship committee or joint training committee, established pursuant to Chapter 4 (commencing with Section 3070) of Division 3 of the Labor Code and serving the subject area.

SEC. 15. Section 6268.8 of the Education Code is amended to read:

6268.8. The members of each area vocational planning committee shall be selected in the following manner:

(a) Each of the three members of governing boards of community college districts within the area shall be selected by a plurality of the

votes cast in an election by the governing boards of community college districts within the area The governing board of each community college district within the area shall have one vote in each election.

(b) Each of the three members of governing boards of school districts maintaining high schools within the area shall be selected by a plurality of the votes cast in an election by the governing boards of school districts maintaining high schools within the area. The governing board of each school district maintaining high schools within the area shall have one vote in each election.

(c) The representative of the Department of Employment Development shall be selected by the Director of Employment Development.

(d) Each of the eight public members shall be selected jointly by the Director of Employment Development, the Director of Vocational Education, and the Chancellor of the California Community Colleges.

(e) The representative of a county office of education shall be selected by a plurality vote of the county superintendents of schools in the area.

(f) Each of the three representatives of the private postsecondary educational institutions shall be selected by a plurality of the votes cast in an election by the administrators of the private postsecondary educational institutions in the area. Each private postsecondary educational institution shall have one vote in the election for each representative. The election shall be conducted in a manner to insure that each representative shall be connected with a different private postsecondary educational institution in the area.

(g) The representative of a regional occupation center or program within the area shall be selected by the Director of Education.

(h) The representative of apprenticeship shall be selected by the Department of Industrial Relations.

SEC. 16. Section 6268.22 of the Education Code is amended to read:

6268.22. It is the intent of the Legislature in enacting this article that (1) the staff of the State Board of Education and the Board of Governors of the California Community Colleges and (2) the Department of Employment Development, through the coordination of the Director of Education, shall be responsible for its implementation and administration.

SEC. 17. Section 6268.24 of the Education Code is amended to read:

6268.24. Each area vocational planning committee shall make provision for local dissemination and response to the area vocational planning committee reports, as follows:

(a) The area vocational planning committee shall formally adopt its report to findings and recommendations, by majority vote of its membership, and shall immediately circulate the report to all

agencies and organizations of each category prescribed in Section 6268.6 and to all other agencies and organizations requesting the report.

(b) Within 60 days of the receipt of the report, the governing boards of community college districts within the area, the governing boards of school districts maintaining high schools within the area, and the Department of Employment Development shall respond regarding acceptance and feasibility of implementing the recommendations.

(c) The area vocational planning committee shall solicit from other parties in receipt of the report their responses regarding acceptance and feasibility of implementing the recommendations.

(d) Within 120 days of the adoption of the report, the area vocational planning committee shall report, pursuant to Section 6268.14, its evaluation regarding local acceptance of the committee findings and recommendations, acceptance by state agencies of the committee findings and recommendations, the nature and extent of participation by all those agencies and organizations of each category described in Section 6268.6, and ways to improve committee effectiveness in the execution of the provisions of this article.

Pursuant to Section 6268.22, provisions shall be made for appropriate regulation for the implementation of this section.

SEC. 18. Section 6735 of the Education Code is amended to read:

6735. A student at a technical, agricultural, and natural resource conservation school may be assigned part time to a vocational course in a place of employment. Such courses may be developed through the cooperation of the county officials, the board of admission, school personnel, local employers and local labor organizations. Local representatives of the Department of Employment Development, the Department of Industrial Relations and the Division of Apprenticeship Standards, shall cooperate in the development of such courses.

Such vocational training shall be offered subject to the provisions of Article 2 (commencing with Section 1290) of Chapter 2 of Part 4, Division 2 of the Labor Code.

SEC. 19. Section 6819 of the Education Code is amended to read:

6819. The Department of Employment Development shall, through the State Employment Development Service, cooperate with local school officials and the State Department of Education in the placement of physically handicapped individuals.

SEC. 21. Section 13658.5 of the Education Code is amended to read:

13658.5. The Director of Employment Development is the administrator of the system of unemployment insurance, as provided in Article 6 (commencing with Section 821) of Chapter 3 of Part 1 of Division 1 of the Unemployment Insurance Code.

SEC. 22. Section 16721 of the Education Code is amended to read:

16721. The Department of Education shall assist the Department of Employment Development and the State Department of Social

Welfare by offering training and job opportunities in local child development programs for recipients of public assistance and to those persons who qualify under federal regulations as former, current or potential recipients of public assistance.

SEC. 23. Section 16735 of the Education Code is amended to read:

16735. The Governor shall appoint an advisory committee composed of one representative from the State Advisory Health Council, one representative from the Department of Employment Development, one representative from the State Board of Education, one representative from the State Social Welfare Board, one representative of the Director of Education, one representative of the Director of Social Welfare, one representative of the Director of Health, and one representative of private education, one representative of child welfare, one representative of private health care, one representative of a proprietary child care agency, one representative of a community action agency qualified under Title II of the Economic Opportunity Act of 1969, and five parents of children participating in the program appointed from names selected by a democratic process to assure representation of the parents of the children being served, and three persons representing professional or civic groups or public or nonprofit private agencies, organizations or groups concerned with child development programs.

The advisory committee shall assist the Department of Education in developing a state plan for child development programs pursuant to this division.

The advisory committee shall continually evaluate the effectiveness of such programs and shall report thereon at each regular session of the Legislature.

A "proprietary child care agency" is an organization or facility providing child care, which is operated for profit.

SEC. 24. Section 16746 of the Education Code is amended to read:

16746. Notwithstanding any other provisions of this division, a public or private agency or a school district or a county superintendent of schools operating child development facilities may enter into an agreement with the Department of Employment Development which will provide an opportunity to participants in work incentive programs under Division 2 (commencing with Section 5000) of the Unemployment Insurance Code for training in child development facilities. Training pursuant to such agreement shall have the objective of preparation for a career in the field of child care.

SEC. 25. Section 37022 of the Education Code is amended to read:

37022. In the implementation of this division, the department shall advise and consult with, on a regular basis, representatives of the Department of Employment Development, the office of the Chancellor of the California Community Colleges, the Coordinating Council for Higher Education, the University of California, the Chancellor of the California State University and Colleges, the

commission, the Department of Industrial Relations, the Department of Consumer Affairs, the California Advisory Council on Vocational Education and Technical Training, and the State Personnel Board.

SEC. 26. Section 7100 of the Government Code is amended to read:

7100. In implementation of Section 311 of Public Law 88-452, known as the Economic Opportunity Act of 1964, the Director of Employment Development may contract with school districts, housing authorities, health agencies, and other appropriate local public and private nonprofit agencies, for the procurement, or construction of housing or shelter and to obtain services for migratory agricultural workers in the fields of education and sanitation, and to obtain day care services for the children of such workers.

SEC. 27. Section 11012 of the Government Code is amended to read:

11012. Whenever any state agency, including but not limited to state agencies acting in a fiduciary capacity, is authorized to invest funds, or to sell or exchange securities, prior approval of the Department of Finance to the investment, sale or exchange shall be secured.

Every state agency shall furnish the Department of Finance with such reports and in such form, relating to the funds or securities, their acquisition, sale or exchange, as may be requested by the Department of Finance from time to time.

This section does not apply to the following state agencies.

(a) Any state agency when issuing or dealing in securities authorized to be issued by it.

(b) The Treasurer.

(c) The Regents of the University of California.

(d) Department of Employment Development with respect to funds administered under the Unemployment Insurance Code.

(e) Department of Veterans Affairs.

(f) Hastings College of Law.

(g) Board of Administration of the California Public Employees' Retirement System.

(h) State Compensation Insurance Fund.

(i) California Toll Bridge Authority and Department of Public Works when acting in accordance with bond resolutions adopted under the California Toll Bridge Authority Act prior to the effective date of this section.

(j) Teachers' Retirement Board of the State Teachers' Retirement System.

SEC. 28. Section 11200 of the Government Code is amended to read:

11200. The Governor, upon recommendation of the director of the following state departments, may appoint not to exceed two chief deputies for the Directors of the Departments of Finance, Public

Works, and General Services, and not to exceed one chief deputy for the Directors of the Departments of Social Welfare, Employment Development, Food and Agriculture, Insurance, Motor Vehicles, Consumer Affairs, and Water Resources.

The deputies provided for in this section shall be in addition to those authorized by any other law.

SEC. 29. Section 11552 of the Government Code, as amended by Chapter 1253 of the Statutes of 1972, is amended to read:

11552. An annual salary of thirty thousand dollars ($30,000) shall be paid to each of the following:

(a) Superintendent of Banks
(b) Commissioner of Corporations
(c) Insurance Commissioner
(d) Director of Transportation
(e) Real Estate Commissioner
(f) Savings and Loan Commissioner
(g) Director of Social Welfare
(h) Director of Water Resources
(i) Director of Agriculture
(j) Director of Corrections
(k) Director of General Services
(*l*) Director of Industrial Relations
(m) Director of Motor Vehicles
(n) Director of Youth Authority
(o) Commissioner, California Highway Patrol
(p) Members of the Public Utilities Commission
(q) Director of Employment Development
(r) Director of Alcoholic Beverage Control.

SEC. 30. Section 11556 of the Government Code is amended to read:

11556. An annual salary of twenty-five thousand dollars ($25,000) shall be paid to each of the following:

(a) Director of Navigation and Ocean Development
(b) Director, Office of Emergency Services
(c) Director, Department of Housing and Community Development
(d) Members of the Adult Authority
(e) Members of the Board of Equalization
(f) Member of the State Water Resources Control Board
(g) Members of the Youth Authority Board
(h) State Fire Marshal

SEC. 31. Section 12803 of the Government Code, as added by Section 4 of Chapter 333 of the Statutes of 1972, is amended to read:

12803. The Human Relations Agency is hereby renamed the Health and Welfare Agency. The Health and Welfare Agency consists of the following departments: Social Welfare; Health; Employment Development; Rehabilitation;; the Youth Authority; and Corrections.

SEC. 32. Section 15702.1 of the Government Code is amended to

read:

15702.1. The Franchise Tax Board is authorized to delegate to the Department of Employment Development which is authorized to accept, exercise, and perform, the powers and duties necessary to administer the reporting, collection, refunding, and enforcement of taxes required to be withheld by employers under Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code The Franchise Tax Board is authorized to delegate to the California Unemployment Insurance Appeals Board which is authorized to accept, exercise, and perform, under rules it adopts, the powers and duties to administer appeals and petitions relating to such provisions of Part 10 The delegation to the Department of Employment Development shall not, however, include the power and duty of the Franchise Tax Board to adopt rules and regulations.

SEC. 33. Section 5474.30 of the Health and Safety Code is amended to read:

5474 30. The primary responsibility for enforcement of the provisions of this chapter shall be vested in the local health officers; county agricultural commissioners may participate in such enforcement. The State Departments of Health, Industrial Relations, and Agriculture may also enforce the provisions of this chapter.

Any agency enforcing the provisions of this chapter shall report any violation to all field offices of the Department of Employment Development located in the county where the violation occurs Such report shall identify the employer responsible for the violation, the nature of the violation, and the location of the food crop growing and harvesting operation where the violation occurs. The Department of Employment Development shall not refer persons for employment to any employer or food crop growing and harvesting operation identified in such report until the agency reporting the violation certifies that the violation has been corrected.

SEC. 34. Section 10270 2 of the Insurance Code is amended to read:

10270.2. Blanket insurance is that form of insurance providing coverage for specified circumstances and insuring by description all or nearly all persons within a class of persons defined in a policy issued to a master policyholder, and not by specifically naming the persons covered (by certificate or otherwise, although a statement of the coverage provided may be given, or required by the policy to be given to persons eligible) The permitted types of blanket insurance are those where the blanket policy is issued to any of the following:

(a) A volunteer fire company providing benefits to members only in event of accident incurred while performing actions incident to such membership.

(b) A college, school, or other institution of learning, a school district or districts or school jurisdictional unit, or to the head, principal, or governing board of any such educational unit who or which shall be deemed the policyholder; providing benefits to

students without necessarily any restriction as to activity, time, or place, or to teachers or employees while performing actions incident to special duties, such as at camps, at summer playgrounds, or during tours or excursions; and providing benefits to such students, teachers, or employees, and spouses and dependents of such students, teachers, and employees, for death or dismemberment resulting from accident or for hospital, medical, surgical, drug, or nursing expenses resulting from accident or sickness.

(c) A proprietor or sponsor of an organized camping institution, who shall be deemed the policyholder, providing benefits to campers or persons responsible for their support for death or dismemberment resulting from accident, or for hospital, medical, surgical, or nursing expenses resulting from accident to such campers or arising out of sickness of such campers, provided the accident or the first manifestation of such sickness occurs while such campers are in or on the buildings or premises of the camp institution, or being transported between their homes and the camp institution, or while at any other place as an incident to camp-sponsored activities or while being transported to, from, or between such places.

(d) To a newspaper, farm paper, magazine, or other periodical publication, which shall be deemed the policyholder, providing benefits for independent contractors, such as newsboys, dealers, distributors, wholesalers, or others engaged in the sale, distribution, collecting for, or other activities pertaining to, the marketing and delivery of such publications, including attendance at a coaching school or participation as a member of a trip organized, supervised, and sponsored as a reward for meritorious service, on account of loss resulting from accident or sickness, such benefit to be payable to such independent contractors or to their parents, guardians, or other persons responsible for their support

When the premium for the insurance is paid by the person insured, he may, upon request, obtain from the insurer in certificate form a copy of the policy.

(e) Any religious, charitable, recreational, educational, athletic or civic organization, or branch thereof, which shall be deemed the policyholder, providing benefits to members, employees, or participants for death or dismemberment or for hospital, medical, surgical, or nursing expenses all resulting from accident incurred incident to specific hazards pertaining to any activity or activities or operations sponsored or supervised by such policyholder.

(f) To a policy issued on application of an employer, a majority of the employees in this state of an employer, or both, to pay the benefits afforded by a voluntary plan of unemployment compensation disability insurance. Notwithstanding the provisions of Section 10113, such policies may incorporate by reference any of the appropriate provisions of Part 2 (commencing with Section 2601) of Division 1 of the Unemployment Insurance Code and the authorized regulations of the Director of Employment Development.

A "blanket policy" is any disability policy of the nature herein

described sold to any of the entities described in subdivision (a), (b), (c), (d), (e), or (f) of this section and providing coverage for any group of persons within permitted categories defined in the policy. Policies referred to in subdivision (f) shall comply with the provisions of this section specifically referring thereto. Policies referred to in subdivision (a), (b), (c), (d), or (e) may provide that the cost of the insurance coverage shall be borne by either the policyholder, or the individuals insured or their parents or guardians, payable through the policyholder. In the absence of a policy provision excluding coverage for otherwise covered individuals who have not individually enrolled with the policyholder and undertaken to pay all or a specified portion of the premium allocable to such individual, such policy shall provide the described insurance for all who fall within the categories of covered individuals defined in the policy. Such policy may, but is not required to, contain provisions requiring a minimum number of participating persons or a minimum percentage of participation before the policy is effective. In the absence of such a provision coverage shall not be denied any individual otherwise eligible on those grounds.

No policies described in subdivision (a), (b), (c), (d), or (e) of this section shall be issued until approved as to substance and form by the commissioner. The commissioner may after notice and hearing promulgate such reasonable rules and regulations, relating to the substance, form, and issuance of such policies, as are necessary or desirable to preserve, insofar as applicable, standards as respects substance, form, and issuance comparable to the standards in such respects prescribed by this chapter and applicable to other types of disability policies, and to further the purpose or purposes for which such policies are to be issued.

No policies described in subdivision (f) shall be issued until approved as to form by the commissioner. The commissioner may after notice and hearing promulgate such reasonable rules and regulations, relating to the form and issuance of such policies, as do not affect the substance of the coverage, and as are necessary or desirable to preserve, insofar as applicable, standards as respects form and issuance comparable to the standards in such respects prescribed by this chapter and applicable to other types of disability policies, and to further the purpose or purposes for which such policies are to be issued. Notwithstanding the provisions of Section 10113, such policies may incorporate by reference any of the appropriate provisions of Part 2 (commencing with Section 2601) of Division 1 of the Unemployment Insurance Code and the authorized regulations of the Director of Employment Development.

SEC 35. Section 1690.1 of the Labor Code is amended to read:

1690.1. If any licensee fails to remit the proper amount of worker contributions required by Chapter 4 (commencing with Section 901) of Part 1 of Division 1 of the Unemployment Insurance Code, or the Department of Employment Development has made an assessment for such unpaid worker contributions against the licensee that is final,

the Labor Commissioner shall, upon written notice by the Department of Employment Development, refuse to issue or renew the license of such licensee until such licensee has fully paid the amount of delinquency for such unpaid worker contributions.

The Labor Commissioner shall not, however, refuse to renew the license of a licensee under this section until the assessment for unpaid worker contributions is final and unpaid, and the licensee has exhausted, or failed to seek, his right of administrative review of such final assessment, pursuant to Chapter 4 (commencing with Section 901) of Part 1 of Division 1 of the Unemployment Insurance Code.

SEC. 36. Section 2014 of the Labor Code is amended to read:

2014. The Department of Employment Development immediately upon the publication of a finding under this chapter that a period of extraordinary unemployment due to industrial depression exists throughout this state shall prepare approved lists of applicants for public employment, secure full information as to their industrial qualifications, and shall submit the same to the Department of Finance for transmission to the state agencies which avail themselves of the provisions of this chapter.

SEC. 37. Section 3071 of the Labor Code is amended to read:

3071. The California Apprenticeship Council shall meet at the call of the Director of Industrial Relations and shall aid him in formulating policies for the effective administration of this chapter.

Thereafter the California Apprenticeship Council shall meet quarterly at a designated date and special meetings may be held at the call of the chairman. The California Apprenticeship Council shall establish standards for minimum wages, maximum hours, working conditions for apprentice agreements, hereinafter in this chapter referred to as labor standards, which in no case shall be lower than those prescribed by this chapter; shall issue such rules and regulations as may be necessary to carry out the intent and purpose of this chapter, which shall include regulations governing equal opportunities in apprenticeship and other on-the-job training, and criteria for selection procedures with a view particularly toward eliminating criteria not relevant to qualification for training employment or more stringent than is reasonably necessary; shall foster, promote, and develop the welfare of the apprentice and industry, improve the working conditions of apprentices, and advance their opportunities for profitable employment; shall insure that selection procedures are impartially administered to all applicants for apprenticeship; shall gather and promptly disseminate information through apprenticeship and training information centers; and shall maintain on public file in all high schools and field offices of the Department of Employment Development the name and location of the local area apprenticeship committees, the filing date, and minimum requirements for application of all registered apprenticeship programs. The California Apprenticeship Council shall make biennial reports through the Director of Industrial Relations of its activities and findings to the Legislature and to the

public.

SEC 38 Section 7057 of the Revenue and Taxation Code is amended to read:

7057 Any officer or employee of the Board of Equalization authorized to accept an application for a seller's permit under Section 6066 of this code or authorized to register a retailer under Section 6226 of this code shall at the time of acceptance of such an application or such registration, ascertain whether or not the person is also required to register as an employer under Section 1086 of the Unemployment Insurance Code, and if so shall register the person as an employer on a form provided by the Department of Employment Development and shall promptly notify the Department of Employment Development of such registration.

SEC. 39. Section 17061 of the Revenue and Taxation Code is amended to read:

17061. (a) In the case of a person entitled to a refund pursuant to Section 1176 of the Unemployment Insurance Code, there shall be a credit against the tax imposed under this part in the amount of such refund. If the tax due after deduction of any other credit under this part is less than the credit allowable pursuant to this section, the difference shall be a tax refund

(b) If the Franchise Tax Board disallows the refund or credit provided for by this section, the Franchise Tax Board shall notify the claimant accordingly. The Franchise Tax Board's action upon the credit or refund is final unless the claimant files a protest with the Director of the Department of Employment Development pursuant to Section 1176.5 of the Unemployment Insurance Code. None of the remedies provided by this part shall be available to such claimant.

SEC. 40. Section 19268 of the Revenue and Taxation Code is amended to read:

19268. The Franchise Tax Board shall transmit to the Director of Employment Development claims for credit or refund allowed pursuant to Section 17061 of this code and subdivision (a) of Section 1176.5 of the Unemployment Insurance Code.

SEC. 41. Section 130 of the Unemployment Insurance Code is amended to read:

130. "Contingent Fund" means the Department of Employment Development Contingent Fund.

SEC. 42. Section 133 of the Unemployment Insurance Code is amended to read:

133. "Department" means the Department of Employment Development.

SEC. 43. Section 134 of the Unemployment Insurance Code is amended to read:

134. "Director" means the Director of Employment Development.

SEC. 44 The heading of Article 1 (commencing with Section 301) of Chapter 2 of Part 1 of Division 1 of the Unemployment Insurance Code is amended to read:

Article 1. Department of Employment Development

SEC. 45. Section 301 of the Unemployment Insurance Code is amended to read:

301. There is in the Health and Welfare Agency the Department of Employment Development which succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the Department of Human Resources Development, and by the Health and Welfare Agency with respect to job creation activities. The Department of Employment Development shall be administered by an executive officer known as the Director of Employment Development who succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the Director of the Department of Human Resources Development.

SEC. 46. Section 301 1 is added to the Unemployment Insurance Code, to read:

301.1. The Department of Employment Development shall have the possession and control of all records, papers, offices, equipment, supplies, moneys, funds, appropriations, land, and other property real or personal held for the benefit or use of the Department of Human Resources Development in the performance of the duties, powers, purposes, responsibilities, and jurisdiction of such department that are vested in the Department of Employment Development by Section 301.

SEC. 47. Section 301.2 is added to the Unemployment Insurance Code, to read:

301.2. All officers and employees of the Department of Human Resources Development who on the operative date of this section are serving in the state civil service, other than as temporary employees, and engaged in the performance of a function vested in the Department of Employment Development by Section 301 shall be transferred to the Department of Employment Development. The status, positions, and rights of such persons shall not be affected by the transfer and shall be retained by them as officers and employees of the Department of Employment Development pursuant to the State Civil Service Act, except as to positions exempt from civil service.

SEC. 48. Section 303 of the Unemployment Insurance Code is amended to read:

303. There shall be four deputy directors in the Department of Employment Development who shall be appointed by the Governor subject to the approval of the Senate and shall hold office at the pleasure of the Governor. The salary of the deputy directors shall be as fixed in accordance with law.

SEC. 49. Section 305.5 is added to the Unemployment Insurance Code, to read·

305.5. All regulations heretofore adopted by the Director of the Department of Human Resources Development shall remain in

effect and shall be fully enforceable unless and until readopted, amended or repealed by the Director of Employment Development.

SEC. 50. Section 313 of the Unemployment Insurance Code is repealed.

SEC. 51. Section 327 of the Unemployment Insurance Code is repealed.

SEC. 52. Section 328 of the Unemployment Insurance Code is repealed.

SEC. 53. Section 401 of the Unemployment Insurance Code is amended to read:

401. There is in the Department of Employment Development an Appeals Division consisting of the California Unemployment Insurance Appeals Board and its employees. The appeals board consists of five members appointed by the Governor, subject to the approval of the Senate. Two of the members of the appeals board shall be attorneys at law admitted to practice in the State of California. The other three members need not be attorneys. Each member of the board shall devote his full time to the performance of his duties. The chairman and each member of the board shall receive the annual salary provided for by Chapter 6 (commencing with Section 11550) of Part 1 of Division 3 of Title 2 of the Government Code. The Governor shall designate the chairman of the appeals board from the membership of the appeals board. The person so designated shall hold the office of chairman at the pleasure of the Governor. The chairman shall designate a member of the appeals board to act as chairman in his absence.

SEC. 54. Section 605.5 of the Unemployment Insurance Code is amended to read:

605.5. (a) "Employment" includes all services performed by blind individuals and otherwise handicapped individuals, who do not hold civil service or permanent tenure positions, in connection with their employment by the State of California for work in the California Industries for the Blind.

(b) For the purposes of this division, the Department of Rehabilitation shall be considered the employer of persons performing the services described in subdivision (a) of this section.

(c) The employer and worker contributions, penalties and interest required of the state for services performed under this section shall be paid from the California Industries for the Blind Manufacturing Fund. The State Controller shall determine quarterly the amount of employer and withheld worker contributions, penalties and interest required and shall issue a warrant for such amount which shall be transmitted to the Director of Employment Development by the Department of Rehabilitation pursuant to this division.

(d) The director may require from the State Controller and the Department of Rehabilitation such employment, financial, statistical or other information and reports as may be deemed necessary by the director to carry out his duties under this section. Such information

and reports shall be filed with the director at the time and in the manner prescribed by the director.

(e) The director may tabulate and publish information obtained pursuant to this section in statistical form and may divulge the name of the state agency.

(f) The State Controller and the Department of Rehabilitation shall keep such work records as may be prescribed by the director for the proper administration of this section.

(g) Except as inconsistent with the provisions of this section, the provisions of this division and authorized regulations shall apply

SEC. 55. Section 821.3 of the Unemployment Insurance Code is amended to read:

821.3. As used in this article, "administrator" means the Director of Employment Development.

SEC 56. Section 1087 of the Unemployment Insurance Code is amended to read.

1087 Any officer or employee of the Sales and Use Tax Division of the Board of Equalization who is authorized to accept an application for a seller's permit under Section 6066 of the Revenue and Taxation Code or authorized to register a retailer under Section 6226 of the Revenue and Taxation Code is a duly authorized agent of the Department of Employment Development for purposes of accepting registration of employers as required in this part. Any officer or employee of the Board of Equalization who is authorized to accept an application for a license to operate commercial motor vehicles under Section 9701 of the Revenue and Taxation Code or authorized to issue a license under Section 9703 of the Revenue and Taxation Code is a duly authorized agent of the Department of Employment Development for purposes of accepting registration of employers as required in this part.

The department shall reimburse the Board of Equalization for any additional costs incurred by reason of services by any of its officers or employees to the department pursuant to this section.

SEC. 57. Section 1095 of the Unemployment Insurance Code is amended to read:

1095. The director shall permit the use of any information in his possession to the extent necessary for any of the following purposes:

(a) To properly present a claim for benefits

(b) To acquaint a worker or his authorized agent with his existing or prospective right to benefits.

(c) To furnish an employer or his authorized agent with information to enable him to fully discharge his obligations or safeguard his rights under this division.

(d) To enable an employer to receive a reduction in contribution rate.

(e) To enable the Director of Social Welfare or his representatives or the Director of Health or his representatives subject to federal law to verify or determine the eligibility or entitlement of an applicant for, or a recipient of, public social services provided pursuant to the

Welfare and Institutions Code, and directly connected with and limited to the administration of public social services.

SEC. 58 Section 1342 of the Unemployment Insurance Code is amended to read·

1342. Any waiver by any person of any benefit or right under this code is invalid Benefits under this code, incentive payments provided by Division 2 (commencing with Section 5000), and payments to an individual under a plan or system established by an employer which makes provisions for his employees generally, or for a class or group of his employees, for the purpose of supplementing unemployment compensation benefits, are not subject to assignment, release, or commutation, and are exempt from attachment and execution pursuant to Sections 690 175 and 690.18 of the Code of Civil Procedure Any agreement by any individual in the employ of any person or concern to pay all or any portion of the contributions required of his employer under this division is void.

SEC. 59. Section 1585 of the Unemployment Insurance Code is amended to read:

1585. There is in the State Treasury a special fund known as the Department of Employment Development Contingent Fund. The Department of Employment Development Contingent Fund is the successor of the Department of Human Resources Development Contingent Fund. There shall be deposited in or transferred to this fund:

(a) All interest on contributions collected under this division.

(b) All penalties collected under this division, except as provided in Sections 1958 and 3654.1.

(c) Notwithstanding any other provision of law, all penalties and interest collected by the department pursuant to the provisions of the Revenue and Taxation Code relating to the withholding of personal income tax.

(d) Rental payments or proceeds attributable to property derived from amounts expended from this fund

(e) Interest on amounts expended from this fund.

SEC. 60. Section 2111 of the Unemployment Insurance Code is amended to read:

2111. Except as otherwise provided in Section 1094, information obtained in the course of administration of this division is confidential and shall not be published or open to public inspection in any manner. Any director or deputy director or employee of the department, any member or employee of the Appeals Board, or any member or employee of the Employment Services Board who violates this section is guilty of a misdemeanor.

SEC. 61 Section 2606 of the Unemployment Insurance Code is amended to read:

2606. "Employment" for the purposes of this part means:

(a) Service included in "employment" as defined by Part 1 of this division

(b) Service in agricultural labor, including agricultural labor for

an agricultural or horticultural organization.

(c) Notwithstanding any other provision of this division, all service performed in the employ of a corporation, community chest, fund, or foundation, in connection with the operation of a hospital as defined in subdivision (b) of Section 1250 of the Health and Safety Code including the institutions described in subdivisions (c), (e), and (g) of Section 1312 of the Health and Safety Code but not including county hospitals or those described in subdivisions (a) and (b) of Section 1312 of the Health and Safety Code, no part of the net earnings of which inures to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation, which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office and which is exempt from income tax under Section 501(a) of the Internal Revenue Code of 1954, except service performed by an individual as a duly ordained priest, clergyman, rabbi, rector, vicar, pastor, or minister of religion, or by a practitioner who heals the sick by prayer in the practice of religion, or by a reader whose duty it is to conduct regular religious services of a religious organization, or by a member of a religious order in the exercise of duties required by the order, or by any other individual performing service in the practice of religion by designation of the governing body of a religious organization and subject to discipline by, including removal by, such governing body.

SEC. 62. Section 2714 of the Unemployment Insurance Code is amended to read.

2714. All medical records of the department obtained under this part, except to the extent necessary for the proper administration of this part or as provided herein, or to the extent necessary for the proper administration of public social services pursuant to the Welfare and Institutions Code, shall be confidential and shall not be published or be open to public inspection in any manner revealing the identity of the claimant, or the nature or cause of his disability. Such records are not admissible in evidence in any action or special proceeding other than one arising under this division or one arising under Division 9 (commencing with Section 10000) of the Welfare and Institutions Code to determine entitlement to, and directly connected with and limited to the administration of, public social services The department may reveal its records to the Director of Social Welfare or his representatives or to the Director of Health or his representatives, and may reveal the identity only of the claimant to the Department of Rehabilitation, but such information shall remain confidential and shall not be disclosed except as provided herein.

SEC. 63 Section 3012 of the Unemployment Insurance Code is amended to read:

3012. (a) All money in the Disability Fund is continuously appropriated without regard to fiscal years for the purpose of

providing disability benefits pursuant to this part, including the payment of refunds, credits, or judgments, and interest thereon, the payment of disability benefits to all eligible persons not covered exclusively by an approved voluntary plan, and the payment of the expenses of administration of this part by the Department of Employment Development, and the Franchise Tax Board. "Eligible persons" as used in this section, means those individuals who are covered by the Disability Fund at the time their period of disability commences, or whose employment has terminated or who are in noncovered employment at the time their period of disability commences, and who are otherwise eligible for benefits under this part.

(b) For the purpose of keeping a record of the payments to, and the disbursements from, the Disability Fund with respect to the payment of benefits to persons whose employment has terminated or who are in noncovered employment at the time their period of disability commences, the director shall maintain the Unemployed Disabled Account in the Disability Fund. This account shall be credited with the amount of the payments received by the Disability Fund under subdivision (b) of Section 3252 for each calendar year. This account shall also be credited with an amount equal to twelve one-hundredths of 1 percent (0.12%) of the taxable wages paid to employees covered by the Disability Fund for each calendar year. This account shall be charged each calendar year with disbursements from the Disability Fund for the payment of benefits and the additional administrative costs of the payment of benefits to persons whose employment has terminated or who are in noncovered employment at the time their period of disability commences.

SEC. 64. Section 5001 of the Unemployment Insurance Code is amended to read:

5001. It is the intent of the Legislature to concentrate maximum state efforts on providing increased employment opportunities and upgrading of employment skills in order to open the way to permanent self-support for persons who have been or otherwise might become dependent on public aid. To this end the Legislature intends that persons affected by this chapter shall be assigned to the primary jurisdiction of the Department of Employment Development, which shall be responsible for implementing and executing the provisions of this chapter.

Consistent with the intent of the Legislature to promote and achieve permanent employment of persons qualifying for work incentive programs under this division, it shall be the responsibility of each state agency and the political subdivisions of this state to cooperate by providing as many opportunities as possible for the permanent employment of such persons.

SEC. 65. Section 5002 of the Unemployment Insurance Code is amended to read:

5002. The provisions of this division shall be administered by the Department of Employment Development.

SEC. 66. Section 5003 of the Unemployment Insurance Code is amended to read:

5003. As used in this division, "department" means the Department of Employment Development.

SEC. 67. Section 5009 of the Unemployment Insurance Code is repealed.

SEC. 68. Section 5012 of the Unemployment Insurance Code is repealed.

SEC. 69 Chapter 5 (commencing with Section 5400) of Division 2 of the Unemployment Insurance Code is repealed.

SEC. 70. The heading of Division 3 (commencing with Section 9000) of the Unemployment Insurance Code is amended to read:

## DIVISION 3. EMPLOYMENT SERVICES PROGRAMS

SEC. 71. The heading of Part 1 (commencing with Section 9000) of Division 3 of the Unemployment Insurance Code is amended to read:

## PART 1. EMPLOYMENT AND EMPLOYABILITY SERVICES

SEC. 72. Section 9000 of the Unemployment Insurance Code is repealed.

SEC. 73. Section 9000 is added to the Unemployment Insurance Code, to read:

9000. The Legislature hereby makes the following declaration of purpose and intent in enacting the Employment Development Act of 1973.

It is the public policy of the State of California to provide for comprehensive statewide and local manpower planning, to improve the efficiency of, and the accountability for, delivery systems for manpower programs, to promptly place job-ready individuals in suitable jobs, to provide qualified job applicants to employers, to assist potentially employable individuals to become job-ready, and to create employment opportunities.

SEC. 74. Section 9001 of the Unemployment Insurance Code is amended to read:

9001. In enacting the Employment Development Act of 1973, the Legislature further finds and declares that it is essential to the health and welfare of the people of this state that action be taken by local, state and federal governments to effectively and economically utilize public funds for job training and placement services. To achieve this, it is necessary that:

(a) Explicit priorities be established for the allocation of these funds to ensure that they are first used to assist those in greatest need for job training and placement services;

(b) Definitive goals be established for the total system of job training and placement services to maximize the effectiveness of the system in assisting individuals to find and maintain gainful,

competitive employment;

(c) Efforts be made to enlist the full support of private industry in securing jobs for enrollees of training programs, and a closer, more integrated and coordinated effort be established with the federal government as well as state and local public and private agencies involved in performing job training and placement services; and

(d) New approaches involving improved services and changes in traditional organization structures be used to assist persons in economically disadvantaged areas.

It is hereby declared to be the intent of the Legislature to concentrate and account for the funds available for job training and placement services in one state agency whose functions shall be subject to periodic review by the Legislature and appropriate federal agencies, and to which is assigned the responsibility for the efficient administration of job training and placement services in this state and the allocation of these funds to the end that such funds will be more effectively utilized and will be directed primarily to those areas of the state with the largest concentrations of chronically unemployed persons.

It is the further intent of the Legislature (a) to maintain policy control over all job training and placement programs administered by the department pursuant to this part to the maximum extent feasible, consistent with effective program operations, (b) to organize existing job training and placement programs now operating in the state into a coordinated system designed to remove employable persons from dependency on public assistance, and to enlist the full support of private industry in securing jobs, (c) to use funds for job training and placement services in a flexible manner to provide needed services for individuals through contractual arrangements with public and private agencies, (d) to provide a unified system for timely delivery of improved job training placement and related services to eligible persons including individual case responsibility, an outreach effort to seek out those persons who need but do not apply for services, followup to insure that the needs of eligible persons and their families are met, dissemination of information and knowledge to residents of the economically disadvantaged area about available services, and location of services in areas readily accessible to those who need them, and (e) to involve members of each community in identifying the needs to be met and relating them to the services available in order to reduce the isolation of the disadvantaged from their government and the community as a whole and to improve their confidence in government at all levels.

SEC. 75. Section 9100 of the Unemployment Insurance Code is amended to read:

9100. Unless the context otherwise requires, the definitions in this article govern the construction of this division.

SEC. 76. Section 9101 of the Unemployment Insurance Code is amended to read:

9101. "Department" means the Department of Employment Development.

SEC. 77. Section 9102 of the Unemployment Insurance Code is amended to read:

9102. "Director" means the Director of Employment Development.

SEC. 78. Section 9103 of the Unemployment Insurance Code is repealed.

SEC. 79. Section 9104 of the Unemployment Insurance Code is repealed.

SEC. 80. Section 9106 of the Unemployment Insurance Code is amended to read:

9106. "Board" means the Employment Services Board.

SEC. 81. Section 9107 of the Unemployment Insurance Code is amended to read:

9107. "Job training and placement services" or "job training and placement programs" means any job training, placement, or related services administered or supervised by or provided under contract with the department, directly calculated to increase employability or improve the employment of the individual.

SEC. 82. Section 9111 of the Unemployment Insurance Code is amended to read:

9111. (a) "Economically disadvantaged area" means an area which meets all of the following requirements:

(1) It is composed of contiguous census tracts within or partly within an urbanized area as defined by the most recent federal census for which statistics are available.

(2) In the area 20 percent of the families report annual income less than four thousand dollars ($4,000) according to the most recent federal census for which statistics are available.

(3) The area has a population of not less than 25,000.

(b) "Economically disadvantaged area" also includes any portion of an area if:

(1) Such portion is within or partly within an urbanized area but because of technical factors such portion cannot be isolated as a census tract or tracts or cannot be isolated as a "contiguous" census tract; and

(2) The total area when such portion is included meets the requirements of paragraphs (2) and (3) of subdivision (a) of this section.

(c) The director shall periodically review the definition set forth in this section and Section 9110, and he shall recommend necessary changes to the Legislature and the Governor.

SEC. 83. Section 9113 of the Unemployment Insurance Code is repealed.

SEC. 84. The heading of Chapter 2 (commencing with Section 9500) of Part 1 of Division 3 of the Unemployment Insurance Code is amended to read:

CHAPTER 2. DEPARTMENT OF EMPLOYMENT DEVELOPMENT

SEC. 85. Section 9500 of the Unemployment Insurance Code is amended to read:

9500. The department shall administer all job training and placement programs and services for eligible persons as defined in this division, except as otherwise provided by federal statute or regulation.

SEC. 86. Section 9501 of the Unemployment Insurance Code is repealed.

SEC. 87. Section 9600 of the Unemployment Insurance Code is amended to read:

9600. (a) The department shall represent the state and local governments upon their request in dealing with the federal government regarding the kinds and quality of job training and placement, employability, and related programs contained in the statewide plan described in subdivision (b), which are administered by or in the State of California pursuant to this division.

(b) The department shall develop a statewide plan and area plans to coordinate all programs it administers pursuant to this division and shall present such plans annually to the Legislature. Such plans shall include, but not be limited to, the review required in Section 9604.

SEC. 88. Section 9602 of the Unemployment Insurance Code is amended to read:

9602. (a) The director shall designate economically disadvantaged areas. These areas shall be priority areas for services provided under this part. To the fullest extent possible, offices shall be established within the boundaries of the disadvantaged areas designated by the director.

(b) To the extent permitted by law, the department shall serve eligible persons in such a way as to prevent discrimination by serving persons whose minority group characteristics coincide to the fullest extent possible with the minority group characteristics of the unemployed and underemployed in the economically disadvantaged areas of their community.

(c) The department shall to the extent permitted by law provide services under this part in accordance with the following priorities:

(1) Unemployed heads of households.

(2) Underemployed heads of households.

(3) Other unemployed and underemployed persons.

(4) Veterans shall be accorded priority pursuant to federal law.

SEC. 89. Section 9603 of the Unemployment Insurance Code is amended to read:

9603. The director shall employ necessary personnel including a staff of job agents sufficient to provide direct services to all persons enrolled in the job training and placement program in each economically disadvantaged area. Consistent with the requirements of civil service, the director shall give priority to the selection of job agents in accordance with Section 9605.

SEC. 90. Section 9604 of the Unemployment Insurance Code is amended to read:

9604. (a) The department shall establish necessary data systems which shall provide administrative information on persons served including, but not limited to, the following information:

(1) Pertinent data on the characteristics of persons served;

(2) The services provided;

(3) The results of services provided.

(4) Progress report data for clients in the manpower training program, at intervals of at least 30, 90 and 180 days following completion of manpower training.

(5) Progress report data for clients provided services by job agents, at intervals of at least 30, 90 and 180 days following placement in employment.

(b) The department shall also compile annually a report for the state and its principal labor market areas. The report shall contain information on the characteristics of the unemployed and analyses of current trends and projections for population, labor force, employment, and unemployment and shall be provided on a regular basis to Cooperative Area Manpower Systems councils or successors.

SEC. 91. Section 9605 of the Unemployment Insurance Code is amended to read:

9605. The department shall:

(a) Conduct the state manpower program, with the exception of manpower programs conducted by units of local general purpose government.

(b) Be the sole state agency to approve and coordinate publicly funded job training and placement programs, which it administers. The department shall approve programs only if consistent with the plans developed under Section 9600 and other provisions of this division;

(c) Be responsible for developing program objectives for each category of the service program it administers, establishing cost effective results measurement, and providing accountability for results as related to the objectives set.

(d) Appoint an advisory committee of representatives of employers and employer organizations to enlist the advice and support of private industry in developing a statewide system for making jobs available to job trainees following successful completion of job training and placement programs;

(e) Develop controls to insure that job training and placement programs, it administers meet existing labor market needs as viewed by employers. The department shall study training and personnel selection methods used successfully by private industry;

(f) Encourage placement of eligible persons in public employment with the assistance of an advisory group representing state and local officials and representatives of economically disadvantaged areas appointed by the department;

(g) Evaluate the need for specific new public employment

opportunities;

(h) Determine the kinds and quality of job training and placement programs, it administers necessary to provide placement in public employment for eligible persons and develop means to realign job tasks to develop greater employment opportunities for eligible persons;

(i) Cooperate with the State Personnel Board and local personnel officials in developing and upgrading employment opportunities for and in eliminating unnecessary barriers to the placement of eligible persons in public employment.

The State Personnel Board and other state and local agencies shall cooperate to the maximum extent feasible to achieve the purposes of this division.

(j) Conduct and administer the California Migrant Master Plan.

(k) Provide technical assistance to local agencies which operate community action programs of an antipoverty nature.

(*l*) Coordinate antipoverty efforts throughout the state, to the extent permissible under federal law, to avoid duplication, improve delivery of services, and relate programs to one another.

(m) Maintain liaison with the Federal Office of Economic Opportunity, county and city commissions on economic opportunity, citizens' groups and all other governmental agencies engaged in economic opportunity programs.

(n) Collect and assemble pertinent information and data available from other agencies of the state and federal governments and disseminate information in the interests of economic opportunity programs in the state by publication, advertisement, conference, workshops, programs, lectures, and other means.

(o) Plan and evaluate long-range and short-range strategies for overcoming poverty in the state.

(p) Mobilize public and private resources in support of antipoverty programs.

(q) Encourage participation by residents of poor communities in the development and operation of community action programs for their betterment.

(r) Advise the Governor of his responsibilities under United States Public Law 88-452, known as the Economic Opportunity Act of 1964.

(s) To the extent feasible, utilize the community action agency in the community to be served in the recruitment of personnel for the department.

(t) Utilize and employ, to the fullest extent possible, consistent with efficient administration, persons from economically disadvantaged areas in carrying out this part.

SEC. 92. Section 9606 of the Unemployment Insurance Code is amended and renumbered to read:

9610. The director may enter into contracts for public and private job training and placement programs as may be required, and shall maintain quarterly projections of manpower needs in the

public and private sector in each area.

SEC 93 Section 9606 is added to the Unemployment Insurance Code, to read:

9606. The state manpower program shall serve the needs of employers by providing them with referrals of qualified job applicants. In addition the manpower program shall assist those individuals who are ready for employment, those who are employable with some direct assistance, and those individuals who are potentially employable.

SEC. 94. Section 9607 of the Unemployment Insurance Code is repealed.

SEC. 95. Section 9607 is added to the Unemployment Insurance Code, to read:

9607 In the administration of the state manpower program, the director shall establish community employment development centers. Within his administrative discretion, he shall determine the number, location and management structure for community employment development centers based on identified community needs. Each center shall be responsible for identifying and meeting manpower needs within the community and for maintaining current community labor market information. This labor market information shall be the basis for more realistic direction to manpower and vocational training efforts.

SEC. 96. Section 9608 of the Unemployment Insurance Code is amended and renumbered to read:

9611. Such personnel, as determined by the director, transferred to the department under this part, may function, in whole or in part, as job agents.

SEC. 97. Section 9608 is added to the Unemployment Insurance Code, to read:

9608. The director shall, within each community employment development center, establish an intake system to appraise the individual needs of applicants. Each community employment development center shall provide the following services:

(a) Job referral and labor market information services to applicants who are occupationally competitive and qualified by training or experience in the labor market. These applicants shall be encouraged to utilize self-help services.

(b) Employment exploration and job development services to applicants who are employable but need some directed assistance in planning an effective job search or coping with minor barriers to employment. Employment exploration and job development services are designed:

(1) To prepare groups of applicants to use job referral and information services by instructing them in job finding techniques and how to initiate their own job search.

(2) To assist applicants directly by developing job opportunities.

(3) To provide, as necessary, usually on a one-time basis, such services as the following:

(A) Contacting an employer to explain an applicant's qualifications or limitations, such as a handicap not affecting ability to work, in relation to requirements for a particular job and arranging an interview.

(B) A more thorough appraisal of the applicant's capabilities and desires in relation to the job market than is required of an applicant seeking only job referral and labor market information.

(4) To arrange for short-term supplemental services.

(c) Individual employability development and placement services to applicants who are potentially employable but are in need of more intensive services before becoming employable because they are vocationally handicapped due to disability, lack of skills, obsolescence of job skills, limited education, or poor work habits and attitudes. Intensive employability services shall be provided by case-responsible persons to applicants where case-responsible persons are assigned.

(d) Through counselors and job agents, case services to applicants to the extent funds are available. Case services funds may be made available for services to the disadvantaged. "Case services" means an applicant's expenses necessary for or incident to training or employability development and includes, but is not limited to, the following:

(1) Medical and dental treatment necessary for employability.
(2) Temporary child care.
(3) Transportation costs.
(4) Wearing apparel.
(5) Book and supplies.
(6) Tools and safety equipment.
(7) Union fees.
(8) Business license fees.

SEC. 98. Section 9609 of the Unemployment Insurance Code is amended and renumbered to read:

9612. The employees of the department shall be subject to the State Civil Service Act, except for exempt appointees. Members of the California Commission on Aging and officers and employees of the State Office of Economic Opportunity shall continue to be appointed by the Governor.

SEC. 99. Section 9609 is added to the Unemployment Insurance Code, to read:

9609. The department shall administer manpower service funds and shall provide, in a balanced and flexible manner, needed services as provided in this part.

SEC. 100. Section 9613 is added to the Unemployment Insurance Code, to read:

9613. (a) The director shall make every effort to secure to the fullest extent possible federal funds available for participation under this part and shall provide that effective and comprehensive placement and manpower information services are made available to eligible persons, both youth and adults, who are served by the

department, using funds available to the department under Title III and Title IX of the Social Security Act, in accordance with a plan of service developed by the department and approved by the United States Department of Labor as required by federal law and regulations.

(b) Under a plan of service developed by the department, funds under Title III and Title IX used for the administration of employment service offices and funds under the Manpower Development and Training Act shall be used to administer programs designed to find employment for economically displaced personnel toward the end of meeting the following goals:

(1) Developing a broad inventory of skills of displaced workers.

(2) Establishing labor market information systems necessary to identify the need for skills in waste disposal, power, water reclamation, sea water conversion, communications, biomedical techniques, air pollution control, and transportation systems.

SEC. 101. Section 9701 of the Unemployment Insurance Code is amended to read:

9701. The State Personnel Board shall prepare special examinations for job agents in accordance with criteria established pursuant to Section 9700. The director shall cooperate in the development of such examinations and shall utilize the probationary period to insure that these selection criteria are maintained. At such times as job performance standards have been developed and performance measurement is feasible, the director shall recommend to the State Personnel Board the establishment of a form of compensation for job agents pursuant to the provisions of Section 18852 of the Government Code.

SEC. 102. Section 9702 of the Unemployment Insurance Code is amended to read:

9702. The director shall conduct training programs for job agents and shall provide job agents with any information necessary to carry out the provisions of this part. Such programs shall be developed in consultation with the board.

SEC. 103. Section 9703 of the Unemployment Insurance Code is amended to read:

9703. The job agent shall provide each eligible person with such job training and placement and related services necessary to his employability on an individualized basis by means of the following:

(a) The development of a training and employment plan for each individual served;

(b) Procuring from public and private agencies and individuals the training and related services required by each individual eligible person;

(c) A continuing review and evaluation of each individual's progress up to and including placement;

(d) A postemployment followup at intervals to be determined by the director;

(e) Assistance in overcoming obstacles which threaten to deter

the progress of the eligible person through the various programs.

(f) Reactivation of the case and assignment of the client to a job agent if the client terminates employment within 180 days after placement.

SEC. 104. Section 9704 of the Unemployment Insurance Code is amended to read:

9704. The training and employment plan for each eligible person assigned to a job agent shall be considered successfully completed when the goal specified in the eligible person's plan has been achieved. The goal in each plan shall be related to the employment potential of the eligible person served.

SEC. 105 Article 4 (commencing with Section 9800) of Chapter 2 of Part 1 of Division 3 of the Unemployment Insurance Code is repealed.

SEC. 106. The heading of Chapter 3 (commencing with Section 10000) of Part 1 of Division 3 of the Unemployment Insurance Code is amended to read:

## CHAPTER 3. EMPLOYMENT SERVICES BOARD

SEC. 107. Section 10000 of the Unemployment Insurance Code is amended to read:

10000. There is hereby created in the Department of Employment Development the Employment Services Board.

SEC. 108. Section 10001 of the Unemployment Insurance Code is amended to read:

10001 The board shall consist of the following members:

(a) Twelve members appointed by the Governor with the advice and consent of the Senate. There shall be representation on the board of the public, labor, units of local general purpose government, higher education, business community, agricultural community, apprenticeship training, public vocational education, private vocational education, private employment agencies, and three members shall be persons residing in economically disadvantaged areas who have demonstrated leadership in providing for the needs and interests of the economically deprived.

(b) Four members appointed by the Legislature. One member shall be a public member, one member shall be from the field of labor, one member shall be from the field of higher education, and one member shall be from the business community, two to be appointed by the Speaker of the Assembly and two by the Senate Rules Committee.

(c) The Committee on Rules of the Senate shall appoint one Member of the Senate and the Speaker of the Assembly shall appoint one Member of the Assembly. The Member of the Senate and the Member of the Assembly so appointed shall meet with the board and participate in its activities to the extent that such participation is not incompatible with their positions as Members of the Legislature. For the purposes of this part, the Members of the Legislature shall

constitute a joint interim legislative committee on the subject of this part and as such shall have the powers and duties imposed upon such a committee by the Joint Rules of the Senate and Assembly.

(d) One member appointed by the State Board of Education.

(e) A deputy director of the department shall serve as a member of the board.

SEC. 109. Section 10103 of the Unemployment Insurance Code is amended to read:

10103. The board shall:

(a) Study the statewide problems of job training and placement and submit annual reports to the director, the Governor and the Legislature, with suggestions and recommendations for administrative, executive, and legislative action.

(b) Advise the director on all matters referred by him to the board for recommendation.

SEC. 110. Section 10106 of the Unemployment Insurance Code is amended to read:

10106. The board shall consider and may advise the director upon all matters connected with the administration of Division 1 (commencing with Section 100), Division 2 (commencing with Section 5000), and this part as submitted to it by the director and may recommend upon its own initiative such changes in administration as it deems necessary. The director shall furnish to the board information in his possession as requested by the board to discharge its advisory duties hereunder. The board shall each year file a written report to the Governor embodying the activities of the board and its recommendations to the director, a copy of which report shall be filed in the office of the Secretary of State for purposes of public inspection.

SEC. 111. Section 10500 of the Unemployment Insurance Code is repealed.

SEC. 112. Section 10501 of the Unemployment Insurance Code, as added by Chapter 1146 of the Statutes of 1972, is amended and renumbered to read:

9003. Notwithstanding any other provisions of this code, handicapped clients of the Department of Rehabilitation shall not be barred as participants in manpower programs, including but not limited to, retraining programs, work incentive programs, job training and placement programs, career opportunity development programs, and vocational educational programs, because of their mental or physical disability when certified by the Department of Rehabilitation as being potentially employable.

SEC. 113. Chapter 4.5 (commencing with Section 10510) is added to Part 1 of Division 3 of the Unemployment Insurance Code, to read:

## CHAPTER 4.5. CALIFORNIA MANPOWER PLANNING SYSTEM

### Article 1. Policies and Purposes

10510. It is the intent of the Legislature, in enacting this chapter, to establish and implement a program of comprehensive and coordinated manpower planning in California. The Legislature recognizes the need for a new manpower planning structure which will provide for comprehensive analysis of alternative expenditure possibilities for the fiscal resources available in this field. The basic principles of such a system are:

(a) That the manpower development and employment needs at the local, regional, and state levels, be addressed.

(b) That the expenditure of available funds meets the needs at the local level.

(c) That manpower development and employment programs be integrated into a uniform manpower services planning system within substate regions.

(d) That such a uniform planning system shall coordinate manpower development and employment programs and eliminate duplication of such programs among state and local agencies.

(e) That decisionmaking be decentralized, insofar as is practicable, to the governmental level closest to the people.

### Article 2. General Provisions and Definitions

10521. Nothing in this chapter shall be construed to affect any other provision of law relating to the control of funds by the department or by the Department of Rehabilitation or by units of local general purpose government.

10522. As used in this chapter:

(a) "Manpower planning" means the coordination of manpower development programs through compilation, analysis and dissemination of data enumerating the amount of manpower development program funds expended in the planning area, the client groups which such expenditures are designed to serve, the manpower and employment program needs of the planning area, and the alternative expenditure possibilities for such funds. "Manpower planning" includes analysis of this information and the development of a program for the future expenditures of available manpower program funds based upon the needs of the residents of the planning area.

(b) "Manpower plan" means a state plan for the use of funds at local, multijurisdictional, and state levels among the various manpower and employment programs operating in California with federal funds within the planning area which is covered by the plan, and containing at least the elements specified by Section 10523. These programs include, but are not limited to, programs planned and operated pursuant to:

(1) The State Plan of Service under the Wagner-Peyser Act.
(2) The State Work Incentive (WIN) Operating Plan.
(3) The State Plan under the Federal Manpower Development and Training Act of 1962.
(4) Manpower programs under the Federal Economic Opportunity Act of 1964.
(5) Federal Manpower Revenue Sharing programs.
(6) Area CAMPS plans, or its successor's plans.
(7) The Department of Rehabilitation's regional plans which are submitted by rehabilitation administrators.

10523. Any "manpower plan" shall contain at least the following elements:
(a) Analysis of the manpower program needs.
(b) Descriptive and forecasting analysis of the changes in employment markets.
(c) Future manpower and employment goals in terms of percentages of the population unemployed and triggering mechanisms for greater state participation in manpower development programs in times of greatest need.
(d) Description and evaluation of manpower development programs in the planning area.
(e) Flexible expenditure plan covering future manpower activities.

10524. "Council" means the California Manpower Planning Council.

10525. "CAMPS" means the Cooperative Area Manpower Planning System or its successor.

10526. "Planning area" is a substate area served by the CAMPS system, or its successor.

## Article 3. California Manpower Planning Council

10530. There is hereby created the California Manpower Planning Council which shall serve as the State Manpower Planning Council. The council shall be composed of a chairman, who shall be the Secretary of the Health and Welfare Agency, and 12 other members to be appointed by the Governor. In the absence of the Secretary of the Health and Welfare Agency, the director shall serve as chairman. The Governor shall appoint the members of the council in accordance with the following guidelines:
(a) Two representatives of county government.
(b) Two representatives of municipal government.
(c) The director.
(d) One representative of labor.
(e) One representative of business and industry.
(f) Two public representatives from client groups.
(g) Director of Rehabilitation.
(h) One ex officio representative from the California Advisory Council on Vocational Education and Technical Training.

(i) One representative of the State Board of Education

10531. The council shall be supported with federal funds which are available to California for purposes of manpower planning activities The council shall have an executive secretary and adequate staff to carry out the purposes and intent of this chapter.

10532. The council shall formulate a state manpower and employment plan which will coordinate manpower program expenditures and which will recognize the continuing role of cooperative area manpower planning councils and local government officials in state manpower planning in California.

10533. The council shall:

(a) Develop a state manpower plan

(b) Coordinate manpower and employment planning activities in cooperative area manpower planning councils through collection and analysis of the reports provided to it by the regional manpower area planning councils and the prime sponsor agencies.

(c) Provide assistance and comprehensive information to local manpower area planning councils concerning all aspects of manpower development and manpower planning.

(d) Serve as the State Manpower Planning Council for the purpose of all federal manpower program requirements

10534. All state and local agencies to the extent permitted by law shall provide information requested by the council to carry out its responsibilities under Section 10533.

10535. In cooperation with the council's activities, the State Office of Intergovernmental Management shall expand its Federal Aid Control System to include data covering all federal funds being expended in California for manpower and employment programs.

10536. The council shall coordinate and assist CAMPS planning councils and local areas in the development of their plans.

10537. All CAMPS plans shall be submitted to the council The council shall review all CAMPS plans to determine whether any inconsistencies exist which would minimize the effectiveness of manpower programs carried out in California. The council shall utilize said CAMPS plans to develop an annual state manpower plan which will be submitted to the Governor, the Legislature, and the United States Department of Labor.

10538. The council may establish deadlines for the submission of local plans.

10539 The council shall coordinate the State Manpower Plan with the statewide plans for vocational education.

10540. If the federal government provides funds to the state for the purpose of manpower planning and manpower program operations, the council shall establish a top priority for the federal manpower dollars received by the state. That priority shall be for the accomplishment of manpower planning and coordination at the state and at areawide and local levels.

In the event no federal funds are available for areawide manpower planning, the department shall make funds for this purpose available

from appropriate state manpower revenue sharing funds

SEC. 114 Chapter 5 (commencing with Section 11000) of Part 1 of Division 3 of the Unemployment Insurance Code is repealed.

SEC. 115 Part 2 (commencing with Section 11500) of Division 3 of the Unemployment Insurance Code is repealed

SEC. 116. Section 10560 of the Welfare and Institutions Code is amended to read.

10560. The State Department of Health and each county department shall, to the extent feasible, train recipients of public assistance and potential recipients for private employment or for government service. Employment by the state or counties shall be subject to applicable civil service and merit system requirements

The provisions of this section may be accomplished in conjunction with the provisions of a contract between the State Department of Health and the Department of Rehabilitation, the Department of Employment Development, or the Department of Education.

SEC. 117. Section 10560.5 of the Welfare and Institutions Code is repealed.

SEC 118. Section 10653 of the Welfare and Institutions Code is amended to read

10653 The county department shall be responsible for the initial selection of public assistance recipients who are to participate in training, vocational educational programs, or other employment preparation programs that are developed pursuant to the provisions of this chapter. The county department shall have primary responsibility for providing those services which will prepare recipients for the specific vocational training and employment placement services offered by the Departments of Employment Development, Rehabilitation, Education, and any other state or federal agencies offering specialized programs to upgrade the capacity of recipients and potential recipients to improve their capacity for self-support or self-direction The services provided by the county department shall be geared to complement those services offered by state and federal agencies to the end that recipients of public assistance receive and participate in such programs to the fullest extent of their capacity.

SEC. 119 Section 10654 of the Welfare and Institutions Code is amended to read:

10654. The Division of Vocational Education of the State Department of Education shall have primary responsibility for the education and training of public assistance recipients. The Secretary of the Health and Welfare Agency shall through the Department of Employment Development work with the State Department of Education to develop vocational education programs which will meet the particular requirements and needs of recipients of public assistance whenever it is determined that such special programs will substantially improve such recipients' capacity to achieve self-support or self-direction The Department of Employment Development shall determine the kinds, quality, and number of

persons requiring such education.

SEC. 120. Section 10655 of the Welfare and Institutions Code is amended to read:

10655. The Department of Employment Development shall have primary responsibility for placement and other employment services for public assistance recipients; provided, however, that a county department may refer a public assistance recipient to a private employment agency at the same time the recipient is referred to the Department of Employment Development. For the purposes of this section, a county department is authorized to enter into contracts with any private employment agencies under such terms and conditions and for such rates as the county department deems reasonable; provided, that once a public assistance recipient has been placed in employment by such an agency, a county department may not contract again with a private employment agency for placement of that recipient within six months of the original date of placement.

No referral or contract authorized under this section shall result in the recipient's paying any fee, part of wages or other charges to the county department or private employment agency for such services.

SEC. 121. Section 11252.5 of the Welfare and Institutions Code is amended to read:

11252.5. The Legislature hereby finds that the high rate of unemployment, which has been aggravated in California's most populous regions by layoffs in the aerospace industries, has led to a high level of public assistance grants and that despite the unemployment rate, both the unemployment rolls and the welfare rolls are swollen by the influx of persons from other states, many of which allow smaller assistance grants.

The Legislature further notes that increasing state taxes will have a depressing effect upon those individuals, firms, and industries now operating at a marginal level and will tend to further aggravate the unemployment rate and increase the welfare rolls.

The Legislature finds, therefore, that the most compelling state interest requires that the relationship between welfare and unemployment be recognized and that an emergency residency requirement be enforced in those areas of the state suffering from unusually high rates of unemployment.

(a) At any time the director shall determine from information received from the Department of Employment Development that any county has an unemployment rate of 6.0 percent or more, the director shall declare a state of emergency to exist, and shall immediately direct such county to enforce an emergency residency requirement as provided in subdivision (b) until its unemployment rate falls below 6.0 percent. During this period and in any county in which such emergency exists, no person described in subdivision (b) shall be eligible for aid after the effective date of this section who does not meet the residency requirements of subdivision (b) of this section.

(b) No needy relative under Section 11203 shall be eligible for aid

unless such needy relative has been physically present in the county for one year immediately preceding the date of application.

The provisions of this section shall not operate to render ineligible for aid any needy relative receiving such aid on the effective date of this section.

SEC. 122. Section 11300 of the Welfare and Institutions Code is amended to read:

11300. Each county department shall promptly refer to the Department of Employment Development for participation under a work incentive program pursuant to Chapter 3 (commencing with Section 5200) of Division 2 of the Unemployment Insurance Code each person selected as being appropriate for referral and for such participation in accordance with criteria and standards established by the State Department of Health pursuant to subdivision (19) (A) of Section 402(a) of the Social Security Act as amended by Public Law 90-248. In developing such criteria and standards, the State Department of Health shall consult with the Department of Employment Development.

SEC. 123. Section 11301 of the Welfare and Institutions Code is amended to read:

11301. The State Department of Health shall identify the kinds of information regarding persons referred pursuant to Section 11300 which are required for the efficient administration of work incentive programs, and develop methods and procedures which will assure the prompt and orderly exchange of such information between them. Such methods and procedures shall, when promulgated by the State Department of Health, be binding upon the county departments.

SEC. 124. Section 11303 of the Welfare and Institutions Code is amended to read:

11303. Nothing in this chapter shall be construed to discontinue aid under this chapter to a person referred to the Department of Employment Development under this article prior to the time he begins participation in a work incentive program provided by the department, or to deny social services for former or potential recipients of aid under this chapter to persons referred to the Department of Employment Development under this article while participating in a work incentive program when such services are requested by the Department of Employment Development, to the extent permitted by federal law.

SEC. 125. Section 11304 of the Welfare and Institutions Code is amended to read:

11304. Except as required by federal law, nothing in this article shall be construed to preclude or modify aid or services under this chapter to a person who refuses to participate, or discontinues participation, in a work incentive program, in any of the following circumstances:

(a) Prior to a final decision that his withdrawal or refusal was not with good cause, pursuant to the provisions of Chapter 4

(commencing with Section 5300) of Division 2 of the Unemployment Insurance Code.

(b) The Department of Employment Development determines that his participation or continuance in a work incentive program would not be useful or beneficial to him.

(c) The Department of Employment Development determines that an appropriate work incentive program is not available for him because of lack of funds.

(d) Any circumstance which is not a basis for precluding or modifying such aid or services permitted under federal law.

SEC. 126. Section 11306 of the Welfare and Institutions Code is amended to read:

11306. In formulating the minimum basic standards of adequate care pursuant to Section 11452, the Department of Social Welfare shall establish an assistance payment plan and methods of grant computation that are designed to work in harmony with the employability plan developed by the Department of Employment Development in accordance with the work incentive program administered by that department pursuant to Division 2 (commencing with Section 5000) of the Unemployment Insurance Code. It is the intent of the Legislature that income and resources expected to be available to the recipient during the period the employability plan is in effect shall be estimated by the county department at the time the recipient is accepted as a participant under the work incentive program and at six-month intervals thereafter.

SEC. 127. Section 11308 of the Welfare and Institutions Code is amended to read:

11308. Upon notification of the Department of Employment Development that, pursuant to Chapter 4 (commencing with Section 5300) of Division 2 of the Unemployment Insurance Code, there has been a final determination that a person referred to it under Section 11300 and enrolled in a work incentive program has refused without good cause to accept employment or to participate in a work incentive program, the county department shall discontinue cash aid payments, and shall continue aid under a controlled payment plan in accordance with federal law and the regulations of the department. The allowance for such person's needs shall not be included under a controlled payment plan, except for the first 60 days if during such time he accepts counseling or other services provided by the county department aimed at persuading him to follow the prescribed program.

SEC. 128. Section 11308.5 of the Welfare and Institutions Code is amended to read:

11308.5 Whenever a person referred to the Department of Employment Development under Section 11300 fails to report for enrollment in or refuses to enroll in a work incentive program established pursuant to Section 5200 of the Unemployment Insurance Code or whose enrollment in a work incentive program

is deferred and the person refuses to accept employment, the county department shall determine within five days whether the person had good cause for failure to report or refusal to enroll or refusal to accept employment.

SEC. 129. Section 11308.6 of the Welfare and Institutions Code is amended to read:

11308.6. (a) Good cause for failure to report for enrollment in or refusal to enroll in a work incentive program shall be deemed to exist, when:

(1) Participation would be unreasonable because it would interrupt a program in process for permanent rehabilitation or self-support or conflict with an imminent likelihood of reemployment at the person's regular work, or

(2) Participation would be unreasonable because the assignment is not suited to the person's abilities or potential, or will not lead to realistic employment opportunities suited to the person's abilities or potential.

(b) Good cause for refusal of employment shall be deemed to exist when:

(1) The offer of employment is not for a specific job at a stated wage which meets the wage rate requirements set by the Department of Employment Development, or

(2) The job is available because of a labor dispute, or

(3) The job is not within the physical or mental capacity of the person, as established by competent professional authority, or

(4) Acceptance would be unreasonable because it would interrupt a program in process for permanent rehabilitation or self-support or conflict with an imminent likelihood of reemployment at the person's regular work.

SEC. 130. Section 11308.8 of the Welfare and Institutions Code is amended to read:

11308.8. Upon notification of the Department of Social Welfare pursuant to Chapter 7 (commencing with Section 10950) of Part 2, Division 9, that a person referred to the Department of Employment Development under Section 11300 has without good cause failed to report for enrollment in or refused to enroll in a work incentive program or refused to accept employment, the county department shall discontinue cash aid payments, and shall continue aid under a controlled payment plan in accordance with federal law and the regulations of the department. The allowance for such person's needs shall not be included under a controlled payment plan, except for the first 60 days if during such time he accepts counseling or other services provided by the county department aimed at persuading him to follow the prescribed program

SEC. 131. Section 11325 of the Welfare and Institutions Code is amended to read:

11325. Assisting recipients of aid to become self-supporting through implementation of the work incentive programs established in accordance with subdivision (19)(A) of Section 402(a) of the

Social Security Act, as amended, as well as through such additional or supplemental work programs permitted by federal law is a matter of public concern.

To the extent permitted by federal law, it is the intention of the Legislature that this article operate as a demonstration program. The Director of Employment Development shall develop a plan for the phased implementation of community work experience programs. As this plan is implemented, he shall designate specific geographic areas within which community work experience programs shall be established. Such geographic areas shall consist of a county or portion of a county, as the director may designate.

The Director of Employment Development shall develop community work experience programs through contracts with any public entity or nonprofit agency or organization, subject to the conditions and standards set forth below.

All public entities shall cooperate in the development and implementation of community work experience programs for welfare applicants and recipients in accordance with criteria and standards established by the Department of Social Welfare and Department of Employment Development, provided that any program undertaken by a public agency shall be done with the consent of that agency.

For the purpose of this article, a "community work experience program" is a program to provide work experience and training for individuals who are not otherwise able to obtain employment or who are not actively participating in training or education programs, in order that such participants may move into regular employment.

Community work experience programs shall provide for development of employability through actual work experience and training; and shall be designed to enable individuals employed under community work experience programs to move promptly into regular public or private employment or into training or public service employment programs to improve their employability in regular public or private employment. The facilities of the Department of Employment Development shall be utilized to find employment opportunities for recipients under this program.

Community work experience programs under this article shall be confined to projects which serve a useful public purpose such as in the fields of health, social service, environmental protection, education, urban and rural development and redevelopment, welfare, recreation, public facilities, and public safety. To the extent possible, the prior training, experience and skills of a recipient shall be utilized in making appropriate work experience assignments.

The Director of Employment Development shall designate the procedures for inclusion of recipients of public assistance within community work experience programs, to include the geographic area within which such programs shall be established. To the extent permitted by federal law, recipients of public assistance referred by the Department of Employment Development to a community

work experience program shall, as a condition of receiving public assistance, participate in such program, except where good cause exists for failure to accept and continue to participate in such program.

No person, who is a recipient of aid under this chapter under the age of seventeen (17) years, or is the mother of a child the age of six (6) years or under in the home, or who is otherwise employed or actively participating in training programs, education programs, or public service employment programs, or is incapacitated, shall be required to participate in community work experience programs. No mother of a child over the age of six (6) years in the home shall be required to participate in such community work experience programs unless suitable child care is available.

A community work experience program established under this section shall provide:

(1) Appropriate standards for health, safety, and other conditions applicable to the performance of work, including workmen's compensation insurance.

(2) That the program does not result in displacement of persons currently employed, or the filling of established unfilled position vacancies.

(3) That the program does not apply to jobs covered by a collective bargaining agreement.

(4) Reasonable conditions of work, taking into account the geographic region, the residence of the participants, and the proficiency of the participants.

(5) That participants will not be required, without their consent, to travel an unreasonable distance from their homes or remain away from their homes overnight.

(6) That participants will not be required to work in excess of 80 hours in any calendar month, nor in excess of eight hours during any calendar day in order to provide time to seek regular employment, provided, however, that in no case will any participant be required to participate in work experience programs for a period of time which would result in a total number of hours per month, which, if compared to the amount of the grant, in relation to the state or federal minimum wage, whichever is higher, would result in a ratio that would be less than such minimum wage. Nothing in this section shall be construed as requiring or permitting the payment of aid in exchange, or as compensation, for work performed.

(7) That participation shall not result in any cost to a participant, provision shall be made for transportation and all other costs reasonably necessary to and directly related to participation in the program. Nothing contained herein shall entitle any participant to a salary or to any other work or training expense provided under any other provision of law by reason of his or her participation.

(8) A recipient shall not be placed in a community work experience program under this section unless all available positions within the geographic area served by a community work experience

program have been filled under work incentive programs established pursuant to Chapter 3 (commencing with Section 5200) of Division 2 of the Unemployment Insurance Code or under any other job development program established pursuant to state law To the extent feasible, work incentive program positions shall be administered to maximize utilization of that program prior to placement of recipients in community work experience programs.

No individual shall be required to participate in a community work experience program if

(1) The position offered is vacant due directly to a strike, lockout, or other labor dispute.

(2) As a condition of accepting the work or continuing in the work, the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization.

(3) Acceptance would be an unreasonable act because of hardship imposed on the person or his family due to illness or remoteness.

SEC. 132. Section 11327 of the Welfare and Institutions Code is amended to read:

11327. The Director of Employment Development shall report annually to the Legislature concerning the community work experience programs, including the number of persons placed in a community work experience program, the number of persons placed from this program into regular employment, and the costs to state and local agencies for implementing this demonstration program.

SEC. 133. Section 13500 of the Welfare and Institutions Code is amended to read:

13500. It is the object and purpose of this chapter to provide persons whose dependency results from disability defined by Section 13501 with assistance and services which will encourage them to make greater efforts to achieve self-care and self-support and to enlarge their opportunities for independence.

In supervising the administration of this chapter, the department shall encourage the rehabilitation or employment of the recipient if it appears that with proper care and training such person may become more self-sufficient.

The department and the Department of Rehabilitation shall jointly develop plans for the orderly processing of cases referred to the Department of Rehabilitation, including plans for a determination of feasibility and planning for vocational rehabilitation.

The department and the Department of Employment Development shall jointly develop plans for the orderly processing of cases referred to the Department of Employment Development.

The policy shall be followed of granting aid to the recipient in his own home or in some other suitable home of his own choosing, in preference to placing him in an institution.

Aid granted under the provisions of this chapter shall be known as aid to the disabled.

SEC 134 Section 13902 of the Welfare and Institutions Code is amended to read·

13902. Insofar as practicable and consistent with the best interest of the recipients, the provisions of this chapter shall be administered as a separate program which provides the aged, blind or disabled persons who qualify under the provisions of the separate aid categories with a unified and comprehensive program of care. In developing administrative plans to implement the provisions of this chapter priority shall be given to the plan utilizing the most favorable federal cost-sharing formula

The State Department of Health and the county departments of the various counties in a manner consistent with efficient administration shall, where recruitment, training and employment of personnel is economical and practical, establish special civil service or merit system classifications for the employment of supportive home care service personnel

In the recruitment, training and employment of staff to carry out the provisions of this chapter, preference shall be given whenever possible to recipients of public assistance Persons engaged in training under programs conducted by the Department of Employment Development shall be given every consideration in competing and qualifying for employment under the applicable civil service and merit system requirements.

In the event that it is not consistent with efficient administration to recruit, train and employ in-home supportive care service workers as regular county employees, the service may be provided pursuant to contract with another public agency, or with a voluntary nonprofit agency. Such a contract shall include a provision that assures preference will be given to the employment of recipients of public assistance

SEC. 135. Section 15100 of the Welfare and Institutions Code is amended to read:

15100 A revolving fund in the State Treasury is hereby created, to be known as the Welfare Advance Fund. All moneys in the fund are appropriated for the purpose of making payments or advances to counties or the Department of Employment Development of the state and federal shares of assistance, work incentive or medical care programs or the cost of administration of such programs, and for the payment of refunds.

Payments or advances of funds to counties or the Department of Employment Development, which are properly chargeable to appropriations made from other funds in the State Treasury, may be made by Controller's warrant drawn against the Welfare Advance Fund. For every warrant so issued, the several purposes and amounts for which it was drawn shall be identified for the payee.

The amounts to be transferred to the Welfare Advance Fund at any time shall be determined by the department, and, upon order of the Controller, shall be transferred from the funds and appropriations otherwise properly chargeable therewith to the

Welfare Advance Fund.

Refunds of amounts disbursed from the Welfare Advance Fund shall, on order of the Controller, be deposited in the Welfare Advance Fund, and, on order of the Controller, shall be transferred therefrom to the funds and appropriations from which such amounts were originally derived. Claims for amounts erroneously paid into the Welfare Advance Fund shall be submitted by the department to the State Controller who, if he approves such claims, shall draw his warrant in payment thereof against the Welfare Advance Fund.

All amounts increasing the cash balance in the Welfare Advance Fund, which were derived from the cancellation of warrants issued therefrom, shall, on order of the Controller, be transferred to and in augmentation of the appropriations from which such amounts were originally derived.

SEC. 136. Section 15153.5 of the Welfare and Institutions Code is amended to read:

15153.5. Notwithstanding any provision of this article to the contrary, state and federal funds normally due counties for aid payments in behalf of appropriate participants under work incentive programs administered by the Department of Employment Development, and the families of such participants, shall be transferred by the Controller to the Department of Employment Development for use in administering the work incentive program. In addition, an amount of money not in excess of the county share of such aid payments shall be determined and deducted from advances of state and federal funds due counties pursuant to Section 15153.

The Department of Social Welfare and the Department of Employment Development, subject to the approval of the Director of Finance and the Controller, shall establish procedures and methods for the maintenance of information and accounts and the preparation of reports essential to meet federal requirements, and to provide the Controller with financial statements to support the required transfer of funds.

SEC. 137. (a) The Legislature hereby makes the following declaration of purpose and intent:

It is the public policy of the State of California to improve the quality, the efficiency of, and the accountability for, delivery systems for manpower programs and vocational rehabilitation services, to promptly place job-ready individuals in suitable jobs, to provide qualified job applicants to employers, to assist potentially employable individuals to become job-ready, to eliminate employment barriers for the disadvantaged, to rehabilitate disabled persons, and to create employment opportunities.

It is the intent of the Legislature that rehabilitation services for disabled persons shall be strengthened by the availability of job development and placement services to enable disabled persons to enter more readily the labor market or otherwise become self-supporting and that qualified vocational rehabilitation personnel

be assigned to serve the disabled.

In furtherance of these goals, the Director of Employment Development and the Director of Rehabilitation shall jointly, under the policy direction of the Secretary of the Health and Welfare Agency, establish a demonstration project in not more than three labor markets in this state including urban and rural areas. The purpose of this project is to study and determine:

(1) The feasibility of consolidating and integrating manpower and vocational rehabilitation programs and delivery systems administered by the Department of Employment Development and the Department of Rehabilitation; and

(2) The extent to which consolidation would result in improved delivery of manpower and vocational rehabilitation services and increased job placement of clients.

(b) The demonstration project shall by means of coordination and integration of services undertake:

(1) Developing of systems to maximize the effectiveness of job training, placement, and vocational rehabilitation services.

(2) Increasing the support of private industry in securing jobs for enrollees of training and vocational rehabilitation programs.

(3) Developing a more coordinated and integrated effort with the federal government as well as state and local public and private agencies involved in performing job-training, placement and vocational rehabilitation services

(4) Improving services to persons in economically disadvantaged areas by developing more approaches, including changes in traditional organizational structures, to making services available to such persons.

(5) Developing means to better organize existing job-training and placement programs now operating in the project areas into a coordinated system designed to remove or prevent employable and potentially employable persons from dependency on public assistance, and to enlist the full support of private industry in securing jobs.

(6) Developing means to provide needed services for individuals through arrangements with public and private agencies, subject to the limitation that funds appropriated by the federal and state governments for the rehabilitation of disabled people or any groups shall be used only for such purpose.

(7) Developing a more unified system for the timely delivery of job training, placement, vocational rehabilitation, and related services to eligible persons. This shall include individual case responsibility where appropriate, the assignment of rehabilitation counselors to serve the disabled including final responsibility for placement of the disabled, an outreach effort to seek out those persons who need but do not apply for services, followup to insure that the employment and rehabilitation needs of eligible persons and their families are met, and dissemination of information to residents of the economically disadvantaged areas about available services.

(8) Increasing the involvement of members of the community in identifying needs to be met and relating them to the services available in order to reduce the isolation of the disadvantaged and disabled from their government and the community.

(c) The demonstration project shall be conducted during the period commencing January 1, 1974, and ending November 30, 1975.

(d) During the demonstration project, the level of services provided clients involved in such project shall not be diminished as a result of project involvement and the standards of service, delivery and supervision shall be at least equal to those provided clients not a part of the project.

(e) Demonstration projects shall be established within diverse geographical areas of the state, including urban and rural areas. One area shall be selected from each of the following categories:

(1) A rural county north of the Tehachapi Mountains with a population of at least fifty thousand (50,000) and not more than eighty-five thousand (85,000), according to the 1970 census;

(2) A county north of the Tehachapi Mountains with a population of at least one million (1,000,000) and not more than one million two hundred fifty thousand (1,250,000), according to the 1970 census;

(3) A city south of the Tehachapi Mountains with a population of not less than two hundred thousand (200,000) and not more than three hundred seventy-five thousand (375,000), according to the 1970 census

(f) An operational plan will be developed by the Departments of Employment Development and Rehabilitation, under the policy direction of the Secretary of the Health and Welfare Agency, after consultation with an independent firm

(g) An evaluation of the demonstration project will be made to determine the effectiveness of the services delivered to clients and the efficiency of the delivery system.

Specific criteria would include but not be limited to:

(1) Consistency with the legislative intent as expressed herein;

(2) The cost of the delivery services under the demonstration project compared to cost of delivering the same services prior to the project;

(3) The cost projections of employability plans developed for individuals with similar needs before and during the project,

(4) The results in terms of placements for similar resource expenditures on similar individuals before and during the project to the extent possible within the time limitations of the study;

(5) The operational desirability and feasibility and costs of expanding the processes and procedures developed from and during the project into a statewide system.

(h) There is hereby created the Employment Development-Rehabilitation Demonstration Task Force, consisting of 18 members. The task force shall evaluate the demonstration project to determine the extent to which the goals set forth in this section are accomplished. The task force shall contract with an

independent firm to perform the evaluation.

The task force shall consist of the following members:

(1) Five members appointed by the Senate Rules Committee. two members shall be Members of the Senate; one shall be a representative of employers' and two shall be representatives of organizations serving disabled persons

(2) Four members appointed by the Speaker of the Assembly: two members shall be Members of the Assembly, one shall be a representative of labor; and one shall be a person from an economically disadvantaged area.

(3) Six members appointed by the Secretary of the Health and Welfare Agency: one member shall be a member of the Employment Services Board; one shall be a member of the Department of Rehabilitation Advisory Committee; one shall be from an economically disadvantaged area; and two shall be representatives of organizations serving disabled persons; one shall represent rehabilitation facilities

(4) The Secretary of the Health and Welfare Agency, or his designee, who shall act as chairman.

(5) The Director of Rehabilitation, or his designee.

(6) The Director of Employment Development, or his designee.

(7) The two Members of the Senate and the two Members of the Assembly appointed under this subdivision shall meet with, and participate in, the activities of the task force to the extent that such participation is not incompatible with their respective positions as Members of the Legislature. For the purposes of this section, such Members of the Legislature shall constitute a joint interim investigating committee on the subject of this section, and as such shall have the powers and duties imposed upon such committees by the Joint Rules of the Senate and Assembly.

The members of the task force shall serve at the pleasure of their respective appointing powers. The members shall serve without compensation but shall be reimbursed for necessary travel expenses incurred for attendance at task force meetings

The times and places of meetings shall be fixed by the chairman of the task force but, in no event, shall the first meeting be scheduled more than 30 days after the demonstration project has commenced. The task force shall meet at least four times during the existence of the demonstration project.

The Secretary of the Health and Welfare Agency shall make available to the task force such staff as agreed upon by the secretary and the task force as necessary to carry out the responsibilities of the task force.

The task force shall submit to the Legislature, the Governor and the Directors of the Departments of Employment Development and Rehabilitation an interim report of its findings on or before December 31, 1974, and a final report on or before December 31, 1975.

SEC. 138. It is the intent of the Legislature that if this bill and

Senate Bill No. 387 are chaptered and both bills amend Section 14020 of the Corporations Code, and this bill is chaptered after Senate Bill No. 387, that both bills be given effect and incorporated in the form set forth in Section 5 of this bill, and that Section 4 of this bill shall be inoperative. If Senate Bill No. 387 is not chaptered or is chaptered after this bill, Section 4 of this bill shall be operative and Section 5 of this bill shall not be operative.

SEC. 139. It is the intent of the Legislature that if this bill and Senate Bill No. 387 are chaptered and both bills amend Section 14021 of the Corporations Code, and this bill is chaptered after Senate Bill No. 387, that Section 14021 of the Corporations Code as amended by Section 11 of Senate Bill No. 387 be further amended on the effective date of this act in the form set forth in Section 6 of this act. Therefore, Section 6 of this act shall become operative only if Senate Bill No. 387 is chaptered before this bill and amends Section 14021 and in such case Section 6 of this act shall become operative on the effective date of this act.

SEC. 140. It is the intent of the Legislature, if this bill and Senate Bill No. 387 are both chaptered and amend Section 14024 of the Corporations Code, and this bill is chaptered after Senate Bill No. 387, that Section 14024 of the Corporations Code, as amended by Section 15 of Senate Bill No. 387 be further amended on the effective date of this act in the form set forth in Section 8 of this act to incorporate the changes in Section 14024 proposed by this bill. Therefore, Section 8 of this act shall become operative only if Senate Bill No. 387 is chaptered before this bill and amends Section 14024 and in such case Section 8 of this act shall become operative on the effective date of this act and Section 7 of this act shall not become operative.

SEC. 141. If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

SEC. 142. Upon receipt of a formal ruling from the Secretary of Labor, or the head of any federal agency that any provision of this act cannot be given effect without causing the state's plan to be out of conformity with federal requirements or would result in decertification of provisions of the Unemployment Insurance Code and notification of intention to withdraw federal funds from the state, such provision shall become inoperative to the extent that it is not in conformity with federal requirements.

# CHAPTER 1207

*An act to amend Section 690.175 of the Code of Civil Procedure, to amend Sections 14020, 14021, and 14024 of the Corporations Code, to amend Sections 5209, 6257, 6261, 6268, 6268.2, 6268.6, 6268.8, 6268.22, 6268.24, 6735, 6819, 13658.5, 16721, 16735, 16746, and 37022 of the Education Code, to amend Sections 7100, 11012, 11200, 11552, 11556, 12803, and 15702.1 of the Government Code, to amend Section 5474.30 of the Health and Safety Code, to amend Section 10270.2 of the Insurance Code, to amend Sections 1690 1, 2014, and 3071 of the Labor Code, to amend Sections 7057, 17061, and 19268 of the Revenue and Taxation Code, to amend Sections 130, 133, 134, 301, 303, 401, 605.5, 821.3, 1087, 1095, 1342, 1585, 2111, 2606, 2714, 3012, 5001, 5002, 5003, 9001, 9100, 9101, 9102, 9106, 9107, 9111, 9500, 9600, 9602, 9603, 9604, 9605, 9701, 9702, 9703, 9704, 10000, 10001, 10103, and 10106 of, the heading of Article 1 (commencing with Section 301) of Chapter 2 of Part 1 of Division 1 of, the heading of Division 3 (commencing with Section 9000) of, the heading of Part 1 (commencing with Section 9000) of Division 3 of, the heading of Chapter 2 (commencing with Section 9500) of Part 1 of Division 3 of, and the heading of Chapter 3 (commencing with Section 10000) of Part 1 of Division 3 of, to amend and renumber Sections 9606, 9608, 9609, and 10501 of, to add Sections 301.1, 301.2, 305.5, 9000, 9606, 9607, 9608, 9609, and 9613 to, and Chapter 4.5 (commencing with Section 10510) to Part 1 of Division 3 of, and to repeal Sections 313, 327, 328, 5009, 5012, 9000, 9103, 9104, 9113, 9501, 9607, and 10500 of, Chapter 5 (commencing with Section 5400) of Division 2 of, Article 4 (commencing with Section 9800) of Chapter 2 of Part 1 of Division 3 of, Chapter 5 (commencing with Section 11000) of Part 1 of Division 3 of, and Part 2 (commencing with Section 11500) of Division 3 of, the Unemployment Insurance Code, and to amend Sections 10560, 10653, 10654, 10655, 11252.5, 11300, 11301, 11303, 11304, 11306, 11308, 11308.5, 11308.6, 11308.8, 11325, 11327, 13500, 13902, 15100, and 15153.5 of, and to repeal Section 10560.5 of, the Welfare and Institutions Code, relating to manpower programs.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. This act shall be known and may be cited as the Employment Development Act of 1973.

SEC. 2. The Legislature hereby makes the following declaration of purpose and intent in enacting the Employment Development Act of 1973.

It is the public policy of the State of California to provide for comprehensive statewide and local manpower planning, to improve the efficiency of, and the accountability for, delivery systems for

manpower programs, to promptly place job-ready individuals in suitable jobs, to provide qualified job applicants to employers, to assist potentially employable individuals to become job ready, and to create employment opportunities.

SEC 3. Section 690.175 of the Code of Civil Procedure is amended to read.

690 175. State unemployment compensation benefits or extended duration benefits or federal-state extended benefits or unemployment compensation disability benefits, incentive payments provided by Division 2 (commencing with Section 5000) of the Unemployment Insurance Code, and payments to an individual under a plan or system established by an employer which makes provision for his employees generally, or for a class or group of his employees, for the purpose of supplementing unemployment compensation benefits Such benefits or payments, prior to actual payment, shall be exempt without filing a claim of exemption, as provided in Section 690.50.

SEC. 4. Section 14020 of the Corporations Code is amended to read:

14020. There is in the Department of Employment Development a California Job Development Corporation Law Executive Board.

SEC. 5 Section 14020 of the Corporations Code is amended to read:

14020. There is in the Department of Employment Development a California Job Creation Program Board.

SEC. 6. Section 14021 of the Corporations Code is amended to read:

14021. The board consists of the following membership:

Secretary of the Health and Welfare Agency;

Superintendent of Banks;

Director of the Department of Commerce;

Director of Employment Development;

Eleven members appointed by the Governor, including·

Two persons residing in economically disadvantaged areas who are actively engaged in providing leadership and assistance for persons residing in these areas;

Four persons experienced in financial matters and actively engaged in the banking, savings and loan, or insurance business;

Four persons actively engaged in commercial or industrial business, two of whom are members of the California Commission for Economic Development; and

One person who is an officer of a labor organization.

Two Members of the Legislature, one of whom shall be appointed by the Speaker of the Assembly, and one by the Senate Rules Committee, shall advise with the board insofar as it does not conflict with the duties of the legislators For purposes of this part, such two Members of the Legislature shall constitute a joint interim legislative committee on the subject of this part and shall have all the powers and duties imposed upon such committees by the Joint Rules of the

Senate and Assembly.

One person from each job creation corporation, who shall be selected by the board of directors or members of each corporation in accordance with its bylaws, each of whom shall serve as nonvoting members of the board.

SEC. 7 Section 14024 of the Corporations Code is amended to read:

14024. The executive board shall not allocate any funds to a job development corporation unless the executive board determines to its satisfaction.

(a) That there is sufficient interest in the region, including commitments to provide financial support, business consultation and education, and other assistance.

(b) That the corporation will agree to repay administrative cost allocations within a reasonable period of time.

(c) That the plan of operation submitted by the corporation includes:

(1) Substantiation of the ability of the corporation to maintain and increase its loan guarantee fund.

(2) A reasonably complete description of the disadvantaged area to be served.

(3) A description of methods to be used to mobilize community resources within the region to carry out the purposes of this chapter.

(4) An agreement that at least one-third of the corporation's lendable funds and guarantee capacity will be utilized to make or guarantee small business loans. There shall be no discrimination on the basis of race in considering individual applications for loans. To prevent discrimination, small business loans shall be made to persons whose minority group characteristics coincide, to the fullest extent possible consistent with provisions of law, with the minority group characteristics of the economically disadvantaged area.

(5) An agreement to require, as a condition to the granting of any loan or guarantee, that the borrower in an employment incentive loan will accept for permanent employment a significant number of disadvantaged persons referred for placement by the Department of Employment Development. There shall be no discrimination on the basis of race by an employment incentive borrower in hiring employees from disadvantaged areas. To prevent discrimination, the minority group characteristics of these employees shall, to the fullest extent possible consistent with provisions of law, coincide with the minority group characteristics of the unemployed in the economically disadvantaged area

(6) An agreement to require, as a condition to the granting of any loan or guarantee, that the borrower in a small business loan will agree to a continuing consulting relationship with the corporation for a period of two years or during the existence of the loan or guarantee, whichever is shorter.

(7) An agreement to coordinate to the maximum extent feasible with existing job development and placement programs.

SEC. 8. Section 14024 of the Corporations Code is amended to read:

14024. The board shall not allocate any funds to a job creation corporation unless the board determines to its satisfaction:

(a) That there is sufficient interest in the region, including commitments to provide financial support, business consultation and education, and other assistance.

(b) That the corporation will agree to repay administrative cost allocations within a reasonable period of time.

(c) That the plan of operation submitted by the corporation includes:

(1) Substantiation of the ability of the corporation to maintain and increase its loan guarantee fund.

(2) A reasonably complete description of the disadvantaged area or areas to be served.

(3) A description of methods to be used to mobilize community resources within the region to carry out the purposes of this chapter.

(4) An agreement that at least one-third of the corporation's lendable funds and guarantee capacity will be utilized to make or guarantee small business loans. There shall be no discrimination on the basis of race in considering individual applications for loans. To prevent discrimination, small business loans shall be made to persons whose minority group characteristics coincide, to the fullest extent possible consistent with provisions of law, with the minority group characteristics of the economically disadvantaged area or areas to be served.

(5) An agreement to require, as a condition to the granting of any loan or guarantee, that the borrower in an employment incentive loan will accept for permanent employment a significant number of disadvantaged persons referred for placement by the Department of Employment Development. There shall be no discrimination on the basis of race by an employment incentive borrower in hiring employees from disadvantaged areas. To prevent discrimination, the minority group characteristics of these employees shall, to the fullest extent possible consistent with provisions of law, coincide with the minority group characteristics of the unemployed in the economically disadvantaged area or areas to be served.

(6) An agreement to require, as a condition to the granting of any loan or guarantee, that the borrower in a small business loan will agree to a continuing consulting relationship with the corporation for a period of two years or during the existence of the loan or guarantee, whichever is shorter.

(7) An agreement to coordinate to the maximum extent feasible with existing job development and placement programs.

SEC. 9. Section 5209 of the Education Code is amended to read:

5209. During any national emergency declared by the President of the United States of America, or during any war in which the United States of America is engaged, upon a finding by the Department of Employment Development that spoilage of a

perishable crop will result because of a critical shortage of farm labor the governing board of a school district in which such crop is located may maintain the schools of the district on Saturdays, the first day of January, the 12th day of February, the third Monday of February, the last Monday of May, and the fourth Monday in October, in order to make pupils of the district available for the harvesting of crops without undue reduction in the number of days the schools of the district are maintained.

Nothing in this section shall permit or allow any student under the age of fourteen (14) to harvest such crops nor shall any student be permitted or allowed to use or to be in a position to use any dangerous equipment.

SEC. 10. Section 6257 of the Education Code is amended to read:

6257. The governing board of each school district participating in a vocational education program shall appoint a vocational education advisory committee to develop recommendations on the program and to provide liaison between the district and potential employers.

The committee shall consist of one or more representatives of the general public knowledgeable about the disadvantaged, students, teachers, business, industry, school administration, and the field office of the Department of Employment Development.

SEC. 11. Section 6261 of the Education Code is amended to read:

6261. The California Advisory Council on Vocational Education and Technical Training, hereinafter referred to as the council in this article, is hereby created, consisting of the Director of Employment Development or his representative, a member of the Assembly Education Committee appointed by the Speaker of the Assembly, a member of the Senate Education Committee appointed by the Senate Committee on Rules, and 27 members appointed by the Governor. The 19 members originally appointed by the Governor pursuant to the terms of this section as added by Chapter 1555 of the Statutes of 1969, shall serve four-year terms, provided that of the initial appointments by the Governor, four shall serve one year, five shall serve two years, five shall serve three years, and five shall serve four years. Each of the three additional members appointed pursuant to this section as amended at the 1970 Regular Session shall serve for terms of four years. The terms of the five additional members appointed pursuant to this section as amended at the 1971 Regular Session shall be as follows: (a) the person representing the county offices of education shall serve a one-year term; (b) the two persons who are students currently enrolled in a vocational education program shall serve a two-year term; (c) the two persons representing a cross section of industrial, business, professional, agricultural, and health service occupations shall serve a three-year term

SEC. 12. Section 6268 of the Education Code is amended to read:

6268. There are hereby created within the state a number of vocational areas, not to exceed 15, which shall have boundaries as determined, within 90 days after the effective date of this section, by

the Director of Employment Development, the Director of Vocational Education, and the Chancellor of the California Community Colleges. Such areas shall, as far as possible, be developed along job market lines.

SEC. 13. Section 6268.2 of the Education Code is amended to read:

6268.2. In a minimum of four vocational areas, an area vocational planning committee shall be selected pursuant to Section 6268.8 to assume the responsibility of developing recommendations for the short-term improvement of existing vocational educational programs and a master plan for the improvement of vocational education within the area; subject to appropriations by the Legislature, an area vocational planning committee shall be selected pursuant to Section 6268.2 in a maximum of nine vocational areas for such purposes.

The selection of such vocational areas shall be made by the Director of Employment Development, the Director of Vocational Education, and the Chancellor of the California Community Colleges. The selected vocational areas shall be sufficiently representative of all the vocational areas to demonstrate the feasibility of extending this system of planning throughout the state.

SEC. 14. Section 6268.6 of the Education Code is amended to read:

6268.6. Each area vocational planning committee shall be composed of 21 members, as follows:

(a) Three members who shall be members of governing boards of community college districts within the area;

(b) Three members who shall be members of governing boards of school districts maintaining high schools within the area;

(c) One representative of the Department of Employment Development;

(d) Five public members who, through knowledge and experience, are representative of business and industry, and labor organizations in the area;

(e) Three public members who, through personal involvement and experience, are knowledgeable about the disadvantaged. At least one such member shall be representative of the private organizations concerned with manpower training programs or opportunity programs, or both, for the disadvantaged in the area;

(f) Three members representing private postsecondary educational institutions within the area which have been authorized or approved under the provisions of paragraph (2) of subdivision (a), and subdivisions (b), (c), and (d) of, Section 29007, and Section 29007.5;

(g) One member representing a county office of education within the area.

(h) One member representing a regional occupational center or program within the area. If a regional occupation center or program does not exist in the area, the member shall be a person who is

knowledgeable about such programs.

(i) One member representing a multicounty joint apprenticeship committee or joint training committee, established pursuant to Chapter 4 (commencing with Section 3070) of Division 3 of the Labor Code and serving the subject area.

SEC. 15. Section 6268.8 of the Education Code is amended to read:

6268.8. The members of each area vocational planning committee shall be selected in the following manner:

(a) Each of the three members of governing boards of community college districts within the area shall be selected by a plurality of the votes cast in an election by the governing boards of community college districts within the area. The governing board of each community college district within the area shall have one vote in each election.

(b) Each of the three members of governing boards of school districts maintaining high schools within the area shall be selected by a plurality of the votes cast in an election by the governing boards of school districts maintaining high schools within the area. The governing board of each school district maintaining high schools within the area shall have one vote in each election.

(c) The representative of the Department of Employment Development shall be selected by the Director of Employment Development.

(d) Each of the eight public members shall be selected jointly by the Director of Employment Development, the Director of Vocational Education, and the Chancellor of the California Community Colleges.

(e) The representative of a county office of education shall be selected by a plurality vote of the county superintendents of schools in the area.

(f) Each of the three representatives of the private postsecondary educational institutions shall be selected by a plurality of the votes cast in an election by the administrators of the private postsecondary educational institutions in the area. Each private postsecondary educational institution shall have one vote in the election for each representative. The election shall be conducted in a manner to insure that each representative shall be connected with a different private postsecondary educational institution in the area.

(g) The representative of a regional occupational center or program within the area shall be selected by the Director of Education

(h) The representative of apprenticeship shall be selected by the Department of Industrial Relations

SEC. 16. Section 6268.22 of the Education Code is amended to read:

6268.22. It is the intent of the Legislature in enacting this article that (1) the staff of the State Board of Education and the Board of Governors of the California Community Colleges and (2) the

Department of Employment Development, through the coordination of the Director of Education, shall be responsible for its implementation and administration.

SEC. 17. Section 6268.24 of the Education Code is amended to read:

6268.24. Each area vocational planning committee shall make provision for local dissemination and response to the area vocational planning committee reports, as follows:

(a) The area vocational planning committee shall formally adopt its report to findings and recommendations, by majority vote of its membership, and shall immediately circulate the report to all agencies and organizations of each category prescribed in Section 6268.6 and to all other agencies and organizations requesting the report.

(b) Within 60 days of the receipt of the report, the governing boards of community college districts within the area, the governing boards of school districts maintaining high schools within the area, and the Department of Employment Development shall respond regarding acceptance and feasibility of implementing the recommendations.

(c) The area vocational planning committee shall solicit from other parties in receipt of the report their responses regarding acceptance and feasibility of implementing the recommendations.

(d) Within 120 days of the adoption of the report, the area vocational planning committee shall report, pursuant to Section 6268.14, its evaluation regarding local acceptance of the committee findings and recommendations, acceptance by state agencies of the committee findings and recommendations, the nature and extent of participation by all those agencies and organizations of each category described in Section 6268.6, and ways to improve committee effectiveness in the execution of the provisions of this article.

Pursuant to Section 6268.22, provisions shall be made for appropriate regulation for the implementation of this section.

SEC. 18. Section 6735 of the Education Code is amended to read:

6735. A student at a technical, agricultural, and natural resource conservation school may be assigned part time to a vocational course in a place of employment. Such courses may be developed through the cooperation of the county officials, the board of admission, school personnel, local employers and local labor organizations. Local representatives of the Department of Employment Development, the Department of Industrial Relations and the Division of Apprenticeship Standards, shall cooperate in the development of such courses.

Such vocational training shall be offered subject to the provisions of Article 2 (commencing with Section 1290) of Chapter 2 of Part 4, Division 2 of the Labor Code.

SEC. 19. Section 6819 of the Education Code is amended to read:

6819. The Department of Employment Development shall, through the State Employment Development Service, cooperate

with local school officials and the State Department of Education in the placement of physically handicapped individuals.

SEC. 21. Section 13658.5 of the Education Code is amended to read:

13658.5. The Director of Employment Development is the administrator of the system of unemployment insurance, as provided in Article 6 (commencing with Section 821) of Chapter 3 of Part 1 of Division 1 of the Unemployment Insurance Code.

SEC. 22. Section 16721 of the Education Code is amended to read:

16721. The Department of Education shall assist the Department of Employment Development and the State Department of Social Welfare by offering training and job opportunities in local child development programs for recipients of public assistance and to those persons who qualify under federal regulations as former, current or potential recipients of public assistance.

SEC. 23. Section 16735 of the Education Code is amended to read:

16735. The Governor shall appoint an advisory committee composed of one representative from the State Advisory Health Council, one representative from the Department of Employment Development, one representative from the State Board of Education, one representative from the State Social Welfare Board, one representative of the Director of Education, one representative of the Director of Social Welfare, one representative of the Director of Health, and one representative of private education, one representative of child welfare, one representative of private health care, one representative of a proprietary child care agency, one representative of a community action agency qualified under Title II of the Economic Opportunity Act of 1969, and five parents of children participating in the program appointed from names selected by a democratic process to assure representation of the parents of the children being served, and three persons representing professional or civic groups or public or nonprofit private agencies, organizations or groups concerned with child development programs.

The advisory committee shall assist the Department of Education in developing a state plan for child development programs pursuant to this division.

The advisory committee shall continually evaluate the effectiveness of such programs and shall report thereon at each regular session of the Legislature.

A "proprietary child care agency" is an organization or facility providing child care, which is operated for profit.

SEC. 24. Section 16746 of the Education Code is amended to read:

16746. Notwithstanding any other provisions of this division, a public or private agency or a school district or a county superintendent of schools operating child development facilities may enter into an agreement with the Department of Employment Development which will provide an opportunity to participants in work incentive programs under Division 2 (commencing with

Section 5000) of the Unemployment Insurance Code for training in child development facilities. Training pursuant to such agreement shall have the objective of preparation for a career in the field of child care.

SEC. 25. Section 37022 of the Education Code is amended to read:

37022. In the implementation of this division, the department shall advise and consult with, on a regular basis, representatives of the Department of Employment Development, the office of the Chancellor of the California Community Colleges, the Coordinating Council for Higher Education, the University of California, the Chancellor of the California State University and Colleges, the commission, the Department of Industrial Relations, the Department of Consumer Affairs, the California Advisory Council on Vocational Education and Technical Training, and the State Personnel Board.

SEC. 26. Section 7100 of the Government Code is amended to read:

7100. In implementation of Section 311 of Public Law 88-452, known as the Economic Opportunity Act of 1964, the Director of Employment Development may contract with school districts, housing authorities, health agencies, and other appropriate local public and private nonprofit agencies, for the procurement, or construction of housing or shelter and to obtain services for migratory agricultural workers in the fields of education and sanitation, and to obtain day care services for the children of such workers.

SEC. 27. Section 11012 of the Government Code is amended to read:

11012. Whenever any state agency, including but not limited to state agencies acting in a fiduciary capacity, is authorized to invest funds, or to sell or exchange securities, prior approval of the Department of Finance to the investment, sale or exchange shall be secured.

Every state agency shall furnish the Department of Finance with such reports and in such form, relating to the funds or securities, their acquisition, sale or exchange, as may be requested by the Department of Finance from time to time.

This section does not apply to the following state agencies.

(a) Any state agency when issuing or dealing in securities authorized to be issued by it.

(b) The Treasurer.

(c) The Regents of the University of California.

(d) Department of Employment Development with respect to funds administered under the Unemployment Insurance Code.

(e) Department of Veterans Affairs.

(f) Hastings College of the Law.

(g) Board of Administration of the California Public Employees' Retirement System.

(h) State Compensation Insurance Fund.

(i) California Toll Bridge Authority and Department of Public Works when acting in accordance with bond resolutions adopted under the California Toll Bridge Authority Act prior to the effective date of this section.

(j) Teachers' Retirement Board of the State Teachers' Retirement System.

SEC. 28. Section 11200 of the Government Code is amended to read:

11200. The Governor, upon recommendation of the director of the following state departments, may appoint not to exceed two chief deputies for the Directors of the Departments of Finance, Public Works, and General Services, and not to exceed one chief deputy for the Directors of the Departments of Social Welfare, Employment Development, Food and Agriculture, Insurance, Motor Vehicles, Consumer Affairs, and Water Resources

The deputies provided for in this section shall be in addition to those authorized by any other law.

SEC. 29. Section 11552 of the Government Code, as amended by Chapter 1253 of the Statutes of 1972, is amended to read:

11552. An annual salary of thirty thousand dollars ($30,000) shall be paid to each of the following:

(a) Superintendent of Banks
(b) Commissioner of Corporations
(c) Insurance Commissioner
(d) Director of Transportation
(e) Real Estate Commissioner
(f) Savings and Loan Commissioner
(g) Director of Social Welfare
(h) Director of Water Resources
(i) Director of Food and Agriculture
(j) Director of Corrections
(k) Director of General Services
(*l*) Director of Industrial Relations
(m) Director of Motor Vehicles
(n) Director of Youth Authority
(o) Commissioner, California Highway Patrol
(p) Members of the Public Utilities Commission
(q) Director of Employment Development
(r) Director of Alcoholic Beverage Control.

SEC. 30. Section 11556 of the Government Code is amended to read:

11556. An annual salary of twenty-five thousand dollars ($25,000) shall be paid to each of the following:

(a) Director of Navigation and Ocean Development
(b) Director, Office of Emergency Services
(c) Director, Department of Housing and Community Development
(d) Members of the Adult Authority
(e) Members of the Board of Equalization

(f) Members of the State Water Resources Control Board
(g) Members of the Youth Authority Board
(h) State Fire Marshal.

SEC. 31. Section 12803 of the Government Code, as added by Section 4 of Chapter 333 of the Statutes of 1972, is amended to read:

12803. The Human Relations Agency is hereby renamed the Health and Welfare Agency. The Health and Welfare Agency consists of the following departments: Social Welfare; Health; Employment Development; Rehabilitation; the Youth Authority; and Corrections.

SEC. 32. Section 15702.1 of the Government Code is amended to read:

15702.1. The Franchise Tax Board is authorized to delegate to the Department of Employment Development which is authorized to accept, exercise, and perform, the powers and duties necessary to administer the reporting, collection, refunding, and enforcement of taxes required to be withheld by employers under Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code. The Franchise Tax Board is authorized to delegate to the California Unemployment Insurance Appeals Board which is authorized to accept, exercise, and perform, under rules it adopts, the powers and duties to administer appeals and petitions relating to such provisions of Part 10. The delegation to the Department of Employment Development shall not, however, include the power and duty of the Franchise Tax Board to adopt rules and regulations.

SEC. 33. Section 5474.30 of the Health and Safety Code is amended to read:

5474.30. The primary responsiblity for enforcement of the provisions of this chapter shall be vested in the local health officers; county agricultural commissioners may participate in such enforcement. The State Departments of Health, Industrial Relations, and Food and Agriculture may also enforce the provisions of this chapter.

Any agency enforcing the provisions of this chapter shall report any violation to all field offices of the Department of Employment Development located in the county where the violation occurs. Such report shall identify the employer responsible for the violation, the nature of the violation, and the location of the food crop growing and harvesting operation where the violation occurs. The Department of Employment Development shall not refer persons for employment to any employer or food crop growing and harvesting operation identified in such report until the agency reporting the violation certifies that the violation has been corrected.

SEC. 34. Section 10270.2 of the Insurance Code is amended to read:

10270.2. Blanket insurance is that form of insurance providing coverage for specified circumstances and insuring by description all or nearly all persons within a class of persons defined in a policy issued to a master policyholder, and not by specifically naming the

persons covered (by certificate or otherwise, although a statement of the coverage provided may be given, or required by the policy to be given to persons eligible). The permitted types of blanket insurance are those where the blanket policy is issued to any of the following:

(a) A volunteer fire company providing benefits to members only in event of accident incurred while performing actions incident to such membership.

(b) A college, school, or other institution of learning, a school district or districts or school jurisdictional unit, or to the head, principal, or governing board of any such educational unit who or which shall be deemed the policyholder; providing benefits to students without necessarily any restriction as to activity, time, or place, or to teachers or employees while performing actions incident to special duties, such as at camps, at summer playgrounds, or during tours or excursions; and providing benefits to such students, teachers, or employees, and spouses and dependents of such students, teachers, and employees, for death or dismemberment resulting from accident or for hospital, medical, surgical, drug, or nursing expenses resulting from accident or sickness.

(c) A proprietor or sponsor of an organized camping institution, who shall be deemed the policyholder, providing benefits to campers or persons responsible for their support for death or dismemberment resulting from accident, or for hospital, medical, surgical, or nursing expenses resulting from accident to such campers or arising out of sickness of such campers, provided the accident or the first manifestation of such sickness occurs while such campers are in or on the buildings or premises of the camp institution, or being transported between their homes and the camp institution, or while at any other place as an incident to camp-sponsored activities or while being transported to, from, or between such places.

(d) To a newspaper, farm paper, magazine, or other periodical publication, which shall be deemed the policyholder, providing benefits for independent contractors, such as newsboys, dealers, distributors, wholesalers, or others engaged in the sale, distribution, collecting for, or other activities pertaining to, the marketing and delivery of such publications, including attendance at a coaching school or participation as a member of a trip organized, supervised, and sponsored as a reward for meritorious service, on account of loss resulting from accident or sickness, such benefit to be payable to such independent contractors or to their parents, guardians, or other persons responsible for their support.

When the premium for the insurance is paid by the person insured, he may, upon request, obtain from the insurer in certificate form a copy of the policy.

(e) Any religious, charitable, recreational, educational, athletic or civic organization, or branch thereof, which shall be deemed the policyholder, providing benefits to members, employees, or participants for death or dismemberment or for hospital, medical,

surgical, or nursing expenses all resulting from accident incurred incident to specific hazards pertaining to any activity or activities or operations sponsored or supervised by such policyholder.

(f) To a policy issued on application of an employer, a majority of the employees in this state of an employer, or both, to pay the benefits afforded by a voluntary plan of unemployment compensation disability insurance. Notwithstanding the provisions of Section 10113, such policies may incorporate by reference any of the appropriate provisions of Part 2 (commencing with Section 2601) of Division 1 of the Unemployment Insurance Code and the authorized regulations of the Director of Employment Development.

A "blanket policy" is any disability policy of the nature herein described sold to any of the entities described in subdivision (a), (b), (c), (d), (e), or (f) of this section and providing coverage for any group of persons within permitted categories defined in the policy. Policies referred to in subdivision (f) shall comply with the provisions of this section specifically referring thereto. Policies referred to in subdivision (a), (b), (c), (d), or (e) may provide that the cost of the insurance coverage shall be borne by either the policyholder, or the individuals insured or their parents or guardians, payable through the policyholder. In the absence of a policy provision excluding coverage for otherwise covered individuals who have not individually enrolled with the policyholder and undertaken to pay all or a specified portion of the premium allocable to such individual, such policy shall provide the described insurance for all who fall within the categories of covered individuals defined in the policy. Such policy may, but is not required to, contain provisions requiring a minimum number of participating persons or a minimum percentage of participation before the policy is effective. In the absence of such a provision coverage shall not be denied any individual otherwise eligible on those grounds.

No policies described in subdivision (a), (b), (c), (d), or (e) of this section shall be issued until approved as to substance and form by the commissioner. The commissioner may after notice and hearing promulgate such reasonable rules and regulations, relating to the substance, form, and issuance of such policies, as are necessary or desirable to preserve, insofar as applicable, standards as respects substance, form, and issuance comparable to the standards in such respects prescribed by this chapter and applicable to other types of disability policies, and to further the purpose or purposes for which such policies are to be issued.

No policies described in subdivision (f) shall be issued until approved as to form by the commissioner. The commissioner may after notice and hearing promulgate such reasonable rules and regulations, relating to the form and issuance of such policies, as do not affect the substance of the coverage, and as are necessary or desirable to preserve, insofar as applicable, standards as respects form and issuance comparable to the standards in such respects prescribed by this chapter and applicable to other types of disability

policies, and to further the purpose or purposes for which such policies are to be issued. Notwithstanding the provisions of Section 10113, such policies may incorporate by reference any of the appropriate provisions of Part 2 (commencing with Section 2601) of Division 1 of the Unemployment Insurance Code and the authorized regulations of the Director of Employment Development.

SEC. 35. Section 1690.1 of the Labor Code is amended to read:

1690.1. If any licensee fails to remit the proper amount of worker contributions required by Chapter 4 (commencing with Section 901) of Part 1 of Division 1 of the Unemployment Insurance Code, or the Department of Employment Development has made an assessment for such unpaid worker contributions against the licensee that is final, the Labor Commissioner shall, upon written notice by the Department of Employment Development, refuse to issue or renew the license of such licensee until such licensee has fully paid the amount of delinquency for such unpaid worker contributions.

The Labor Commissioner shall not, however, refuse to renew the license of a licensee under this section until the assessment for unpaid worker contributions is final and unpaid, and the licensee has exhausted, or failed to seek, his right of administrative review of such final assessment, pursuant to Chapter 4 (commencing with Section 901) of Part 1 of Division 1 of the Unemployment Insurance Code.

SEC. 36. Section 2014 of the Labor Code is amended to read:

2014. The Department of Employment Development immediately upon the publication of a finding under this chapter that a period of extraordinary unemployment due to industrial depression exists throughout this state shall prepare approved lists of applicants for public employment, secure full information as to their industrial qualifications, and shall submit the same to the Department of Finance for transmission to the state agencies which avail themselves of the provisions of this chapter.

SEC. 37. Section 3071 of the Labor Code is amended to read:

3071. The California Apprenticeship Council shall meet at the call of the Director of Industrial Relations and shall aid him in formulating policies for the effective administration of this chapter.

Thereafter the California Apprenticeship Council shall meet quarterly at a designated date and special meetings may be held at the call of the chairman. The California Apprenticeship Council shall establish standards for minimum wages, maximum hours, working conditions for apprentice agreements, hereinafter in this chapter referred to as labor standards, which in no case shall be lower than those prescribed by this chapter; shall issue such rules and regulations as may be necessary to carry out the intent and purpose of this chapter, which shall include regulations governing equal opportunities in apprenticeship and other on-the-job training, and criteria for selection procedures with a view particularly toward eliminating criteria not relevant to qualification for training employment or more stringent than is reasonably necessary; shall foster, promote, and develop the welfare of the apprentice and

industry, improve the working conditions of apprentices, and advance their opportunities for profitable employment; shall insure that selection procedures are impartially administered to all applicants for apprenticeship; shall gather and promptly disseminate information through apprenticeship and training information centers; and shall maintain on public file in all high schools and field offices of the Department of Employment Development the name and location of the local area apprenticeship committees, the filing date, and minimum requirements for application of all registered apprenticeship programs. The California Apprenticeship Council shall make biennial reports through the Director of Industrial Relations of its activities and findings to the Legislature and to the public.

SEC. 38. Section 7057 of the Revenue and Taxation Code is amended to read:

7057. Any officer or employee of the Board of Equalization authorized to accept an application for a seller's permit under Section 6066 of this code or authorized to register a retailer under Section 6226 of this code shall at the time of acceptance of such an application or such registration, ascertain whether or not the person is also required to register as an employer under Section 1086 of the Unemployment Insurance Code, and if so shall register the person as an employer on a form provided by the Department of Employment Development and shall promptly notify the Department of Employment Development of such registration.

SEC. 39. Section 17061 of the Revenue and Taxation Code is amended to read:

17061. (a) In the case of a person entitled to a refund pursuant to Section 1176 of the Unemployment Insurance Code, there shall be a credit against the tax imposed under this part in the amount of such refund. If the tax due after deduction of any other credit under this part is less than the credit allowable pursuant to this section, the difference shall be a tax refund.

(b) If the Franchise Tax Board disallows the refund or credit provided for by this section, the Franchise Tax Board shall notify the claimant accordingly. The Franchise Tax Board's action upon the credit or refund is final unless the claimant files a protest with the Director of the Department of Employment Development pursuant to Section 1176.5 of the Unemployment Insurance Code. None of the remedies provided by this part shall be available to such claimant.

SEC. 40. Section 19268 of the Revenue and Taxation Code is amended to read:

19268. The Franchise Tax Board shall transmit to the Director of Employment Development claims for credit or refund allowed pursuant to Section 17061 of this code and subdivision (a) of Section 1176.5 of the Unemployment Insurance Code.

SEC. 41. Section 130 of the Unemployment Insurance Code is amended to read:

130. "Contingent fund" means the Department of Employment

Development Contingent Fund.

SEC. 42. Section 133 of the Unemployment Insurance Code is amended to read:

133 "Department" means the Department of Employment Development.

SEC. 43. Section 134 of the Unemployment Insurance Code is amended to read:

134. "Director" means the Director of Employment Development.

SEC. 44. The heading of Article 1 (commencing with Section 301) of Chapter 2 of Part 1 of Division 1 of the Unemployment Insurance Code is amended to read:

Article 1. Department of Employment Development

SEC. 45. Section 301 of the Unemployment Insurance Code is amended to read:

301. There is in the Health and Welfare Agency the Department of Employment Development which succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the Department of Human Resources Development, and by the Health and Welfare Agency with respect to job creation activities. The Department of Employment Development shall be administered by an executive officer known as the Director of Employment Development who succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the Director of the Department of Human Resources Development.

SEC. 46. Section 301.1 is added to the Unemployment Insurance Code, to read:

301.1. The Department of Employment Development shall have the possession and control of all records, papers, offices, equipment, supplies, moneys, funds, appropriations, land, and other property real or personal held for the benefit or use of the Department of Human Resources Development in the performance of the duties, powers, purposes, responsibilities, and jurisdiction of such department that are vested in the Department of Employment Development by Section 301.

SEC. 47. Section 301.2 is added to the Unemployment Insurance Code, to read:

301.2. All officers and employees of the Department of Human Resources Development who on the operative date of this section are serving in the state civil service, other than as temporary employees, and engaged in the performance of a function vested in the Department of Employment Development by Section 301 shall be transferred to the Department of Employment Development. The status, positions, and rights of such persons shall not be affected by the transfer and shall be retained by them as officers and employees of the Department of Employment Development

pursuant to the State Civil Service Act, except as to positions exempt from civil service.

SEC. 48. Section 303 of the Unemployment Insurance Code is amended to read:

303. There shall be four deputy directors in the Department of Employment Development who shall be appointed by the Governor subject to the approval of the Senate and shall hold office at the pleasure of the Governor. The salary of the deputy directors shall be as fixed in accordance with law.

SEC. 49. Section 305.5 is added to the Unemployment Insurance Code, to read:

305.5. All regulations heretofore adopted by the Director of the Department of Human Resources Development shall remain in effect and shall be fully enforceable unless and until readopted, amended or repealed by the Director of Employment Development.

SEC. 50. Section 313 of the Unemployment Insurance Code is repealed.

SEC. 51. Section 327 of the Unemployment Insurance Code is repealed.

SEC. 52. Section 328 of the Unemployment Insurance Code is repealed.

SEC. 53. Section 401 of the Unemployment Insurance Code is amended to read·

401. There is in the Department of Employment Development an Appeals Division consisting of the California Unemployment Insurance Appeals Board and its employees The appeals board consists of five members appointed by the Governor, subject to the approval of the Senate Two of the members of the appeals board shall be attorneys at law admitted to practice in the State of California. The other three members need not be attorneys. Each member of the board shall devote his full time to the performance of his duties. The chairman and each member of the board shall receive the annual salary provided for by Chapter 6 (commencing with Section 11550) of Part 1 of Division 3 of Title 2 of the Government Code. The Governor shall designate the chairman of the appeals board from the membership of the appeals board The person so designated shall hold the office of chairman at the pleasure of the Governor. The chairman shall designate a member of the appeals board to act as chairman in his absence.

SEC. 54. Section 605.5 of the Unemployment Insurance Code is amended to read.

605.5. (a) "Employment" includes all services performed by blind individuals and otherwise handicapped individuals, who do not hold civil service or permanent tenure positions, in connection with their employment by the State of California for work in the California Industries for the Blind.

(b) For the purposes of this division, the Department of Rehabilitation shall be considered the employer of persons performing the services described in subdivision (a) of this section.

(c) The employer and worker contributions, penalties and interest required of the state for services performed under this section shall be paid from the California Industries for the Blind Manufacturing Fund. The State Controller shall determine quarterly the amount of employer and withheld worker contributions, penalties and interest required and shall issue a warrant for such amount which shall be transmitted to the Director of Employment Development by the Department of Rehabilitation pursuant to this division

(d) The director may require from the State Controller and the Department of Rehabilitation such employment, financial, statistical or other information and reports as may be deemed necessary by the director to carry out his duties under this section Such information and reports shall be filed with the director at the time and in the manner prescribed by the director.

(e) The director may tabulate and publish information obtained pursuant to this section in statistical form and may divulge the name of the state agency

(f) The State Controller and the Department of Rehabilitation shall keep such work records as may be prescribed by the director for the proper administration of this section.

(g) Except as inconsistent with the provisions of this section, the provisions of this division and authorized regulations shall apply.

SEC. 55. Section 821.3 of the Unemployment Insurance Code is amended to read:

821.3 As used in this article, "administrator" means the Director of Employment Development

SEC. 56. Section 1087 of the Unemployment Insurance Code is amended to read:

1087 Any officer or employee of the Sales and Use Tax Division of the Board of Equalization who is authorized to accept an application for a seller's permit under Section 6066 of the Revenue and Taxation Code or authorized to register a retailer under Section 6226 of the Revenue and Taxation Code is a duly authorized agent of the Department of Employment Development for purposes of accepting registration of employers as required in this part. Any officer or employee of the Board of Equalization who is authorized to accept an application for a license to operate commercial motor vehicles under Section 9701 of the Revenue and Taxation Code or authorized to issue a license under Section 9703 of the Revenue and Taxation Code is a duly authorized agent of the Department of Employment Development for purposes of accepting registration of employers as required in this part.

The department shall reimburse the Board of Equalization for any additional costs incurred by reason of services by any of its officers or employees to the department pursuant to this section.

SEC. 57. Section 1095 of the Unemployment Insurance Code is amended to read·

1095. The director shall permit the use of any information in his

possession to the extent necessary for any of the following purposes:

(a) To properly present a claim for benefits.

(b) To acquaint a worker or his authorized agent with his existing or prospective right to benefits.

(c) To furnish an employer or his authorized agent with information to enable him to fully discharge his obligations or safeguard his rights under this division.

(d) To enable an employer to receive a reduction in contribution rate.

(e) To enable the Director of Social Welfare or his representatives or the Director of Health or his representatives subject to federal law to verify or determine the eligibility or entitlement of an applicant for, or a recipient of, public social services provided pursuant to the Welfare and Institutions Code, and directly connected with and limited to the administration of public social services.

SEC. 58. Section 1342 of the Unemployment Insurance Code is amended to read:

1342. Any waiver by any person of any benefit or right under this code is invalid. Benefits under this code, incentive payments provided by Division 2 (commencing with Section 5000), and payments to an individual under a plan or system established by an employer which makes provisions for his employees generally, or for a class or group of his employees, for the purpose of supplementing unemployment compensation benefits, are not subject to assignment, release, or commutation, and are exempt from attachment and execution pursuant to Sections 690.175 and 690.18 of the Code of Civil Procedure. Any agreement by any individual in the employ of any person or concern to pay all or any portion of the contributions required of his employer under this division is void.

SEC. 59. Section 1585 of the Unemployment Insurance Code is amended to read:

1585. There is in the State Treasury a special fund known as the Department of Employment Development Contingent Fund. The Department of Employment Development Contingent Fund is the successor of the Department of Human Resources Development Contingent Fund. There shall be deposited in or transferred to this fund:

(a) All interest on contributions collected under this division.

(b) All penalties collected under this division, except as provided in Sections 1958 and 3654.1.

(c) Notwithstanding any other provision of law, all penalties and interest collected by the department pursuant to the provisions of the Revenue and Taxation Code relating to the withholding of personal income tax.

(d) Rental payments or proceeds attributable to property derived from amounts expended from this fund.

(e) Interest on amounts expended from this fund.

SEC. 60. Section 2111 of the Unemployment Insurance Code is amended to read:

2111. Except as otherwise provided in Section 1094, information obtained in the course of administration of this division is confidential and shall not be published or open to public inspection in any manner. Any director or deputy director or employee of the department, any member or employee of the appeals board, or any member or employee of the Employment Services Board who violates this section is guilty of a misdemeanor

SEC. 61. Section 2606 of the Unemployment Insurance Code is amended to read:

2606. "Employment" for the purposes of this part means:

(a) Service included in "employment" as defined by Part 1 of this division.

(b) Service in agricultural labor, including agricultural labor for an agricultural or horticultural organization.

(c) Notwithstanding any other provision of this division, all service performed in the employ of a corporation, community chest, fund, or foundation, in connection with the operation of a hospital as defined in subdivision (b) of Section 1250 of the Health and Safety Code including the institutions described in subdivisions (c), (e), and (g) of Section 1312 of the Health and Safety Code but not including county hospitals or those described in subdivisions (a) and (b) of Section 1312 of the Health and Safety Code, no part of the net earnings of which inures to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation, which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office and which is exempt from income tax under Section 501 (a) of the Internal Revenue Code of 1954, except service performed by an individual as a duly ordained priest, clergyman, rabbi, rector, vicar, pastor, or minister of religion, or by a practitioner who heals the sick by prayer in the practice of religion, or by a reader whose duty it is to conduct regular religious services of a religious organization, or by a member of a religious order in the exercise of duties required by the order, or by any other individual performing service in the practice of religion by designation of the governing body of a religious organization and subject to discipline by, including removal by, such governing body.

SEC. 62. Section 2714 of the Unemployment Insurance Code is amended to read:

2714. All medical records of the department obtained under this part, except to the extent necessary for the proper administration of this part or as provided herein, or to the extent necessary for the proper administration of public social services pursuant to the Welfare and Institutions Code, shall be confidential and shall not be published or be open to public inspection in any manner revealing the identity of the claimant, or the nature or cause of his disability. Such records are not admissible in evidence in any action or special proceeding other than one arising under this division or one arising

under Division 9 (commencing with Section 10000) of the Welfare and Institutions Code to determine entitlement to, and directly connected with and limited to the administration of, public social services. The department may reveal its records to the Director of Social Welfare or his representatives or to the Director of Health or his representatives, and may reveal the identity only of the claimant to the Department of Rehabilitation, but such information shall remain confidential and shall not be disclosed except as provided herein.

SEC. 63. Section 3012 of the Unemployment Insurance Code is amended to read:

3012. (a) All money in the Disability Fund is continuously appropriated without regard to fiscal years for the purpose of providing disability benefits pursuant to this part, including the payment of refunds, credits, or judgments, and interest thereon, the payment of disability benefits to all eligible persons not covered exclusively by an approved voluntary plan, and the payment of the expenses of administration of this part by the Department of Employment Development, and the Franchise Tax Board. "Eligible persons" as used in this section, means those individuals who are covered by the Disability Fund at the time their period of disability commences, or whose employment has terminated or who are in noncovered employment at the time their period of disability commences, and who are otherwise eligible for benefits under this part.

(b) For the purpose of keeping a record of the payments to, and the disbursements from, the Disability Fund with respect to the payment of benefits to persons whose employment has terminated or who are in noncovered employment at the time their period of disability commences, the director shall maintain the Unemployed Disabled Account in the Disability Fund. This account shall be credited with the amount of the payments received by the Disability Fund under subdivision (b) of Section 3252 for each calendar year. This account shall also be credited with an amount equal to twelve one-hundredths of 1 percent (0.12%) of the taxable wages paid to employees covered by the Disability Fund for each calendar year. This account shall be charged each calendar year with disbursements from the Disability Fund for the payment of benefits and the additional administrative costs of the payment of benefits to persons whose employment has terminated or who are in noncovered employment at the time their period of disability commences.

SEC. 64. Section 5001 of the Unemployment Insurance Code is amended to read:

5001. It is the intent of the Legislature to concentrate maximum state efforts on providing increased employment opportunities and upgrading of employment skills in order to open the way to permanent self-support for persons who have been or otherwise might become dependent on public aid. To this end the Legislature intends that persons affected by this chapter shall be assigned to the

primary jurisdiction of the Department of Employment Development, which shall be responsible for implementing and executing the provisions of this chapter.

Consistent with the intent of the Legislature to promote and achieve permanent employment of persons qualifying for work incentive programs under this division, it shall be the responsibility of each state agency and the political subdivisions of this state to cooperate by providing as many opportunities as possible for the permanent employment of such persons.

SEC. 65. Section 5002 of the Unemployment Insurance Code is amended to read:

5002. The provisions of this division shall be administered by the Department of Employment Development.

SEC. 66. Section 5003 of the Unemployment Insurance Code is amended to read:

5003. As used in this division, "department" means the Department of Employment Development.

SEC. 67. Section 5009 of the Unemployment Insurance Code is repealed.

SEC. 68. Section 5012 of the Unemployment Insurance Code is repealed.

SEC. 69. Chapter 5 (commencing with Section 5400) of Division 2 of the Unemployment Insurance Code is repealed.

SEC. 70. The heading of Division 3 (commencing with Section 9000) of the Unemployment Insurance Code is amended to read:

## DIVISION 3. EMPLOYMENT SERVICES PROGRAMS

SEC. 71. The heading of Part 1 (commencing with Section 9000) of Division 3 of the Unemployment Insurance Code is amended to read:

## PART 1. EMPLOYMENT AND EMPLOYABILITY SERVICES

SEC. 72. Section 9000 of the Unemployment Insurance Code is repealed.

SEC. 73. Section 9000 is added to the Unemployment Insurance Code, to read:

9000. The Legislature hereby makes the following declaration of purpose and intent in enacting the Employment Development Act of 1973.

It is the public policy of the State of California to provide for comprehensive statewide and local manpower planning, to improve the efficiency of, and the accountability for, delivery systems for manpower programs, to promptly place job-ready individuals in suitable jobs, to provide qualified job applicants to employers, to assist potentially employable individuals to become job ready, and to create employment opportunities.

SEC. 74. Section 9001 of the Unemployment Insurance Code is

amended to read:

9001. In enacting the Employment Development Act of 1973, the Legislature further finds and declares that it is essential to the health and welfare of the people of this state that action be taken by local, state and federal governments to effectively and economically utilize public funds for job training and placement services. To achieve this, it is necessary that:

(a) Explicit priorities be established for the allocation of these funds to ensure that they are first used to assist those in greatest need for job training and placement services;

(b) Definitive goals be established for the total system of job training and placement services to maximize the effectiveness of the system in assisting individuals to find and maintain gainful, competitive employment;

(c) Efforts be made to enlist the full support of private industry in securing jobs for enrollees of training programs, and a closer, more integrated and coordinated effort be established with the federal government as well as state and local public and private agencies involved in performing job training and placement services; and

(d) New approaches involving improved services and changes in traditional organization structures be used to assist persons in economically disadvantaged areas.

It is hereby declared to be the intent of the Legislature to concentrate and account for the funds available for job training and placement services in one state agency whose functions shall be subject to periodic review by the Legislature and appropriate federal agencies, and to which is assigned the responsibility for the efficient administration of job training and placement services in this state and the allocation of these funds to the end that such funds will be more effectively utilized and will be directed primarily to those areas of the state with the largest concentrations of chronically unemployed persons.

It is the further intent of the Legislature (a) to maintain policy control over all job training and placement programs administered by the department pursuant to this part to the maximum extent feasible, consistent with effective program operations, (b) to organize existing job training and placement programs now operating in the state into a coordinated system designed to remove employable persons from dependency on public assistance, and to enlist the full support of private industry in securing jobs, (c) to use funds for job training and placement services in a flexible manner to provide needed services for individuals through contractual arrangements with public and private agencies, (d) to provide a unified system for timely delivery of improved job training placement and related services to eligible persons including individual case responsibility, an outreach effort to seek out those persons who need but do not apply for services, followup to insure that the needs of eligible persons and their families are met, dissemination of information and knowledge to residents of the

economically disadvantaged area about available services, and location of services in areas readily accessible to those who need them, and (e) to involve members of each community in identifying the needs to be met and relating them to the services available in order to reduce the isolation of the disadvantaged from their government and the community as a whole and to improve their confidence in government at all levels.

SEC. 75. Section 9100 of the Unemployment Insurance Code is amended to read:

9100. Unless the context otherwise requires, the definitions in this article govern the construction of this division.

SEC. 76. Section 9101 of the Unemployment Insurance Code is amended to read:

9101. "Department" means the Department of Employment Development.

SEC. 77. Section 9102 of the Unemployment Insurance Code is amended to read:

9102. "Director" means the Director of Employment Development.

SEC. 78. Section 9103 of the Unemployment Insurance Code is repealed.

SEC. 79. Section 9104 of the Unemployment Insurance Code is repealed.

SEC. 80. Section 9106 of the Unemployment Insurance Code is amended to read:

9106. "Board" means the Employment Services Board.

SEC. 81. Section 9107 of the Unemployment Insurance Code is amended to read:

9107. "Job training and placement services" or "job training and placement programs" means any job training, placement, or related services administered or supervised by or provided under contract with the department, directly calculated to increase employability or improve the employment of the individual.

SEC. 82. Section 9111 of the Unemployment Insurance Code is amended to read:

9111. (a) "Economically disadvantaged area" means an area which meets all of the following requirements:

(1) It is composed of contiguous census tracts within or partly within an urbanized area as defined by the most recent federal census for which statistics are available.

(2) In the area 20 percent of the families report annual income less than four thousand dollars ($4,000) according to the most recent federal census for which statistics are available.

(3) The area has a population of not less than 25,000.

(b) "Economically disadvantaged area" also includes any portion of an area if:

(1) Such portion is within or partly within an urbanized area but because of technical factors such portion cannot be isolated as a census tract or tracts or cannot be isolated as a "contiguous" census

tract; and

(2) The total area when such portion is included meets the requirements of paragraphs (2) and (3) of subdivision (a) of this section

(c) The director shall periodically review the definition set forth in this section and Section 9110, and he shall recommend necessary changes to the Legislature and the Governor

SEC. 83. Section 9113 of the Unemployment Insurance Code is repealed

SEC. 84. The heading of Chapter 2 (commencing with Section 9500) of Part 1 of Division 3 of the Unemployment Insurance Code is amended to read:

CHAPTER 2. DEPARTMENT OF EMPLOYMENT DEVELOPMENT

SEC. 85. Section 9500 of the Unemployment Insurance Code is amended to read:

9500. The department shall administer all job training and placement programs and services for eligible persons as defined in this division, except as otherwise provided by federal statute or regulation.

SEC. 86. Section 9501 of the Unemployment Insurance Code is repealed.

SEC. 87. Section 9600 of the Unemployment Insurance Code is amended to read·

9600. (a) The department shall represent the state and local governments upon their request in dealing with the federal government regarding the kinds and quality of job training and placement, employability, and related programs contained in the statewide plan described in subdivision (b), which are administered by or in the State of California pursuant to this division.

(b) The department shall develop a statewide plan and area plans to coordinate all programs it administers pursuant to this division and shall present such plans annually to the Legislature. Such plans shall include, but not be limited to, the review required in Section 9604.

SEC. 88. Section 9602 of the Unemployment Insurance Code is amended to read:

9602. (a) The director shall designate economically disadvantaged areas. These areas shall be priority areas for services provided under this part. To the fullest extent possible, offices shall be established within the boundaries of the disadvantaged areas designated by the director.

(b) To the extent permitted by law, the department shall serve eligible persons in such a way as to prevent discrimination by serving persons whose minority group characteristics coincide to the fullest extent possible with the minority group characteristics of the unemployed and underemployed in the economically disadvantaged areas of their community

(c) The department shall to the extent permitted by law provide

services under this part in accordance with the following priorities:

(1) Unemployed heads of households.

(2) Underemployed heads of households.

(3) Other unemployed and underemployed persons.

(4) Veterans shall be accorded priority pursuant to federal law.

SEC 89. Section 9603 of the Unemployment Insurance Code is amended to read:

9603 The director shall employ necessary personnel including a staff of job agents sufficient to provide direct services to all persons enrolled in the job training and placement program in each economically disadvantaged area. Consistent with the requirements of civil service, the director shall give priority to the selection of job agents in accordance with Section 9605.

SEC. 90 Section 9604 of the Unemployment Insurance Code is amended to read:

9604 (a) The department shall establish necessary data systems which shall provide administrative information on persons served including, but not limited to, the following information:

(1) Pertinent data on the characteristics of persons served;

(2) The services provided,

(3) The results of services provided;

(4) Progress report data for clients in the manpower training program, at intervals of at least 30, 90, and 180 days following completion of manpower training,

(5) Progress report data for clients provided services by job agents, at intervals of at least 30, 90, and 180 days following placement in employment.

(b) The department shall also compile annually a report for the state and its principal labor market areas. The report shall contain information on the characteristics of the unemployed and analyses of current trends and projections for population, labor force, employment, and unemployment and shall be provided on a regular basis to cooperative area manpower systems councils or successors.

SEC. 91. Section 9605 of the Unemployment Insurance Code is amended to read:

9605. The department shall:

(a) Conduct the state manpower program, with the exception of manpower programs conducted by units of local general purpose government.

(b) Be the sole state agency to approve and coordinate publicly funded job training and placement programs, which it administers. The department shall approve programs only if consistent with the plans developed under Section 9600 and other provisions of this division.

(c) Be responsible for developing program objectives for each category of the service program it administers, establishing cost effective results measurement, and providing accountability for results as related to the objectives set.

(d) Appoint an advisory committee of representatives of

employers and employer organizations to enlist the advice and support of private industry in developing a statewide system for making jobs available to job trainees following successful completion of job training and placement programs.

(e) Develop controls to insure that job training and placement programs, it administers meet existing labor market needs as viewed by employers. The department shall study training and personnel selection methods used successfully by private industry.

(f) Encourage placement of eligible persons in public employment with the assistance of an advisory group representing state and local officials and representatives of economically disadvantaged areas appointed by the department.

(g) Evaluate the need for specific new public employment opportunities.

(h) Determine the kinds and quality of job training and placement programs, it administers necessary to provide placement in public employment for eligible persons and develop means to realign job tasks to develop greater employment opportunities for eligible persons.

(i) Cooperate with the State Personnel Board and local personnel officials in developing and upgrading employment opportunities for and in eliminating unnecessary barriers to the placement of eligible persons in public employment.

The State Personnel Board and other state and local agencies shall cooperate to the maximum extent feasible to achieve the purposes of this division.

(j) Conduct and administer the California Migrant Master Plan.

(k) Provide technical assistance to local agencies which operate community action programs of an antipoverty nature.

(*l*) Coordinate antipoverty efforts throughout the state, to the extent permissible under federal law, to avoid duplication, improve delivery of services, and relate programs to one another.

(m) Maintain liaison with the Federal Office of Economic Opportunity, county and city commissions on economic opportunity, citizens' groups and all other governmental agencies engaged in economic opportunity programs.

(n) Collect and assemble pertinent information and data available from other agencies of the state and federal governments and disseminate information in the interests of economic opportunity programs in the state by publication, advertisement, conference, workshops, programs, lectures, and other means.

(o) Plan and evaluate long-range and short-range strategies for overcoming poverty in the state.

(p) Mobilize public and private resources in support of antipoverty programs.

(q) Encourage participation by residents of poor communities in the development and operation of community action programs for their betterment.

(r) Advise the Governor of his responsibilities under United

States Public Law 88-452, known as the Economic Opportunity Act of 1964.

(s) To the extent feasible, utilize the community action agency in the community to be served in the recruitment of personnel for the department.

(t) Utilize and employ, to the fullest extent possible, consistent with efficient administration, persons from economically disadvantaged areas in carrying out this part.

SEC. 92. Section 9606 of the Unemployment Insurance Code is amended and renumbered to read:

9610. The director may enter into contracts for public and private job training and placement programs as may be required, and shall maintain quarterly projections of manpower needs in the public and private sector in each area.

SEC. 93. Section 9606 is added to the Unemployment Insurance Code, to read:

9606. The state manpower program shall serve the needs of employers by providing them with referrals of qualified job applicants. In addition the manpower program shall assist those individuals who are ready for employment, those who are employable with some direct assistance, and those individuals who are potentially employable.

SEC. 94. Section 9607 of the Unemployment Insurance Code is repealed.

SEC. 95. Section 9607 is added to the Unemployment Insurance Code, to read:

9607. In the administration of the state manpower program, the director shall establish community employment development centers. Within his administrative discretion, he shall determine the number, location and management structure for community employment development centers based on identified community needs. Each center shall be responsible for identifying and meeting manpower needs within the community and for maintaining current community labor market information. This labor market information shall be the basis for more realistic direction to manpower and vocational training efforts.

SEC. 96. Section 9608 of the Unemployment Insurance Code is amended and renumbered to read:

9611. Such personnel, as determined by the director, transferred to the department under this part, may function, in whole or in part, as job agents.

SEC. 97. Section 9608 is added to the Unemployment Insurance Code, to read:

9608. The director shall, within each community employment development center, establish an intake system to appraise the individual needs of applicants. Each community employment development center shall provide the following services:

(a) Job referral and labor market information services to applicants who are occupationally competitive and qualified by

training or experience in the labor market. These applicants shall be encouraged to utilize self-help services.

(b) Employment exploration and job development services to applicants who are employable but need some directed assistance in planning an effective job search or coping with minor barriers to employment. Employment exploration and job development services are designed:

(1) To prepare groups of applicants to use job referral and information services by instructing them in job finding techniques and how to initiate their own job search.

(2) To assist applicants directly by developing job opportunities.

(3) To provide, as necessary, usually on a one-time basis, such services as the following

(A) Contacting an employer to explain an applicant's qualifications or limitations, such as a handicap not affecting ability to work, in relation to requirements for a particular job and arranging an interview.

(B) A more thorough appraisal of the applicant's capabilities and desires in relation to the job market than is required of an applicant seeking only job referral and labor market information.

(4) To arrange for short-term supplemental services.

(c) Individual employability development and placement services to applicants who are potentially employable but are in need of more intensive services before becoming employable because they are vocationally handicapped due to disability, lack of skills, obsolescence of job skills, limited education, or poor work habits and attitudes. Intensive employability services shall be provided by case-responsible persons to applicants where case-responsible persons are assigned.

(d) Through counselors and job agents, case services to applicants to the extent funds are available. Case services funds may be made available for services to the disadvantaged. "Case services" means an applicant's expenses necessary for or incident to training or employability development and includes, but is not limited to, the following:

(1) Medical and dental treatment necessary for employability.
(2) Temporary child care.
(3) Transportation costs.
(4) Wearing apparel.
(5) Books and supplies.
(6) Tools and safety equipment.
(7) Union fees.
(8) Business license fees.

SEC. 98. Section 9609 of the Unemployment Insurance Code is amended and renumbered to read:

9612. The employees of the department shall be subject to the State Civil Service Act, except for exempt appointees. Members of the California Commission on Aging and officers and employees of the State Office of Economic Opportunity shall continue to be

appointed by the Governor.

SEC. 99 Section 9609 is added to the Unemployment Insurance Code, to read:

9609. The department shall administer manpower service funds and shall provide, in a balanced and flexible manner, needed services as provided in this part

SEC. 100. Section 9613 is added to the Unemployment Insurance Code, to read:

9613. (a) The director shall make every effort to secure to the fullest extent possible federal funds available for participation under this part and shall provide that effective and comprehensive placement and manpower information services are made available to eligible persons, both youth and adults, who are served by the department, using funds available to the department under Title III and Title IX of the Social Security Act, in accordance with a plan of service developed by the department and approved by the United States Department of Labor as required by federal law and regulations

(b) Under a plan of service developed by the department, funds under Title III and Title IX used for the administration of employment service offices and funds under the Manpower Development and Training Act shall be used to administer programs designed to find employment for economically displaced personnel toward the end of meeting the following goals:

(1) Developing a broad inventory of skills of displaced workers.

(2) Establishing labor market information systems necessary to identify the need for skills in waste disposal, power, water reclamation, sea water conversion, communications, biomedical techniques, air pollution control, and transportation systems.

SEC. 101. Section 9701 of the Unemployment Insurance Code is amended to read:

9701. The State Personnel Board shall prepare special examinations for job agents in accordance with criteria established pursuant to Section 9700. The director shall cooperate in the development of such examinations and shall utilize the probationary period to insure that these selection criteria are maintained. At such times as job performance standards have been developed and performance measurement is feasible, the director shall recommend to the State Personnel Board the establishment of a form of compensation for job agents pursuant to the provisions of Section 18852 of the Government Code.

SEC. 102. Section 9702 of the Unemployment Insurance Code is amended to read:

9702. The director shall conduct training programs for job agents and shall provide job agents with any information necessary to carry out the provisions of this part. Such programs shall be developed in consultation with the board.

SEC. 103 Section 9703 of the Unemployment Insurance Code is amended to read:

9703. The job agent shall provide each eligible person with such job training and placement and related services necessary to his employability on an individualized basis by means of the following:

(a) The development of a training and employment plan for each individual served;

(b) Procuring from public and private agencies and individuals the training and related services required by each individual eligible person;

(c) A continuing review and evaluation of each individual's progress up to and including placement;

(d) A postemployment followup at intervals to be determined by the director;

(e) Assistance in overcoming obstacles which threaten to deter the progress of the eligible person through the various programs.

(f) Reactivation of the case and assignment of the client to a job agent if the client terminates employment within 180 days after placement.

SEC. 104. Section 9704 of the Unemployment Insurance Code is amended to read:

9704. The training and employment plan for each eligible person assigned to a job agent shall be considered successfully completed when the goal specified in the eligible person's plan has been achieved. The goal in each plan shall be related to the employment potential of the eligible person served.

SEC. 105. Article 4 (commencing with Section 9800) of Chapter 2 of Part 1 of Division 3 of the Unemployment Insurance Code is repealed.

SEC. 106. The heading of Chapter 3 (commencing with Section 10000) of Part 1 of Division 3 of the Unemployment Insurance Code is amended to read:

## CHAPTER 3. EMPLOYMENT SERVICES BOARD

SEC. 107. Section 10000 of the Unemployment Insurance Code is amended to read:

10000. There is hereby created in the Department of Employment Development the Employment Services Board.

SEC. 108. Section 10001 of the Unemployment Insurance Code is amended to read:

10001. The board shall consist of the following members:

(a) Twelve members appointed by the Governor with the advice and consent of the Senate. There shall be representation on the board of the public, labor, units of local general purpose government, higher education, business community, agricultural community, apprenticeship training, public vocational education, private vocational education, private employment agencies, and three members shall be persons residing in economically disadvantaged areas who have demonstrated leadership in providing for the needs and interests of the economically deprived.

(b) Four members appointed by the Legislature. One member shall be a public member, one member shall be from the field of labor, one member shall be from the field of higher education, and one member shall be from the business community, two to be appointed by the Speaker of the Assembly and two by the Senate Rules Committee.

(c) The Committee on Rules of the Senate shall appoint one Member of the Senate and the Speaker of the Assembly shall appoint one Member of the Assembly. The Member of the Senate and the Member of the Assembly so appointed shall meet with the board and participate in its activities to the extent that such participation is not incompatible with their positions as Members of the Legislature. For the purposes of this part, the Members of the Legislature shall constitute a joint interim legislative committee on the subject of this part and as such shall have the powers and duties imposed upon such a committee by the Joint Rules of the Senate and Assembly.

(d) One member appointed by the State Board of Education.

(e) A deputy director of the department shall serve as a member of the board.

SEC. 109. Section 10103 of the Unemployment Insurance Code is amended to read:

10103. The board shall:

(a) Study the statewide problems of job training and placement and submit annual reports to the director, the Governor and the Legislature, with suggestions and recommendations for administrative, executive, and legislative action.

(b) Advise the director on all matters referred by him to the board for recommendation.

SEC. 110. Section 10106 of the Unemployment Insurance Code is amended to read:

10106. The board shall consider and may advise the director upon all matters connected with the administration of Division 1 (commencing with Section 100), Division 2 (commencing with Section 5000), and this part as submitted to it by the director and may recommend upon its own initiative such changes in administration as it deems necessary. The director shall furnish to the board information in his possession as requested by the board to discharge its advisory duties hereunder. The board shall each year file a written report to the Governor embodying the activities of the board and its recommendations to the director, a copy of which report shall be filed in the office of the Secretary of State for purposes of public inspection.

SEC. 111. Section 10500 of the Unemployment Insurance Code is repealed.

SEC. 112. Section 10501 of the Unemployment Insurance Code, as added by Chapter 1146 of the Statutes of 1972, is amended and renumbered to read:

9003 Notwithstanding any other provisions of this code, handicapped clients of the Department of Rehabilitation shall not be

barred as participants in manpower programs, including but not limited to, retraining programs, work incentive programs, job training and placement programs, career opportunity development programs, and vocational educational programs, because of their mental or physical disability when certified by the Department of Rehabilitation as being potentially employable.

SEC 113. Chapter 4.5 (commencing with Section 10510) is added to Part 1 of Division 3 of the Unemployment Insurance Code, to read:

## CHAPTER 4 5. CALIFORNIA MANPOWER PLANNING SYSTEM

### Article 1 Policies and Purposes

10510. It is the intent of the Legislature, in enacting this chapter, to establish and implement a program of comprehensive and coordinated manpower planning in California The Legislature recognizes the need for a new manpower planning structure which will provide for comprehensive analysis of alternative expenditure possibilities for the fiscal resources available in this field. The basic principles of such a system are:

(a) That the manpower development and employment needs at the local, regional, and state levels, be addressed.

(b) That the expenditure of available funds meets the needs at the local level

(c) That manpower development and employment programs be integrated into a uniform manpower services planning system within substate regions.

(d) That such a uniform planning system shall coordinate manpower development and employment programs and eliminate duplication of such programs among state and local agencies.

(e) That decisionmaking be decentralized, insofar as is practicable, to the governmental level closest to the people.

### Article 2. General Provisions and Definitions

10521. Nothing in this chapter shall be construed to affect any other provision of law relating to the control of funds by the department or by the Department of Rehabilitation or by units of local general purpose government.

10522 As used in this chapter:

(a) "Manpower planning" means the coordination of manpower development programs through compilation, analysis and dissemination of data enumerating the amount of manpower development program funds expended in the planning area, the client groups which such expenditures are designed to serve, the manpower and employment program needs of the planning area, and the alternative expenditure possibilities for such funds. "Manpower planning" includes analysis of this information and the development of a program for the future expenditures of available

manpower program funds based upon the needs of the residents of the planning area.

(b) "Manpower plan" means a state plan for the use of funds at local, multijurisdictional, and state levels among the various manpower and employment programs operating in California with federal funds within the planning area which is covered by the plan, and containing at least the elements specified by Section 10523. These programs include, but are not limited to, programs planned and operated pursuant to:

(1) The state plan of service under the Wagner-Peyser Act.

(2) The State Work Incentive (WIN) Operating Plan.

(3) The state plan under the Federal Manpower Development and Training Act of 1962.

(4) Manpower programs under the Federal Economic Opportunity Act of 1964.

(5) Federal Manpower Revenue Sharing programs.

(6) Area CAMPS plans, or its successor's plans.

(7) The Department of Rehabilitation's regional plans which are submitted by rehabilitation administrators

10523. Any "manpower plan" shall contain at least the following elements:

(a) Analysis of the manpower program needs.

(b) Descriptive and forecasting analysis of the changes in employment markets.

(c) Future manpower and employment goals in terms of percentages of the population unemployed and triggering mechanisms for greater state participation in manpower development programs in times of greatest need.

(d) Description and evaluation of manpower development programs in the planning area.

(e) Flexible expenditure plan covering future manpower activities.

10524. "Council" means the California Manpower Planning Council.

10525. "CAMPS" means the Cooperative Area Manpower Planning System or its successor.

10526. "Planning area" is a substate area served by the CAMPS system, or its successor.

## Article 3. California Manpower Planning Council

10530 There is hereby created the California Manpower Planning Council which shall serve as the State Manpower Planning Council. The council shall be composed of a chairman, who shall be the Secretary of the Health and Welfare Agency, and 12 other members to be appointed by the Governor. In the absence of the Secretary of the Health and Welfare Agency, the director shall serve as chairman. The Governor shall appoint the members of the council in accordance with the following guidelines:

(a) Two representatives of county government.
(b) Two representatives of municipal government.
(c) The director.
(d) One representative of labor.
(e) One representative of business and industry.
(f) Two public representatives from client groups.
(g) Director of Rehabilitation.
(h) One ex officio representative from the California Advisory Council on Vocational Education and Technical Training.
(i) One representative of the State Board of Education.

10531. The council shall be supported with federal funds which are available to California for purposes of manpower planning activities. The council shall have an executive secretary and adequate staff to carry out the purposes and intent of this chapter.

10532. The council shall formulate a state manpower and employment plan which will coordinate manpower program expenditures and which will recognize the continuing role of cooperative area manpower planning councils and local government officials in state manpower planning in California.

10533. The council shall:
(a) Develop a state manpower plan.
(b) Coordinate manpower and employment planning activities in cooperative area manpower planning councils through collection and analysis of the reports provided to it.
(c) Provide assistance and comprehensive information to local manpower area planning councils concerning all aspects of manpower development and manpower planning.
(d) Serve as the State Manpower Planning Council for the purpose of all federal manpower program requirements.

10534. All state and local agencies to the extent permitted by law shall provide information requested by the council to carry out its responsibilities under Section 10533.

10535. In cooperation with the council's activities, the State Office of Intergovernmental Management shall expand its Federal Aid Control System to include data covering all federal funds being expended in California for manpower and employment programs.

10536. The council shall coordinate and assist CAMPS planning councils and local areas in the development of their plans.

10537. All CAMPS plans shall be submitted to the council. The council shall review all CAMPS plans to determine whether any inconsistencies exist which would minimize the effectiveness of manpower programs carried out in California. The council shall utilize said CAMPS plans to develop an annual state manpower plan which will be submitted to the Governor, the Legislature, and the United States Department of Labor.

10538. The council may establish deadlines for the submission of local plans.

10539. The council shall coordinate the State Manpower Plan with the statewide plans for vocational education

10540. If the federal government provides funds to the state for the purpose of manpower planning and manpower program operations, the council shall establish a top priority for the federal manpower dollars received by the state. That priority shall be for the accomplishment of manpower planning and coordination at the state and at areawide and local levels.

In the event no federal funds are available for areawide manpower planning, the department shall make funds for this purpose available from appropriate state manpower revenue sharing funds.

SEC. 114. Chapter 5 (commencing with Section 11000) of Part 1 of Division 3 of the Unemployment Insurance Code is repealed.

SEC. 115. Part 2 (commencing with Section 11500) of Division 3 of the Unemployment Insurance Code is repealed.

SEC. 116. Section 10560 of the Welfare and Institutions Code is amended to read:

10560. The State Department of Health and each county department shall, to the extent feasible, train recipients of public assistance and potential recipients for private employment or for government service. Employment by the state or counties shall be subject to applicable civil service and merit system requirements.

The provisions of this section may be accomplished in conjunction with the provisions of a contract between the State Department of Health and the Department of Rehabilitation, the Department of Employment Development, or the Department of Education.

SEC. 117. Section 10560.5 of the Welfare and Institutions Code is repealed.

SEC. 118. Section 10653 of the Welfare and Institutions Code is amended to read:

10653. The county department shall be responsible for the initial selection of public assistance recipients who are to participate in training, vocational educational programs, or other employment preparation programs that are developed pursuant to the provisions of this chapter. The county department shall have primary responsibility for providing those services which will prepare recipients for the specific vocational training and employment placement services offered by the Departments of Employment Development, Rehabilitation, Education, and any other state or federal agencies offering specialized programs to upgrade the capacity of recipients and potential recipients to improve their capacity for self-support or self-direction. The services provided by the county department shall be geared to complement those services offered by state and federal agencies to the end that recipients of public assistance receive and participate in such programs to the fullest extent of their capacity.

SEC. 119. Section 10654 of the Welfare and Institutions Code is amended to read:

10654. The Division of Vocational Education of the State Department of Education shall have primary responsibility for the education and training of public assistance recipients. The Secretary

of the Health and Welfare Agency shall through the Department of Employment Development work with the State Department of Education to develop vocational education programs which will meet the particular requirements and needs of recipients of public assistance whenever it is determined that such special programs will substantially improve such recipients' capacity to achieve self-support or self-direction. The Department of Employment Development shall determine the kinds, quality, and number of persons requiring such education.

SEC. 120. Section 10655 of the Welfare and Institutions Code is amended to read:

10655. The Department of Employment Development shall have primary responsibility for placement and other employment services for public assistance recipients; provided, however, that a county department may refer a public assistance recipient to a private employment agency at the same time the recipient is referred to the Department of Employment Development. For the purposes of this section, a county department is authorized to enter into contracts with any private employment agencies under such terms and conditions and for such rates as the county department deems reasonable; provided, that once a public assistance recipient has been placed in employment by such an agency, a county department may not contract again with a private employment agency for placement of that recipient within six months of the original date of placement.

No referral or contract authorized under this section shall result in the recipient's paying any fee, part of wages or other charges to the county department or private employment agency for such services.

SEC. 121. Section 11252.5 of the Welfare and Institutions Code is amended to read:

11252.5. The Legislature hereby finds that the high rate of unemployment, which has been aggravated in California's most populous regions by layoffs in the aerospace industries, has led to a high level of public assistance grants and that despite the unemployment rate, both the unemployment rolls and the welfare rolls are swollen by the influx of persons from other states, many of which allow smaller assistance grants.

The Legislature further notes that increasing state taxes will have a depressing effect upon those individuals, firms, and industries now operating at a marginal level and will tend to further aggravate the unemployment rate and increase the welfare rolls.

The Legislature finds, therefore, that the most compelling state interest requires that the relationship between welfare and unemployment be recognized and that an emergency residency requirement be enforced in those areas of the state suffering from unusually high rates of unemployment.

(a) At any time the director shall determine from information received from the Department of Employment Development that any county has an unemployment rate of 6.0 percent or more, the director shall declare a state of emergency to exist, and shall

immediately direct such county to enforce an emergency residency requirement as provided in subdivision (b) until its unemployment rate falls below 6.0 percent. During this period and in any county in which such emergency exists, no person described in subdivision (b) shall be eligible for aid after the effective date of this section who does not meet the residency requirements of subdivision (b) of this section.

(b) No needy relative under Section 11203 shall be eligible for aid unless such needy relative has been physically present in the county for one year immediately preceding the date of application.

The provisions of this section shall not operate to render ineligible for aid any needy relative receiving such aid on the effective date of this section.

SEC. 122. Section 11300 of the Welfare and Institutions Code is amended to read:

11300. Each county department shall promptly refer to the Department of Employment Development for participation under a work incentive program pursuant to Chapter 3 (commencing with Section 5200) of Division 2 of the Unemployment Insurance Code each person selected as being appropriate for referral and for such participation in accordance with criteria and standards established by the State Department of Health pursuant to subdivision (19) (A) of Section 402(a) of the Social Security Act as amended by Public Law 90-248. In developing such criteria and standards, the State Department of Health shall consult with the Department of Employment Development.

SEC. 123. Section 11301 of the Welfare and Institutions Code is amended to read:

11301. The State Department of Health shall identify the kinds of information regarding persons referred pursuant to Section 11300 which are required for the efficient administration of work incentive programs, and develop methods and procedures which will assure the prompt and orderly exchange of such information between them. Such methods and procedures shall, when promulgated by the State Department of Health, be binding upon the county departments.

SEC. 124. Section 11303 of the Welfare and Institutions Code is amended to read:

11303. Nothing in this chapter shall be construed to discontinue aid under this chapter to a person referred to the Department of Employment Development under this article prior to the time he begins participation in a work incentive program provided by the department, or to deny social services for former or potential recipients of aid under this chapter to persons referred to the Department of Employment Development under this article while participating in a work incentive program when such services are requested by the Department of Employment Development, to the extent permitted by federal law.

SEC. 125. Section 11304 of the Welfare and Institutions Code is

amended to read:

11304. Except as required by federal law, nothing in this article shall be construed to preclude or modify aid or services under this chapter to a person who refuses to participate, or discontinues participation, in a work incentive program, in any of the following circumstances:

(a) Prior to a final decision that his withdrawal or refusal was not with good cause. pursuant to the provisions of Chapter 4 (commencing with Section 5300) of Division 2 of the Unemployment Insurance Code.

(b) The Department of Employment Development determines that his participation or continuance in a work incentive program would not be useful or beneficial to him.

(c) The Department of Employment Development determines that an appropriate work incentive program is not available for him because of lack of funds.

(d) Any circumstance which is not a basis for precluding or modifying such aid or services permitted under federal law.

SEC. 126. Section 11306 of the Welfare and Institutions Code is amended to read:

11306. In formulating the minimum basic standards of adequate care pursuant to Section 11452, the Department of Social Welfare shall establish an assistance payment plan and methods of grant computation that are designed to work in harmony with the employability plan developed by the Department of Employment Development in accordance with the work incentive program administered by that department pursuant to Division 2 (commencing with Section 5000) of the Unemployment Insurance Code. It is the intent of the Legislature that income and resources expected to be available to the recipient during the period the employability plan is in effect shall be estimated by the county department at the time the recipient is accepted as a participant under the work incentive program and at six-month intervals thereafter.

SEC. 127. Section 11308 of the Welfare and Institutions Code is amended to read:

11308. Upon notification of the Department of Employment Development that, pursuant to Chapter 4 (commencing with Section 5300) of Division 2 of the Unemployment Insurance Code, there has been a final determination that a person referred to it under Section 11300 and enrolled in a work incentive program has refused without good cause to accept employment or to participate in a work incentive program, the county department shall discontinue cash aid payments, and shall continue aid under a controlled payment plan in accordance with federal law and the regulations of the department. The allowance for such person's needs shall not be included under a controlled payment plan, except for the first 60 days if during such time he accepts counseling or other services provided by the county department aimed at persuading

him to follow the prescribed program.

SEC. 128. Section 11308.5 of the Welfare and Institutions Code is amended to read:

11308.5. Whenever a person referred to the Department of Employment Development under Section 11300 fails to report for enrollment in or refuses to enroll in a work incentive program established pursuant to Section 5200 of the Unemployment Insurance Code or whose enrollment in a work incentive program is deferred and the person refuses to accept employment, the county department shall determine within five days whether the person had good cause for failure to report or refusal to enroll or refusal to accept employment.

SEC. 129. Section 11308.6 of the Welfare and Institutions Code is amended to read:

11308.6. (a) Good cause for failure to report for enrollment in or refusal to enroll in a work incentive program shall be deemed to exist, when:

(1) Participation would be unreasonable because it would interrupt a program in process for permanent rehabilitation or self-support or conflict with an imminent likelihood of reemployment at the person's regular work, or

(2) Participation would be unreasonable because the assignment is not suited to the person's abilities or potential, or will not lead to realistic employment opportunities suited to the person's abilities or potential.

(b) Good cause for refusal of employment shall be deemed to exist when:

(1) The offer of employment is not for a specific job at a stated wage which meets the wage rate requirements set by the Department of Employment Development, or

(2) The job is available because of a labor dispute, or

(3) The job is not within the physical or mental capacity of the person, as established by competent professional authority, or

(4) Acceptance would be unreasonable because it would interrupt a program in process for permanent rehabilitation or self-support or conflict with an imminent likelihood of reemployment at the person's regular work.

SEC. 130. Section 11308.8 of the Welfare and Institutions Code is amended to read:

11308.8. Upon notification of the Department of Social Welfare pursuant to Chapter 7 (commencing with Section 10950) of Part 2, Division 9, that a person referred to the Department of Employment Development under Section 11300 has without good cause failed to report for enrollment in or refused to enroll in a work incentive program or refused to accept employment, the county department shall discontinue cash aid payments, and shall continue aid under a controlled payment plan in accordance with federal law and the regulations of the department. The allowance for such person's needs shall not be included under a controlled payment plan, except

for the first 60 days if during such time he accepts counseling or other services provided by the county department aimed at persuading him to follow the prescribed program.

SEC. 131. Section 11325 of the Welfare and Institutions Code is amended to read:

11325. Assisting recipients of aid to become self-supporting through implementation of the work incentive programs established in accordance with subdivision (19) (A) of Section 402(a) of the Social Security Act, as amended, as well as through such additional or supplemental work programs permitted by federal law is a matter of public concern.

To the extent permitted by federal law, it is the intention of the Legislature that this article operate as a demonstration program. The Director of Employment Development shall develop a plan for the phased implementation of community work experience programs. As this plan is implemented, he shall designate specific geographic areas within which community work experience programs shall be established. Such geographic areas shall consist of a county or portion of a county, as the director may designate

The Director of Employment Development shall develop community work experience programs through contracts with any public entity or nonprofit agency or organization, subject to the conditions and standards set forth below.

All public entities shall cooperate in the development and implementation of community work experience programs for welfare applicants and recipients in accordance with criteria and standards established by the Department of Social Welfare and Department of Employment Development, provided that any program undertaken by a public agency shall be done with the consent of that agency.

For the purpose of this article, a "community work experience program" is a program to provide work experience and training for individuals who are not otherwise able to obtain employment or who are not actively participating in training or education programs, in order that such participants may move into regular employment.

Community work experience programs shall provide for development of employability through actual work experience and training; and shall be designed to enable individuals employed under community work experience programs to move promptly into regular public or private employment or into training or public service employment programs to improve their employability in regular public or private employment. The facilities of the Department of Employment Development shall be utilized to find employment opportunities for recipients under this program.

Community work experience programs under this article shall be confined to projects which serve a useful public purpose such as in the fields of health, social service, environmental protection, education, urban and rural development and redevelopment, welfare, recreation, public facilities, and public safety. To the extent

possible, the prior training, experience and skills of a recipient shall be utilized in making appropriate work experience assignments.

The Director of Employment Development shall designate the procedures for inclusion of recipients of public assistance within community work experience programs, to include the geographic area within which such programs shall be established. To the extent permitted by federal law, recipients of public assistance referred by the Department of Employment Development to a community work experience program shall, as a condition of receiving public assistance, participate in such program, except where good cause exists for failure to accept and continue to participate in such program.

No person, who is a recipient of aid under this chapter under the age of seventeen (17) years, or is the mother of a child the age of six (6) years or under in the home, or who is otherwise employed or actively participating in training programs, education programs, or public service employment programs, or is incapacitated, shall be required to participate in community work experience programs. No mother of a child over the age of six (6) years in the home shall be required to participate in such community work experience programs unless suitable child care is available.

A community work experience program established under this section shall provide.

(1) Appropriate standards for health, safety, and other conditions applicable to the performance of work, including workmen's compensation insurance.

(2) That the program does not result in displacement of persons currently employed, or the filling of established unfilled position vacancies.

(3) That the program does not apply to jobs covered by a collective bargaining agreement.

(4) Reasonable conditions of work, taking into account the geographic region, the residence of the participants, and the proficiency of the participants.

(5) That participants will not be required, without their consent, to travel an unreasonable distance from their homes or remain away from their homes overnight.

(6) That participants will not be required to work in excess of 80 hours in any calendar month, nor in excess of eight hours during any calendar day in order to provide time to seek regular employment, provided, however, that in no case will any participant be required to participate in work experience programs for a period of time which would result in a total number of hours per month, which, if compared to the amount of the grant, in relation to the state or federal minimum wage, whichever is higher, would result in a ratio that would be less than such minimum wage. Nothing in this section shall be construed as requiring or permitting the payment of aid in exchange, or as compensation, for work performed.

(7) That participation shall not result in any cost to a participant,

provision shall be made for transportation and all other costs reasonably necessary to and directly related to participation in the program. Nothing contained herein shall entitle any participant to a salary or to any other work or training expense provided under any other provision of law by reason of his or her participation.

(8) A recipient shall not be placed in a community work experience program under this section unless all available positions within the geographic area served by a community work experience program have been filled under work incentive programs established pursuant to Chapter 3 (commencing with Section 5200) of Division 2 of the Unemployment Insurance Code or under any other job development program established pursuant to state law. To the extent feasible, work incentive program positions shall be administered to maximize utilization of that program prior to placement of recipients in community work experience programs.

No individual shall be required to participate in a community work experience program if:

(1) The position offered is vacant due directly to a strike, lockout, or other labor dispute.

(2) As a condition of accepting the work or continuing in the work, the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization.

(3) Acceptance would be an unreasonable act because of hardship imposed on the person or his family due to illness or remoteness.

SEC. 132. Section 11327 of the Welfare and Institutions Code is amended to read:

11327. The Director of Employment Development shall report annually to the Legislature concerning the community work experience programs, including the number of persons placed in a community work experience program, the number of persons placed from this program into regular employment, and the costs to state and local agencies for implementing this demonstration program.

SEC. 133. Section 13500 of the Welfare and Institutions Code is amended to read:

13500. It is the object and purpose of this chapter to provide persons whose dependency results from disability defined by Section 13501 with assistance and services which will encourage them to make greater efforts to achieve self-care and self-support and to enlarge their opportunities for independence.

In supervising the administration of this chapter, the department shall encourage the rehabilitation or employment of the recipient if it appears that with proper care and training such person may become more self-sufficient.

The department and the Department of Rehabilitation shall jointly develop plans for the orderly processing of cases referred to the Department of Rehabilitation, including plans for a determination of feasibility and planning for vocational rehabilitation.

The department and the Department of Employment Development shall jointly develop plans for the orderly processing of cases referred to the Department of Employment Development.

The policy shall be followed of granting aid to the recipient in his own home or in some other suitable home of his own choosing, in preference to placing him in an institution.

Aid granted under the provisions of this chapter shall be known as aid to the disabled.

SEC. 134. Section 13902 of the Welfare and Institutions Code is amended to read:

13902. Insofar as practicable and consistent with the best interest of the recipients, the provisions of this chapter shall be administered as a separate program which provides the aged, blind or disabled persons who qualify under the provisions of the separate aid categories with a unified and comprehensive program of care. In developing administrative plans to implement the provisions of this chapter priority shall be given to the plan utilizing the most favorable federal cost-sharing formula.

The State Department of Health and the county departments of the various counties in a manner consistent with efficient administration shall, where recruitment, training and employment of personnel is economical and practical, establish special civil service or merit system classifications for the employment of supportive home care service personnel.

In the recruitment, training and employment of staff to carry out the provisions of this chapter, preference shall be given whenever possible to recipients of public assistance. Persons engaged in training under programs conducted by the Department of Employment Development shall be given every consideration in competing and qualifying for employment under the applicable civil service and merit system requirements.

In the event that it is not consistent with efficient administration to recruit, train and employ in-home supportive care service workers as regular county employees, the service may be provided pursuant to contract with another public agency, or with a voluntary nonprofit agency. Such a contract shall include a provision that assures preference will be given to the employment of recipients of public assistance.

SEC. 135. Section 15100 of the Welfare and Institutions Code is amended to read:

15100. A revolving fund in the State Treasury is hereby created, to be known as the Welfare Advance Fund. All moneys in the fund are appropriated for the purpose of making payments or advances to counties or the Department of Employment Development of the state and federal shares of assistance, work incentive or medical care programs or the cost of administration of such programs, and for the payment of refunds.

Payments or advances of funds to counties or the Department of Employment Development, which are properly chargeable to

appropriations made from other funds in the State Treasury, may be made by Controller's warrant drawn against the Welfare Advance Fund. For every warrant so issued, the several purposes and amounts for which it was drawn shall be identified for the payee.

The amounts to be transferred to the Welfare Advance Fund at any time shall be determined by the department, and, upon order of the Controller, shall be transferred from the funds and appropriations otherwise properly chargeable therewith to the Welfare Advance Fund.

Refunds of amounts disbursed from the Welfare Advance Fund shall, on order of the Controller, be deposited in the Welfare Advance Fund, and, on order of the Controller, shall be transferred therefrom to the funds and appropriations from which such amounts were originally derived. Claims for amounts erroneously paid into the Welfare Advance Fund shall be submitted by the department to the State Controller who, if he approves such claims, shall draw his warrant in payment thereof against the Welfare Advance Fund.

All amounts increasing the cash balance in the Welfare Advance Fund, which were derived from the cancellation of warrants issued therefrom, shall, on order of the Controller, be transferred to and in augmentation of the appropriations from which such amounts were originally derived.

SEC. 136. Section 15153.5 of the Welfare and Institutions Code is amended to read:

15153.5. Notwithstanding any provision of this article to the contrary, state and federal funds normally due counties for aid payments in behalf of appropriate participants under work incentive programs administered by the Department of Employment Development, and the families of such participants, shall be transferred by the Controller to the Department of Employment Development for use in administering the work incentive program. In addition, an amount of money not in excess of the county share of such aid payments shall be determined and deducted from advances of state and federal funds due counties pursuant to Section 15153.

The Department of Social Welfare and the Department of Employment Development, subject to the approval of the Director of Finance and the Controller, shall establish procedures and methods for the maintenance of information and accounts and the preparation of reports essential to meet federal requirements, and to provide the Controller with financial statements to support the required transfer of funds.

SEC. 137. (a) The Legislature hereby makes the following declaration of purpose and intent:

It is the public policy of the State of California to improve the quality, the efficiency of, and the accountability for, delivery systems for manpower programs and vocational rehabilitation services, to promptly place job-ready individuals in suitable jobs, to provide qualified job applicants to employers, to assist potentially employable

individuals to become job-ready, to eliminate employment barriers for the disadvantaged, to rehabilitate disabled persons, and to create employment opportunities.

It is the intent of the Legislature that rehabilitation services for disabled persons shall be strengthened by the availability of job development and placement services to enable disabled persons to enter more readily the labor market or otherwise become self-supporting and that qualified vocational rehabilitation personnel be assigned to serve the disabled.

In furtherance of these goals, the Director of Employment Development and the Director of Rehabilitation shall jointly, under the policy direction of the Secretary of the Health and Welfare Agency, establish a demonstration project in not more than three labor markets in this state including urban and rural areas. The purpose of this project is to study and determine:

(1) The feasibility of consolidating and integrating manpower and vocational rehabilitation programs and delivery systems administered by the Department of Employment Development and the Department of Rehabilitation; and

(2) The extent to which consolidation would result in improved delivery of manpower and vocational rehabilitation services and increased job placement of clients.

(b) The demonstration project shall by means of coordination and integration of services undertake:

(1) Developing of systems to maximize the effectiveness of job-training, placement, and vocational rehabilitation services.

(2) Increasing the support of private industry in securing jobs for enrollees of training and vocational rehabilitation programs.

(3) Developing a more coordinated and integrated effort with the federal government as well as state and local public and private agencies involved in performing job-training, placement, and vocational rehabilitation services.

(4) Improving services to persons in economically disadvantaged areas by developing more approaches, including changes in traditional organizational structures, to making services available to such persons.

(5) Developing means to better organize existing job-training and placement programs now operating in the project areas into a coordinated system designed to remove or prevent employable and potentially employable persons from dependency on public assistance, and to enlist the full support of private industry in securing jobs.

(6) Developing means to provide needed services for individuals through arrangements with public and private agencies, subject to the limitation that funds appropriated by the federal and state governments for the rehabilitation of disabled people or any groups shall be used only for such purpose.

(7) Developing a more unified system for the timely delivery of job-training, placement, vocational rehabilitation, and related

services to eligible persons. This shall include individual case responsibility where appropriate, the assignment of rehabilitation counselors to serve the disabled including final responsibility for placement of the disabled, an outreach effort to seek out those persons who need but do not apply for services, followup to insure that the employment and rehabilitation needs of eligible persons and their families are met, and dissemination of information to residents of the economically disadvantaged areas about available services.

(8) Increasing the involvement of members of the community in identifying needs to be met and relating them to the services available in order to reduce the isolation of the disadvantaged and disabled from their government and the community.

(c) The demonstration project shall be conducted during the period commencing January 1, 1974, and ending November 30, 1975.

(d) During the demonstration project, the level of services provided clients involved in such project shall not be diminished as a result of project involvement and the standards of service, delivery and supervision shall be at least equal to those provided clients not a part of the project.

(e) Demonstration projects shall be established within diverse geographical areas of the state, including urban and rural areas. One area shall be selected from each of the following categories:

(1) A rural county north of the Tehachapi Mountains with a population of at least fifty thousand (50,000) and not more than eighty-five thousand (85,000), according to the 1970 census;

(2) A county north of the Tehachapi Mountains with a population of at least one million (1,000,000) and not more than one million two hundred fifty thousand (1,250,000), according to the 1970 census;

(3) A city south of the Tehachapi Mountains with a population of not less than two hundred thousand (200,000) and not more than three hundred seventy-five thousand (375,000), according to the 1970 census.

(f) An operational plan will be developed by the Departments of Employment Development and Rehabilitation, under the policy direction of the Secretary of the Health and Welfare Agency, after consultation with an independent firm.

(g) An evaluation of the demonstration project will be made to determine the effectiveness of the services delivered to clients and the efficiency of the delivery system.

Specific criteria would include but not be limited to:

(1) Consistency with the legislative intent as expressed herein;

(2) The cost of the delivery services under the demonstration project compared to cost of delivering the same services prior to the project;

(3) The cost projections of employability plans developed for individuals with similar needs before and during the project;

(4) The results in terms of placements for similar resource expenditures on similar individuals before and during the project to the extent possible within the time limitations of the study;

(5) The operational desirability and feasibility and costs of expanding the processes and procedures developed from and during the project into a statewide system.

(h) There is hereby created the Employment Development-Rehabilitation Demonstration Task Force, consisting of 18 members. The task force shall evaluate the demonstration project to determine the extent to which the goals set forth in this section are accomplished. The task force shall contract with an independent firm to perform the evaluation.

The task force shall consist of the following members:

(1) Five members appointed by the Senate Rules Committee: two members shall be Members of the Senate; one shall be a representative of employers' and two shall be representatives of organizations serving disabled persons.

(2) Four members appointed by the Speaker of the Assembly: two members shall be Members of the Assembly; one shall be a representative of labor; and one shall be a person from an economically disadvantaged area.

(3) Six members appointed by the Secretary of the Health and Welfare Agency: one member shall be a member of the Employment Services Board; one shall be a member of the Department of Rehabilitation Advisory Committee; one shall be from an economically disadvantaged area; and two shall be representatives of organizations serving disabled persons; one shall represent rehabilitation facilities.

(4) The Secretary of the Health and Welfare Agency, or his designee, who shall act as chairman.

(5) The Director of Rehabilitation, or his designee.

(6) The Director of Employment Development, or his designee.

(7) The two Members of the Senate and the two Members of the Assembly appointed under this subdivision shall meet with, and participate in, the activities of the task force to the extent that such participation is not incompatible with their respective positions as Members of the Legislature. For the purposes of this section, such Members of the Legislature shall constitute a joint interim investigating committee on the subject of this section, and as such shall have the powers and duties imposed upon such committees by the Joint Rules of the Senate and Assembly.

The members of the task force shall serve at the pleasure of their respective appointing powers. The members shall serve without compensation but shall be reimbursed for necessary travel expenses incurred for attendance at task force meetings.

The times and places of meetings shall be fixed by the chairman of the task force but, in no event, shall the first meeting be scheduled more than 30 days after the demonstration project has commenced. The task force shall meet at least four times during the existence of the demonstration project.

The Secretary of the Health and Welfare Agency shall make available to the task force such staff as agreed upon by the secretary

and the task force as necessary to carry out the responsibilities of the task force.

The task force shall submit to the Legislature, the Governor and the Directors of the Departments of Employment Development and Rehabilitation an interim report of its findings on or before December 31, 1974, and a final report on or before December 31, 1975.

SEC. 138. It is the intent of the Legislature that if this bill and Senate Bill No. 387 are chaptered and both bills amend Section 14020 of the Corporations Code, and this bill is chaptered after Senate Bill No. 387, that both bills be given effect and incorporated in the form set forth in Section 5 of this bill, and that Section 4 of this bill shall be inoperative. If Senate Bill No. 387 is not chaptered or is chaptered after this bill, Section 4 of this bill shall be operative and Section 5 of this bill shall not be operative.

SEC. 139. It is the intent of the Legislature that if this bill and Senate Bill No. 387 are chaptered and both bills amend Section 14021 of the Corporations Code, and this bill is chaptered after Senate Bill No. 387, that Section 14021 of the Corporations Code as amended by Section 11 of Senate Bill No 387 be further amended on the effective date of this act in the form set forth in Section 6 of this act. Therefore, Section 6 of this act shall become operative only if Senate Bill No. 387 is chaptered before this bill and amends Section 14021 and in such case Section 6 of this act shall become operative on the effective date of this act.

SEC. 140. It is the intent of the Legislature, if this bill and Senate Bill No. 387 are both chaptered and amend Section 14024 of the Corporations Code, and this bill is chaptered after Senate Bill No. 387, that Section 14024 of the Corporations Code, as amended by Section 15 of Senate Bill No. 387 be further amended on the effective date of this act in the form set forth in Section 8 of this act to incorporate the changes in Section 14024 proposed by this bill. Therefore, Section 8 of this act shall become operative only if Senate Bill No. 387 is chaptered before this bill and amends Section 14024 and in such case Section 8 of this act shall become operative on the effective date of this act and Section 7 of this act shall not become operative.

SEC. 141. If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

SEC. 142. Upon receipt of a formal ruling from the Secretary of Labor, or the head of any federal agency that any provision of this act cannot be given effect without causing the state's plan to be out of conformity with federal requirements or would result in decertification of provisions of the Unemployment Insurance Code and notification of intention to withdraw federal funds from the state, such provision shall become inoperative to the extent that it is

not in conformity with federal requirements

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## CHAPTER 1208

*An act to amend Sections 5000, 5004, 5004.1, 5013, 5015, 5251, 5301, 5302, and 5400 of, and to repeal Sections 5009, 5255, 5256, and 5402 of, and Chapter 5 (commencing with Section 5400) of Division 2 of, the Unemployment Insurance Code, and to amend Sections 11300, 11301, 11303, 11307 and 11308 of, and to add Section 11310 to, the Welfare and Institutions Code, relating to the work incentive programs.*

[Approved by Governor October 2, 1973. Filed with Secretary of State October 2, 1973.]

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

SECTION 1. Section 5000 of the Unemployment Insurance Code is amended to read:

5000. The purpose of this division is to establish a program utilizing all available manpower services, including those authorized under other provisions of law, under which individuals receiving aid to families with dependent children will be furnished incentives, opportunities, and necessary services towards the employment of such individuals in the regular economy, the training of such individuals for work in the regular economy, and the participation of such individuals in public service employment, thus restoring the families of such individuals to independence and useful roles in their communities. It is expected that the individuals participating in the program established under this division will acquire a sense of dignity, self-worth, and confidence which will flow from being recognized as a wage-earning member of society and that the example of a working adult in these families will have beneficial effects on the children in such families.

SEC. 2. Section 5004 of the Unemployment Insurance Code is amended to read:

5004. As used in this division, an "employment and training program" means a work incentive program as described in subdivision (1) of Section 432(b) of the Social Security Act for persons under this division, an "institutional and work experience training program" means a work incentive program as described in subdivision (2) of Section 432(b) of the Social Security Act for persons under this division, and a "public service employment program" means a work incentive program as described in subdivision (3) of Section 432(b) of the Social Security Act for persons under this division.

SEC. 3. Section 5004.1 of the Unemployment Insurance Code is amended to read:

5004.1. The department shall conform to the following priorities in the promotion and implementation of work incentive programs as defined in Section 5004:

(1) An employment and training program.

(2) A public service employment program.

(3) An institutional and work experience training program.

SEC. 4. Section 5009 of the Unemployment Insurance Code is repealed

SEC. 5. Section 5013 of the Unemployment Insurance Code is amended to read:

5013. To the maximum extent possible, the department shall conform to the priorities established by federal law in assigning persons to work incentive program.

SEC. 6. Section 5015 of the Unemployment Insurance Code is amended to read:

5015. Institutional and work experience training programs and public service employment programs developed under this division shall be confined to programs which serve a useful public purpose and do not result in the displacement of employed workers.

SEC. 7. Section 5251 of the Unemployment Insurance Code is amended to read:

5251. In order to carry out the purposes of this chapter the board may pay to the department the amount necessary to provide the employer with up to 100 percent of the wages to be paid to individuals employed under the work incentive program. This amount shall augment any funds available to the department to reimburse the said employer pursuant to the provisions of Part C of Title IV of the Social Security Act.

SEC. 8. Section 5255 of the Unemployment Insurance Code is repealed.

SEC. 9. Section 5256 of the Unemployment Insurance Code is repealed.

SEC. 10. Section 5301 of the Unemployment Insurance Code is amended to read:

5301. Whenever an individual certified to the department pursuant to Section 11300 of the Welfare and Institutions Code is enrolled in a work incentive program established pursuant to Section 5200 and subsequently refuses to accept employment or refuses to participate in, or withdraws from, a work incentive program established pursuant to Section 5200, the department shall determine within five days thereof whether the individual had good cause for refusal or withdrawal.

SEC. 11. Section 5302 of the Unemployment Insurance Code is amended to read:

5302. If the department determines under Section 5301 that an individual had good cause for refusal or withdrawal, the department shall notify the individual If the department determines under Section 5301 that an individual did not have good cause for refusal or withdrawal, the department shall so notify him by mail or personal

service within five days of the determination, stating the reasons for the determination, and shall notify the county welfare department. The notice to the individual shall set forth the possible effect of the determination on the individual's payments under this division and Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code, and shall inform him of his right to an appeal and to a fair hearing. He may, within 10 days after the mailing or personal service of the determination, file an appeal to a referee of the appeals board. The 10-day period may be extended for good cause. An appeal need not be formal, but it shall be in writing.

SEC. 12. Section 5400 of the Unemployment Insurance Code is amended to read:

5400. The Manpower Development Fund is hereby created for payments to persons in work incentive programs and for the costs of administration thereof. All moneys received by the department from the federal government available for work incentive programs, and any other moneys received by the department for such purposes, shall be deposited in the Manpower Development Fund.

SEC. 13. Section 5402 of the Unemployment Insurance Code is repealed.

SEC. 14. Chapter 5 (commencing with Section 5400) of Division 2 of the Unemployment Insurance Code is repealed.

SEC. 15. Section 11310 is added to the Welfare and Institutions Code, to read:

11310. (a) Except for individuals provided for in Section 11251 and as provided in subdivision (b), every individual, as a condition for eligibility for aid under this chapter, shall register with the Department of Human Resources Development for manpower services, training, and employment.

(b) The following individuals are not required to register with the Department of Human Resources Development:

(1) An individual under 16;

(2) A child attending school full time;

(3) An individual who is ill, incapacitated or of advanced age;

(4) An individual so remote from a work incentive project that his effective participation is precluded;

(5) An individual whose presence in the home is required because of illness or incapacity or another member of the household;

(6) A mother or other relative of a child under the age of six who is caring for the child;

(7) The mother or other female caretaker of a child if the father or another adult male relative meets the following requirements:

(i) He is in the home;

(ii) He is not excluded by paragraph (1), (2), (3), (4), or (5) of this subdivision; and

(iii) He has not failed to register as required by this section or has not been found pursuant to Chapter 4 (commencing with Section 5300) of Division 2 of the Unemployment Insurance Code or to Section 11308.7 to have refused without good cause to participate

under a work incentive program to accept employment.

SEC. 16. Section 11310 is added to the Welfare and Institutions Code, to read:

11310. (a) Except for individuals provided for in Section 11251 and as provided in subdivision (b), every individual, as a condition for eligibility for aid under this chapter, shall register with the Department of Employment Development for manpower services, training, and employment.

(b) The following individuals are not required to register with the Department of Employment Development:

(1) An individual under 16;

(2) A child attending school full time;

(3) An individual who is ill, incapacitated or of advanced age;

(4) An individual so remote from a work incentive project that his effective participation is precluded;

(5) An individual whose presence in the home is required because of illness or incapacity of another member of the household;

(6) A mother or other relative of a child under the age of six who is caring for the child;

(7) The mother or other female caretaker of a child if the father or another adult male relative meets the following requirements:

(i) He is in the home;

(ii) He is not excluded by paragraph (1), (2), (3), (4), or (5) of this subdivision; and

(iii) He has not failed to register as required by this section or has not been found pursuant to Chapter 4 (commencing with Section 5300) of Division 2 of the Unemployment Insurance Code or to Section 11308.7 to have refused without good cause to participate under a work incentive program to accept employment.

SEC. 17. Section 11300 of the Welfare and Institutions Code is amended to read:

11300. A separate administrative unit in accordance with the provisions of Section 402(a)(19)(G) of the Social Security Act shall certify individuals who have registered under Section 11310 for employment or training in accordance with criteria for certification established by the State Department of Health pursuant to subdivision (19)(G) of Section 402(a) of the Social Security Act. In developing the criteria for certification, the State Department of Health shall consult with the Department of Human Resources Development.

SEC. 18. Section 11300 of the Welfare and Institutions Code is amended to read:

11300. A separate administrative unit in accordance with the provisions of Section 402(a)(19)(G) of the Social Security Act shall certify individuals who have registered under Section 11310 for employment or training in accordance with criteria for certification established by the State Department of Health pursuant to subdivision (19) (G) of Section 402(a) of the Social Security Act as amended. In developing the criteria for certification the State

Department of Health shall consult with the Departments of Human Resources Development and Benefit Payments.

SEC. 19. Section 11300 of the Welfare and Institutions Code is amended to read:

11300. A separate administrative unit in accordance with the provisions of Section 402(a)(19)(g) of the Social Security Act shall certify individuals who have registered under Section 11310 for employment or training in accordance with criteria for certification established by the State Department of Health pursuant to subdivision (19) (G) of Section 402(a) of the Social Security Act as amended. In developing the criteria for certification the State Department of Health shall consult with the Department of Employment Development.

SEC. 20. Section 11300 of the Welfare and Institutions Code is amended to read:

11300. A separate administrative unit in accordance with the provisions of Section 402(a)(19)(g) of the Social Security Act shall certify individuals who have registered under Section 11310 for employment or training in accordance with criteria for certification established by the State Department of Health pursuant to subdivision (19) (G) of Section 402(a) of the Social Security Act as amended. In developing the criteria for certification the State Department of Health shall consult with the Departments of Employment Development and Benefit Payments.

SEC. 21. Section 11301 of the Welfare and Institutions Code is amended to read:

11301. The State Department of Health shall identify the kinds of information regarding persons registered pursuant to Section 11310 which are required for the efficient administration of work incentive programs, and develop methods and procedures which will assure the prompt and orderly exchange of such information between the State Department of Health and the Department of Human Resources Development. Such methods and procedures shall, when promulgated by the State Department of Health, be binding upon the county department.

SEC. 22. Section 11301 of the Welfare and Institutions Code is amended to read:

11301. The State Department of Health shall identify the kinds of information regarding persons registered pursuant to Section 11310 which are required for the efficient administration of work incentive programs, and develop methods and procedures which will assure the prompt and orderly exchange of such information between the State Department of Health and the Department of Employment Development. Such methods and procedures shall, when promulgated by the State Department of Health, be binding upon the county departments.

SEC. 23. Section 11303 of the Welfare and Institutions Code is amended to read:

11303. Nothing in this chapter shall be construed to discontinue

aid under this chapter to a person referred to the Department of Human Resources Development under this article prior to the time he begins participation in a work incentive program provided by the department, or to deny social services for former or potential recipients of aid under this chapter to persons certified to the Department of Human Resources Development under this article while participating in a work incentive program when such services are requested by the Department of Human Resources Development, to the extent permitted by federal law.

SEC. 24. Section 11303 of the Welfare and Institutions Code is amended to read:

11303. Nothing in this chapter shall be construed to discontinue aid under this chapter to a person certified to the Department of Employment Development under this article prior to the time he begins participation in a work incentive program provided by the department, or to deny social services for former or potential recipients of aid under this chapter to persons referred to the Department of Employment Development under this article while participating in a work incentive program when such services are requested by the Department of Employment Development, to the extent permitted by federal law.

SEC. 25. Section 11307 of the Welfare and Institutions Code is amended to read:

11307. The State Department of Health shall provide special safeguards in the certification of a mother with preschool age children for participation in work incentive programs to assure that such participation shall be in the best interest of the mother and her family, and that adequate child care will be provided in her absence.

SEC. 26. Section 11308 of the Welfare and Institutions Code is amended to read:

11308. Upon notification of the Department of Human Resources Development that, pursuant to Chapter 4 (commencing with Section 5300) of Division 2 of the Unemployment Insurance Code, there has been a final determination that a person certified to it under Section 11300 has refused without good cause to accept employment or to participate in a work incentive program, the county department shall discontinue cash aid payments, and shall continue aid under a controlled payment plan in accordance with federal law and the regulations of the department. The allowance for such person's needs shall not be included under a controlled payment plan, except for the first 60 days if during such time he accepts counseling or other services provided by the county department aimed at persuading him to follow the prescribed program.

SEC. 27. Section 11308 of the Welfare and Institutions Code is amended to read:

11308. Upon notification of the Department of Employment Development that, pursuant to Chapter 4 (commencing with Section 5300) of Division 2 of the Unemployment Insurance Code,

there has been a final determination that a person certified to it under Section 11300 has refused without good cause to accept employment or to participate in a work incentive program, the county department shall discontinue cash aid payments, and shall continue aid under a controlled payment plan in accordance with federal law and the regulations of the department. The allowance for such person's needs shall not be included under a controlled payment plan, except for the first 60 days if during such time he accepts counseling or other services provided by the county department aimed at persuading him to follow the prescribed program.

SEC. 28 Section 14, 16, 22, 24, and 27 of this bill shall become operative only if both Assembly Bill No. 1103 and Senate Bill No. 601 are chaptered and are both chaptered before this bill and become effective on January 1, 1974, or if only one of such bills is chaptered and it is chaptered before this bill and becomes effective on January 1, 1974, in which event Sections 12, 13, 15, 21, 23, and 26 of this act shall not become operative.

SEC. 29. It is the intent of the Legislature that if this bill and Senate Bill No. 601 or Assembly Bills No. 1103 or 1950 or all or a combination of such bills are chaptered and become effective on January 1, 1974, and amend Section 11300 of the Welfare and Institutions Code, and this bill is chaptered last, that amendments proposed by each of the bills which are chaptered be given effect as follows:

(a) If this bill and Senate Bill No. 601 are both chaptered and amend Section 11300 of the Welfare and Institutions Code, but Assembly Bills No. 1103 and 1950 are not chaptered or as chaptered do not amend that section, and this bill is chaptered after Senate Bill No. 601, the amendments proposed by both bills shall be given effect and incorporated in Section 11300 in the form set forth in Section 19 of this act. Therefore, if Senate Bill No. 601 is chaptered before this bill and both bills amend Section 11300, and Assembly Bills No. 1103 and 1950 are not chaptered or as chaptered do not amend that section, Section 19 of this act shall be operative and Sections 17, 18, and 20 of this act shall not become operative.

(b) If this bill and Assembly Bill No. 1103 are both chaptered and amend Section 11300 of the Welfare and Institutions Code, but Senate Bill No. 601 and Assembly Bill No. 1950 are not chaptered or as chaptered do not amend that section, and this bill is chaptered after Assembly Bill No. 1103, the amendments proposed by both bills shall be given effect and incorporated in Section 11300 in the form set forth in Section 19 of this act. Therefore, if Assembly Bill No. 1103 is chaptered before this bill and both bills amend Section 11300, and Senate Bill No. 601 and Assembly Bill No. 1950 are not chaptered or as chaptered do not amend that section, Section 19 shall be operative and Sections 17, 18, and 20 of this act shall not become operative.

(c) If this bill and Assembly Bill No. 1950 are both chaptered and amend Section 11300 of the Welfare and Institutions Code, but

Senate Bill No. 601 and Assembly Bill No 1103 are not chaptered or as chaptered do not amend that section, and this bill is chaptered after Assembly Bill No 1950, that Section 11300 of the Welfare and Institutions Code, as amended by Section 17 of this act shall become operative. In such event Sections 19 and 20 of this act shall not become operative and Section 17 of this act shall remain operative only until the operative date of Assembly Bill No. 1950, and that on the operative date of Assembly Bill No 1950 Section 11300 of the Welfare and Institutions Code as amended by Section 17 of this act be further amended in the form set forth in Section 18 of this act to incorporate the changes in Section 11300 proposed by Assembly Bill No. 1950. Therefore, Section 18 of this act shall become operative only if Assembly Bill No. 1950 is chaptered before this bill and amends Section 11300, and Senate Bill No. 601 and Assembly Bill No. 1103 are not chaptered or as chaptered do not amend that section, and in such case Section 18 of this act shall become operative on the operative date of Assembly Bill No. 1950

(d) If this bill and Senate Bill No 601 and Assembly Bill No. 1103 are chaptered and amend Section 11300 of the Welfare and Institutions Code, but Assembly Bill No. 1950 is not chaptered or as chaptered does not amend that section, and this bill is chaptered after Senate Bill No. 601 and Assembly Bill No. 1103, the amendments proposed by the bills shall be given effect and incorporated in Section 11300 in the form set forth in Section 19 of this act. Therefore, if Senate Bill No 601 and Assembly Bill No 1103 are chaptered before this bill and both bills amend Section 11300, and Assembly Bill No 1950 is not chaptered or as chaptered does not amend that section, Section 19 of this act shall be operative and Sections 17, 18, and 20 of this act shall not become operative.

(e) If this bill and Senate Bill No. 601 and Assembly Bill No. 1950 are chaptered and amend Section 11300 of the Welfare and Institutions Code, but Assembly Bill No. 1103 is not chaptered or as chaptered does not amend that section and this bill is chaptered after Senate Bill No. 601 and Assembly Bill No. 1950, that Section 11300 of the Welfare and Institutions Code, as amended by Section 19 of this act shall become operative. In such event Sections 17 and 18 of this act shall not become operative and Section 19 of this act shall remain operative only until the operative date of Assembly Bill No. 1950, and that on the operative date of Assembly Bill No 1950 Section 11300 of the Welfare and Institutions Code as amended by Section 19 of this act be further amended in the form set forth in Section 20 of this act to incorporate the changes in Section 11300 proposed by Assembly Bill No 1950. Therefore, Section 20 of this act shall become operative only if Senate Bill No 601 and Assembly Bill No. 1950 are chaptered before this bill and amend Section 11300, and Assembly Bill No 1103 is not chaptered or as chaptered does not amend that section, and in such case Section 20 of this act shall become operative on the operative date of Assembly Bill No. 1950

(f) If this bill and Assembly Bill No. 1103 and Assembly Bill No.

1950 are chaptered and amend Section 11300 of the Welfare and Institutions Code, but Senate Bill No 601 is not chaptered or as chaptered does not amend that section, and this bill is chaptered after Assembly Bill No. 1103 and Assembly Bill No. 1950, that Section 11300 of the Welfare and Institutions Code, as amended by Section 19 of this act shall become operative In such event Sections 17 and 18 of this act shall not become operative and Section 19 of this act shall remain operative only until the operative date of Assembly Bill No. 1950, and that on the operative date of Assembly Bill No. 1950 Section 11300 of the Welfare and Institutions Code as amended by Section 19 of this act be further amended in the form set forth in Section 20 of this act to incorporate the changes in Section 11300 proposed by Assembly Bill No 1950 Therefore, Section 20 of this act shall become operative only if Assembly Bill No. 1103 and Assembly Bill 1950 are chaptered before this bill and amend Section 11300, and Senate Bill No. 601 is not chaptered or as chaptered does not amend that section, and in such case Section 20 of this act shall become operative on the operative date of Assembly Bill No 1950.

(g) If this bill and Senate Bill No. 601 and Assembly Bills No 1103 and 1950 are all chaptered, and all bills amend Section 11300 of the Welfare and Institutions Code, and this bill is chaptered after Senate Bill No. 601 and Assembly Bills No 1103 and 1950, that Section 11300 of the Welfare and Institutions Code, as amended by Section 19 of this act shall become operative In such event Sections 17 and 18 of this act shall not become operative, and Section 19 of this act shall remain operative only until the operative date of Assembly Bill No. 1950, and that on the operative date of Assembly Bill No. 1950, Section 11300 of the Welfare and Institutions Code as amended by Section 19 of this act be further amended in the form set forth in Section 20 of this act to incorporate the changes in Section 11300 proposed by Assembly Bill No. 1950. Therefore Section 20 of this act shall become operative only if Senate Bill No. 601 and Assembly Bills No. 1103 and 1950 are chaptered before this bill and amends Section 11300, and in such case Section 20 of this act shall become operative on the operative date of Assembly Bill No 1950.

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## CHAPTER 1209

*An act to add Chapter 14.1 (commencing with Section 7467) to Division 6 of, and to repeal Division 25 (commencing with Section 37000) of, the Education Code and to amend Section 8 of Chapter 1441 of the Statutes of 1972, relating to career guidance center, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. Chapter 14.1 (commencing with Section 7467) is added to Division 6 of the Education Code, to read:

## CHAPTER 14.1. CALIFORNIA CAREER GUIDANCE CENTER

7467. The Legislature hereby finds and declares that there exists in this state a serious need to increase the effectiveness of career development programs. For this purpose, the Legislature intends that the one pilot California career guidance center, established pursuant to this chapter, shall serve as a regional guidance resource center, amply equipped with modern occupational measurement and career guidance materials and a professional resource staff. The Department of Education, in cooperation and consultation with the advisory committee established pursuant to Section 7467.4, shall provide state-level guidance and supervision to the career guidance pilot project.

7467.1. Application for establishment of a career guidance center may be made to the State Board of Education by any county superintendent of schools or the governing board of any school district, either separately or jointly, upon forms provided by the State Department of Education. The Board of Education shall select one applicant to be designated as a pilot California career guidance center.

7467.2. Upon recommendation of the Superintendent of Public Instruction, the State Board of Education shall adopt guidelines which shall include, but not be limited to, criteria for selection of an applicant pursuant to Section 7467.1, selection of project sites, fiscal accountability, and procedures relative to interagency contracting and overall project administration and evaluation.

7467.3. In the implementation of this chapter, the Department of Education shall, on a regular basis, advise and consult with representatives of the Department of Human Resources Development, the office of the Chancellor of the California Community Colleges, the Coordinating Council for Higher Education, the University of California, the Chancellor of the California State University and Colleges, the Commission for Teacher Preparation and Licensing, the Department of Industrial Relations, the Department of Consumer Affairs, the California Advisory Council on Vocational Education and Technical Training, and the State Personnel Board.

7467.4. The career guidance center shall appoint a local advisory committee composed of eleven members, at least seven of whom shall be representatives of business, industry and labor, and the general public, and one a member of the local area vocational committee established pursuant to Article 10.4 (commencing with Section 6268)) of Chapter 6 of this division, provided that such a vocational committee is operational in the area of the career guidance project site selected.

7467.5. The local advisory committee shall:

(a) Make annual formal findings and recommendations regarding the operation of the career guidance center and report thereon to the Department of Education.

(b) Cooperate and consult with the Department of Education for the purposes provided in Section 7467.

Members of the local advisory committee shall serve without compensation, but they shall receive actual and necessary traveling expenses in performing duties under this section.

7468. The career guidance center has such powers as are necessary to carry out the provisions of this chapter, in accordance with guidelines adopted by the State Board of Education including, but not limited to, contractual powers to employ staff and provide products and services pursuant to this chapter.

7468.1. The career guidance center shall develop and maintain a program consisting of, but not limited to, the following components:

(a) An inventory of career guidance measurement instruments for use in determining career aptitudes and interest.

(b) An inventory of resource material related to the preparation of occupational competencies.

(c) The development of techniques and practices for, and the conduction of, in-service training of staff in educational agencies implementing career development activities.

(d) A system for collecting, coordinating, and distributing career information at the local, state, and national levels.

(e) A basic set of functions for additional centers.

7468.2. On or before March 30, 1975, and annually thereafter, the career guidance center, shall submit to the State Board of Education an inventory of programs, current and planned, as follows: (a) occupational and job analyses, (b) occupational and job performance testing and evaluation, both written and nonwritten, (c) costs of job training for classroom, on-the-job, and home-study programs, (d) work experience evaluation, especially in relation to occupational competencies, (e) quality control techniques and practices for conducting job-training programs, (f) personnel selection techniques, practices, and respective costs thereof, (g) administration and evaluation of occupational training advisory committees for entry, but not necessarily including, professional levels, and (h) proportion of employees and students enrolled in job-training programs at entry, but not necessarily including, professional levels.

7468.3. The Department of Education shall evaluate the career guidance center and submit a report to the Legislature by the fifth calendar day of the 1975–1976 Regular Session of the Legislature.

SEC. 2. Division 25 (commencing with Section 37000) of the Education Code is repealed.

SEC. 3. Section 8 of Chapter 1441 of the Statutes of 1972 is amended to read:

Sec. 8. From the funds appropriated for the support of vocational education programs in public school districts by Item 277

of the Budget Act of 1972, there is appropriated to the State Board of Education, the sum of fifty thousand dollars ($50,000) to be expended during the 1972–1973 and 1973–1974 fiscal years for the pilot career guidance center established pursuant to Chapter 14.1 (commencing with Section 7466) of Division 6 of the Education Code.

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

In order to establish a pilot guidance center as initially authorized by Chapter 1441 of the Statutes of 1972, legislative clarification is necessary to determine what persons, agencies or entities are eligible to make application for designation as the sole pilot guidance center, and, which agency, board or state officer is authorized to make such designation from among the applicants In order to implement the legislative policy expressed in Chapter 1441 of the Statutes of 1972 as soon as possible, it is necessary that this act take effect immediately.

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## CHAPTER 1210

*An act to add Section 1258.5 to the Unemployment Insurance Code and to amend Section 11308.6 of the Welfare and Institutions Code, relating to employment.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973]

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

SECTION 1. Section 1258.5 is added to the Unemployment Insurance Code, to read:

1258.5. "Suitable employment" does not include employment with an employer who does not:

(a) Possess an appropriate state license to engage in his business, trade, or profession; or

(b) Withhold or hold in trust the employee contributions required by Part 2 (commencing with Section 2601) of this division for unemployment compensation disability benefits and does not transmit all such employee contributions to the Department of Employment Development for the Disability Fund as required by Section 986; or

(c) Carry either workmen's compensation insurance or possess a certificate of self-insurance as required by Division 4 (commencing with Section 3201) of the Labor Code.

SEC. 2. Section 11308.6 of the Welfare and Institutions Code is amended to read:

11308.6. (a) Good cause for failure to report for enrollment in or

refusal to enroll in a work incentive program shall be deemed to exist, when:

(1) Participation would be unreasonable because it would interrupt a program in process for permanent rehabilitation or self-support or conflict with an imminent likelihood of reemployment at the person's regular work, or

(2) Participation would be unreasonable because the assignment is not suited to the person's abilities or potential, or will not lead to realistic employment opportunities suited to the person's abilities or potential.

(b) Good cause for refusal of employment shall be deemed to exist when:

(1) The offer of employment is not for a specific job at a stated wage which meets the wage rate requirements set by the Department of Employment Development, or

(2) The job is available because of a labor dispute, or

(3) The job is not within the physical or mental capacity of the person, as established by competent professional authority, or

(4) Acceptance would be unreasonable because it would interrupt a program in process for permanent rehabilitation or self-support or conflict with an imminent likelihood of reemployment at the person's regular work.

(5) The offer of employment is from an employer who does not:

(A) Possess an appropriate state license to engage in his business, trade, or profession, or

(B) Withhold or hold in trust the employee contributions required by Part 2 (commencing with Section 2601) of Division 1 of the Unemployment Insurance Code for unemployment compensation disability benefits and does not transmit all such employee contributions to the Department of Human Resources Development for the Disability Fund as required by Section 986 of the Unemployment Insurance Code; or

(C) Carry either workmen's compensation insurance or possess a certificate of self-insurance as required by Division 4 (commencing with Section 3201) of the Labor Code.

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## CHAPTER 1211

*An act to amend the heading of Part 5 (commencing with Section 14000) of Division 3 of Title 1 of, to amend the heading of Chapter 1 (commencing with Section 14000) of Part 5 of Division 3 of Title 1 of, to amend Sections 14000, 14001, 14002, 14010, 14020, 14021, 14023, 14024, 14027, 14030, 14031, 14032, 14033, 14035, 14036, 14040, 14041, 14043, 14044, 14044.5, 14045, 14046, 14047, 14060, 14062, 14066, 14070, 14072, 14076, 14081, 14082, 14083, 14090, 14100, 14101, 14110, and 14111 of, to amend the heading of Article 3 (commencing with Section 14020) of Chapter 1 of Part 5 of Division 3 of Title 1 of, to*

*amend the heading of Article 4 (commencing with Section 14030) of Chapter 1 of Part 5 of Division 3 of Title 1 of, to amend the heading of Article 5 (commencing with Section 14040) of Chapter 1 of Part 5 of Division 3 of Title 1 of, to amend the heading of Article 6 (commencing with Section 14045) of Chapter 1 of Part 5 of Division 3 of Title 1 of, to amend the heading of Article 7.5 (commencing with Section 14066) of Chapter 1 of Part 5 of Division 3 of Title 1 of, to amend and renumber Sections 14025.5, 14025.6, and 14029 of, to add Sections 14022, 14081.1, and 14081.2 to, to add Chapter 2 (commencing with Section 14150) to Part 5 of Division 3 of Title 1 of, to add a new article heading immediately preceding Section 14023 of, and to repeal Sections 14025, 14026, and 14028 of, the Corporations Code, and to repeal Division 12 (commencing with Section 28000) of the Financial Code, relating to economic development programs, and making an appropriation therefor.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1. The purpose of this act is to substantially expand the State of California's capacity to stimulate and aid in the creation and expansion of small businesses which will result in the creation of jobs for the unemployed with particular emphasis on the economically disadvantaged, disabled and youth. To accomplish this purpose, existing small business loan guarantee and technical assistance functions will be consolidated into a Job Creation Program. This program will have expanded loan guarantee, management and technical assistance capacity and new capability for exploring new approaches to job creation, such as the transfer of technological advances to permit small business expansion.

SEC. 2. The heading of Part 5 (commencing with Section 14000) of Division 3 of Title 1 of the Corporations Code is amended to read:

PART 5. CALIFORNIA JOB CREATION PROGRAM

SEC. 3. The heading of Chapter 1 (commencing with Section 14000) of Part 5 of Division 3 of Title 1 of the Corporations Code is amended to read:

CHAPTER 1. CALIFORNIA JOB CREATION CORPORATIONS

SEC. 4. Section 14000 of the Corporations Code is amended to read:

14000. This chapter shall be known and may be cited as the "California Job Creation Corporation Law."

SEC. 5. Section 14001 of the Corporations Code is amended to

read.

14001 The Legislature finds that:

(a) Unemployment in California is a matter of statewide concern requiring concerted public and private action to develop employment opportunities for the disadvantaged, youth and unemployed persons.

(b) It is necessary to direct additional capital, management assistance, business education, and other resources to encourage the development of small business opportunities, particularly for minority and disabled persons, to alleviate unemployment.

SEC. 6. Section 14002 of the Corporations Code is amended to read:

14002 It is the intention of the Legislature in enacting this part to promote the health, safety, and social welfare of the citizens of California, to eliminate unemployment of the economically disadvantaged of the state, to reduce youth delinquency and promote employment opportunities for youth, and to do this by stimulating economic development, employment, minority group and disabled persons entrepreneurship, job training, and making available capital, management assistance, and other resources, including loan services, personnel and business education, to small business entrepreneurs. It is the further intent of the Legislature to provide a flexible means to mobilize and commit all available and potential resources in the various regions of the state to fulfill these objectives It is the further intent of the Legislature that corporations operating pursuant to this law, shall to the maximum extent feasible, coordinate with other job training and other job development efforts within their region directed toward implementing the purpose of this part.

SEC. 7. Section 14010 of the Corporations Code is amended to read:

14010. Unless the context otherwise requires, the definitions in this section govern the construction of this part.

(a) "Corporation" or "the corporation" means any nonprofit California Job Creation Corporation created pursuant to the provisions of this part.

(b) "Financial institution" means banking organizations including national banking associations and state-chartered commercial banks and trust companies; savings and loan associations; state insurance companies; mutual insurance companies; and other banking, loaning, retirement, and insurance organizations.

(c) "Economically disadvantaged area" means the area or areas within the region of a corporation consisting of those contiguous census tracts within urbanized areas as defined by the most recent federal decennial census, in which 20 percent or more of the families were reported by the most recent federal decennial census to have income of less than four thousand dollars ($4,000) per year, or comparable areas which because of technical factors, cannot be isolated by census tracts. The definition set forth in this subdivision

shall be reviewed periodically and the board shall recommend necessary changes to the Legislature and the Governor.

(d) "Area of high youth unemployment and high youth delinquency" shall be defined by the board.

(e) "Region" means an area containing a population of not less than 500,000 and including within its boundaries one or more economically disadvantaged areas, and in which members of a corporation conduct normal business operations.

(f) "Small business loan" means a loan to a business that has gross receipts of not more than one million dollars ($1,000,000) per year

(g) "Employment incentive loan" means a loan for the purpose of attracting new business to, or expanding an existing business, which will result in the employment of at least 15 persons who are either persons residing in economically disadvantaged areas or youths residing in areas of high youth unemployment and high youth delinquency.

(h) "Member" means any financial institution, nonprofit organization, or other business authorized to operate within this state which undertakes to lend money or make available other resources to a corporation in accordance with the provisions of this chapter

(i) "Other resources" means monetary contributions, donation of consultants, personnel, facilities, equipment, loan services, and other items or services as defined by the corporation

(j) "Loan committee" means a committee appointed by the board of directors of a corporation to determine the course of action on every loan application pursuant to Article 7.5 (commencing with Section 14066) of this chapter.

(k) "Membership agreement" means an agreement between a corporation and any financial institution, nonprofit organization, or other business, under which agreement such financial institution, nonprofit organization, or other business agrees to lend funds, or make available or contribute other resources to the corporation in accordance with the provisions of Article 8 (commencing with Section 14070) of this chapter.

(*l*) "Board of directors" means the board of directors of the corporation.

(m) "Loan limit" means the maximum aggregate amount that a member may lend to a corporation as determined under the provisions of this chapter.

(n) "Board" means the California Job Creation Program Board.

(o) "Executive director" means the executive director of the California Job Creation Program.

SEC. 8. The heading of Article 3 (commencing with Section 14020) of Chapter 1 of Part 5 of Division 3 of Title 1 of the Corporations Code is amended to read:

Article 3. The California Job Creation Program Board

SEC. 9. Section 14020 of the Corporations Code is amended to read·

14020. There is in the Health and Welfare Agency a California Job Creation Program Board.

SEC. 10 Section 14020 of the Corporations Code is amended to read:

14020. There is in the Department of Employment Development a California Job Creation Program Board.

SEC. 11. Section 14021 of the Corporations Code is amended to read.

14021 The board consists of the following membership.

Secretary of the Health and Welfare Agency;

Superintendent of Banks;

Director of the Department of Commerce;

Director of the Department of Human Resources Development;

Eleven members appointed by the Governor, including:

Two persons residing in economically disadvantaged areas who are actively engaged in providing leadership and assistance for persons residing in these areas;

Four persons experienced in financial matters and actively engaged in the banking, savings and loan, or insurance business;

Four persons actively engaged in commercial or industrial business, two of whom are members of the California Commission for Economic Development; and

One person who is an officer of a labor organization.

Two Members of the Legislature, one of whom shall be appointed by the Speaker of the Assembly, and one by the Senate Rules Committee, shall advise with the board insofar as it does not conflict with the duties of the legislators. For purposes of this part, such two Members of the Legislature shall constitute a joint interim legislative committee on the subject of this part and shall have all the powers and duties imposed upon such committees by the Joint Rules of the Senate and Assembly

One person from each job creation corporation, who shall be selected by the board of directors or members of each corporation in accordance with its bylaws, each of whom shall serve as nonvoting members of the board

SEC. 11.5. Section 14021 of the Corporations Code is amended to read.

14021. The board consists of the following membership·

Secretary of the Health and Welfare Agency;

Superintendent of Banks;

Director of the Department of Commerce;

Eleven members appointed by the Governor, including.

Two persons residing in economically disadvantaged areas who are actively engaged in providing leadership and assistance for persons residing in these areas;

Four persons experienced in financial matters and actively engaged in the banking, savings and loan, or insurance business;

Four persons actively engaged in commercial or industrial business, two of whom are members of the California Commission for Economic Development; and

One person who is an officer of a labor organization.

Two Members of the Legislature, one of whom shall be appointed by the Speaker of the Assembly, and one by the Senate Rules Committee, shall advise with the board insofar as it does not conflict with the duties of the legislators. For purposes of this part, such two Members of the Legislature shall constitute a joint interim legislative committee on the subject of this part and shall have all the powers and duties imposed upon such committees by the Joint Rules of the Senate and Assembly.

One person from each job creation corporation, who shall be selected by the board of directors or members of each corporation in accordance with its bylaws, each of whom shall serve as nonvoting members of the board.

SEC. 12. Section 14022 is added to the Corporations Code, to read:

14022. The board shall:

(1) Formulate policy guidelines for the administration of this part.

(2) Advise the executive director on matters regarding this part.

(3) Receive with the approval of the Department of Finance, and disburse federal, state or local funds.

(4) Allocate, with the approval of the Department of Finance, funds appropriated for purposes of this part to provide administrative costs and loan guarantee funds to a corporation.

(5) Adopt regulations for the purposes of this part, including regulations for the operation, supervision and suspension of job creation corporations, the allocation of funds thereto and the proper administration of allocated funds

(6) Select a chairman and vice chairman from among its members.

(7) Have the power to examine, or cause to be examined at any reasonable time all the books, records documents of every kind, and the physical properties of a corporation. Such inspection shall include the right to make extracts and search records.

SEC. 13. The following article heading is added to the Corporations Code, immediately to precede Section 14023, to read:

Article 3.5. Administration

SEC. 14. Section 14023 of the Corporations Code is amended to read:

14023. The executive director shall be appointed by the board. The executive officer shall:

(a) Administer this part.

(b) Stimulate the formation of regional job development

corporations.

(c) Review the articles of incorporation and any subsequent amendments to the articles of incorporation of all corporations formed under this chapter in the following manner:

(1) Examine the articles to determine whether they contain the provisions required by this chapter and conform with the regulations adopted pursuant to this part.

(2) Determine whether the legislative intent expressed in Section 14002 shall be served by the proposed corporation.

(3) Determine if the economically disadvantaged area or areas the incorporators propose to serve meets the requirements of subdivision (c) of Section 14010.

(4) Determine if the region is sufficient and complete and meets the population requirement set pursuant to subdivision (e) of Section 14010.

(5) Determine whether the responsibility, character, and general fitness of the incorporators and directors named in the articles are such as to command the confidence of the region and to warrant the belief that the business of the proposed corporation will be honestly and efficiently conducted in accordance with the intent and purpose of this chapter and that they include representatives of the financial and business community as well as local government and the economically disadvantaged.

(6) Recommend to the board to approve or disapprove the articles and any subsequent amendments to the articles expeditiously.

(d) Require each job creation corporation to submit a written plan of operation in such form and containing such information as the board may require by regulation or otherwise.

SEC. 15. Section 14024 of the Corporations Code is amended to read:

14024. The board shall not allocate any funds to a job creation corporation unless the board determines to its satisfaction:

(a) That there is sufficient interest in the region, including commitments to provide financial support, business consultation and education, and other assistance.

(b) That the corporation will agree to repay administrative cost allocations within a reasonable period of time.

(c) That the plan of operation submitted by the corporation includes:

(1) Substantiation of the ability of the corporation to maintain and increase its loan guarantee fund.

(2) A reasonably complete description of the disadvantaged area or areas to be served.

(3) A description of methods to be used to mobilize community resources within the region to carry out the purposes of this chapter.

(4) An agreement that at least one-third of the corporation's lendable funds and guarantee capacity will be utilized to make or guarantee small business loans. There shall be no discrimination on

the basis of race in considering individual applications for loans. To prevent discrimination, small business loans shall be made to persons whose minority group characteristics coincide, to the fullest extent possible consistent with provisions of law, with the minority group characteristics of the economically disadvantaged area or economically disadvantaged areas to be served.

(5) An agreement to require, as a condition to the granting of any loan or guarantee, that the borrower in an employment incentive loan will accept for permanent employment a significant number of disadvantaged persons referred for placement by the Department of Human Resources Development. There shall be no discrimination on the basis of race by an employment incentive borrower in hiring employees from disadvantaged areas. To prevent discrimination, the minority group characteristics of these employees shall, to the fullest extent possible consistent with provisions of law, coincide with the minority group characteristics of the unemployed in the economically disadvantaged area or economically disadvantaged areas to be served.

(6) An agreement to require, as a condition to the granting of any loan or guarantee, that the borrower in a small business loan will agree to a continuing consulting relationship with the corporation for a period of two years or during the existence of the loan or guarantee, whichever is shorter.

(7) An agreement to coordinate to the maximum extent feasible with existing job development and placement programs.

SEC. 15.5. Section 14024 of the Corporations Code is amended to read:

14024. The board shall not allocate any funds to a job creation corporation unless the board determines to its satisfaction:

(a) That there is sufficient interest in the region, including commitments to provide financial support, business consultation and education, and other assistance.

(b) That the corporation will agree to repay administrative cost allocations within a reasonable period of time.

(c) That the plan of operation submitted by the corporation includes:

(1) Substantiation of the ability of the corporation to maintain and increase its loan guarantee fund.

(2) A reasonably complete description of the disadvantaged area or areas to be served.

(3) A description of methods to be used to mobilize community resources within the region to carry out the purposes of this chapter.

(4) An agreement that at least one-third of the corporation's lendable funds and guarantee capacity will be utilized to make or guarantee small business loans. There shall be no discrimination on the basis of race in considering individual applications for loans. To prevent discrimination, small business loans shall be made to persons whose minority group characteristics coincide, to the fullest extent possible consistent with provisions of law, with the minority group

characteristics of the economically disadvantaged area or economically disadvantaged areas to be served.

(5) An agreement to require, as a condition to the granting of any loan or guarantee, that the borrower in an employment incentive loan will accept for permanent employment a significant number of disadvantaged persons referred for placement by the Department of Employment Development. There shall be no discrimination on the basis of race by an employment incentive borrower in hiring employees from disadvantaged areas. To prevent discrimination, the minority group characteristics of these employees shall, to the fullest extent possible consistent with provisions of law, coincide with the minority group characteristics of the unemployed in the economically disadvantaged area or economically disadvantaged areas to be served.

(6) An agreement to require, as a condition to the granting of any loan or guarantee, that the borrower in a small business loan will agree to a continuing consulting relationship with the corporation for a period of two years or during the existence of the loan or guarantee, whichever is shorter.

(7) An agreement to coordinate to the maximum extent feasible with existing job development and placement programs.

SEC. 16. Section 14025 of the Corporations Code is repealed.

SEC. 17. Section 14025.5 of the Corporations Code is amended and renumbered to read:

14025 If the board determines that the corporation is not meeting the criteria, rules, and regulations adopted pursuant to this part, its proposed plan of operation submitted under subdivision (d) of Section 14023, and the purposes expressed in Section 14002, the board, with the approval of the Department of Finance, may withdraw state funds allocated to a regional job creation corporation loan guarantee fund which are not encumbered or obligated by outstanding guarantees, and such state funds may be allocated to other regional job creation corporation loan guarantee funds.

If the board gives notice of the withdrawal of state funds, and the corporation does not return such funds within 15 days after such notice, the corporate powers, rights, and privileges of such corporation shall be suspended. Such suspension shall in no way impair the effectiveness of any outstanding loan or guarantee.

The board shall transmit the name of such corporation to the Secretary of State, and the suspension shall thereupon become effective upon the issuance of a certificate of the Secretary of State which shall be prima facie evidence of such suspension.

SEC. 18. Section 14025.6 of the Corporations Code is amended and renumbered to read:

14026. Any corporation which has suffered the suspension may be relieved therefrom upon making an application therefor in writing to the board and upon return of the state funds and payment of interest, and upon the issuance of a certificate of revivor by the Secretary of State upon the request of the board.

SEC. 19. Section 14026 of the Corporations Code is repealed.

SEC. 20. Section 14027 of the Corporations Code is amended to read:

14027. The board shall report annually to the Legislature and the Governor indicating steps which have been taken to fulfill the purpose of this part during the preceding calendar year, which report shall describe:

(a) Action taken to encourage the formation of job creation corporations.

(b) Evaluation of corporations formed under this part, including annual financial statements of each corporation.

(c) Businesses located and expanded and the number of jobs created through employment-incentive loans made pursuant to this part.

(d) Small businesses established or assisted under this part.

(e) Recommendations for action by the Governor and Legislature to carry out the purposes of this part.

SEC. 21. Section 14028 of the Corporations Code is repealed.

SEC. 22. Section 14029 of the Corporations Code is amended and renumbered to read:

14023.5. The executive director may:

(a) Contract for services.

(b) Hold public hearings.

(c) Appoint such advisory groups as may be necessary to carry out his powers and duties.

(d) Call upon and reimburse for services any state agency or department for assistance in carrying out its objectives.

(e) Participate with government or private industry in programs for technical assistance, loans, technology transfer or any other programs related to this part.

(f) Appoint other persons to the staff of the board with prior approval of the board.

(g) Exercise such other powers as may be necessary to carry out the purposes of this part.

SEC. 23. The heading of Article 4 (commencing with Section 14030) of Chapter 1 of Part 5 of Division 3 of Title 1 of the Corporations Code is amended to read:

Article 4. Incorporation of Nonprofit California Job Creation Corporation

SEC. 24. Section 14030 of the Corporations Code is amended to read:

14030. A corporation may be formed by seven or more persons who are residents of this state who desire to create a nonprofit job creation corporation to carry out the intent of the Legislature as expressed in Section 14002.

SEC. 25. Section 14031 of the Corporations Code is amended to read:

14031. The incorporators shall deliver, or cause to be delivered, to the executive director, the articles of incorporation required by this part.

SEC. 26. Section 14032 of the Corporations Code is amended to read:

14032. The articles of incorporation shall set forth:

(a) The name of the corporation, which shall include the words "job creation corporation."

(b) The purposes for which the corporation is formed, which shall be those specified in Section 14002. This requirement shall not be deemed to preclude a statement of powers.

(c) A geographical description of the economically disadvantaged area or economically disadvantaged areas that the corporation proposes to serve and a geographical description of the region, including the county in this state where the principal office for the transaction of the business of the corporation will be located.

(d) The names and addresses of seven or more persons who are to act in the capacity of directors until the selection of their successors, which number shall constitute the number of directors of the corporation until changed by an amendment to the articles of incorporation.

(e) That the corporation is organized pursuant to the California Job Creation Corporation Law.

SEC. 27. Section 14033 of the Corporations Code is amended to read:

14033. If the executive director shall, upon the basis of the facts disclosed by the investigation provided by subdivision (c) of Section 14023 find that the proposed incorporation meets all the requirements of this chapter, he shall recommend to the board approval of the articles and endorse the approval thereon and forward the same to the Secretary of State for his approval and filing. Likewise, the board shall approve all amendments to the articles and endorse the approval on the amendatory document before the document is forwarded to the Secretary of State for his approval and filing.

SEC. 28. Section 14035 of the Corporations Code is amended to read:

14035. Every job creation corporation shall adopt bylaws, which shall include provisions governing the election and qualification of directors; the qualification, admission, withdrawal, suspension, and expulsion of members; the rights, powers, privileges, and voting powers of members; the establishment and functions of loan committees of the corporation; the method of levying assessments upon members; and the method of selecting the representative of the corporation on the board.

SEC. 29. Section 14036 of the Corporations Code is amended to read:

14036. The bylaws of a job creation corporation and any amendment thereto shall become effective only when approved by

the executive director and when a copy thereof certified by an appropriate officer of the job creation corporation has been filed with the executive director.

SEC. 30. The heading of Article 5 (commencing with Section 14040) of Chapter 1 of Part 5 of Division 3 of Title 1 of the Corporations Code is amended to read:

Article 5. The State Job Creation Loan Guarantee Fund

SEC. 31. Section 14040 of the Corporations Code is amended to read.

14040. There is hereby created in the State Treasury the State Job Creation Loan Guarantee Fund.

SEC 32. Section 14041 of the Corporations Code is amended to read:

14041. The State Job Creation Loan Guarantee Fund is created solely for the purpose of receiving state, federal, or local government money, and other public or private money, for subsequent allocation by the board, with the approval of the Department of Finance, to a regional job creation corporation loan guarantee fund formed pursuant to Section 14045.

SEC. 33. Section 14043 of the Corporations Code is amended to read:

14043 All money deposited in the State Job Creation Loan Guarantee Fund is hereby appropriated, without regard to fiscal years, for the purposes of this chapter. The state shall not be liable or obligated in any way beyond the state money which is allocated and deposited in the State Job Creation Loan Guarantee Fund from state money which is appropriated for such purposes.

SEC. 34. Section 14044 of the Corporations Code is amended to read:

14044. The funds in the State Job Creation Loan Guarantee Fund shall be paid out to a regional job creation corporation loan guarantee fund by the State Treasurer on warrants drawn by the Controller and requisitioned by the board pursuant to the purposes of this chapter.

SEC. 35. Section 14044.5 of the Corporations Code is amended to read:

14044.5. The board may create in the State Job Creation Loan Guarantee Fund a revolving loan guarantee fund, which shall be made available to private consulting agencies under contract with the executive officer. The funds contained in such revolving fund so created shall be utilized to provide interim financing for small business enterprises that show a definite potential for success, where funding has been requested, or a loan proposal is in preparation, under Chapter 2 (commencing with Section 14150) of this part. Moneys to establish such revolving fund shall be obtained from sources other than appropriations made by the state, and shall be allocated to contractors under Chapter 2 (commencing with Section 14150) of this part in amounts not to exceed per contractor a

maximum dollar amount to be determined by the executive officer.

SEC. 36 The heading of Article 6 (commencing with Section 14045) of Chapter 1 of Part 5 of Division 3 of Title 1 of the Corporations Code is amended to read:

Article 6. Regional Job Creation Corporation Loan Guarantee Fund

SEC. 37. Section 14045 of the Corporations Code is amended to read:

14045. Every corporation formed under this chapter may establish a regional job creation corporation loan guarantee fund pursuant to regulations adopted by the board. Such fund shall not be subject to any state regulation other than by the board and Department of Finance.

SEC 38. Section 14046 of the Corporations Code is amended to read·

14046. The purpose of a regional job creation corporation loan guarantee fund shall be to guarantee member loans based upon a call of the corporation or member loans directly to borrowers, as otherwise authorized by law, which meet the California Job Creation Corporation Law loan criteria established by the board, policies of the corporation, and provisions of Article 7.5 (commencing with Section 14066) of this chapter. The state shall not be liable or obligated in any way as a result of the allocation of state money to a regional job creation corporation loan guarantee fund beyond the state money which is allocated and deposited in the fund pursuant to this chapter, and which is not otherwise withdrawn by the state pursuant to this chapter.

SEC. 39. Section 14047 of the Corporations Code is amended to read:

14047. The corporation shall use all reasonable means to maintain and enlarge the Job Creation Corporation Loan Guarantee Fund, in order to accomplish the purposes of this chapter.

SEC. 40. Section 14060 of the Corporations Code is amended to read:

14060. The corporate powers of a job creation corporation shall be exercised by the board of directors

SEC. 41. Section 14062 of the Corporations Code is amended to read:

14062. No person shall serve as a director of a job creation corporation who is not:

(a) A resident of the region described in the articles of incorporation, or

(b) The owner, controlling shareholder, or a permanent employee of an organization maintaining a regular place of business in such region.

SEC. 42. The heading of Article 7.5 (commencing with Section 14066) of Chapter 1 of Part 5 of Division 3 of Title 1 of the

Corporations Code is amended to read:

Article 7.5. Job Creation Corporation Loan Committee

SEC. 43. Section 14066 of the Corporations Code is amended to read:

14066. (a) Every job creation corporation shall establish one or more loan committees, each of which shall be composed of five or more persons, a majority of whom shall be experienced in banking and lending operations to be carried out by the corporation.

(b) A loan committee shall review every application to the corporation for a loan, guarantee, or other financial assistance and shall:

(1) Determine the feasibility of the proposed transaction and the likelihood of successful use of the corporation's money and credit within the overall objectives of the corporation; and

(2) On the basis of such determination, recommend to the board of directors such action as the committee deems appropriate under the circumstances, provided, however, that the loan committee shall not recommend the granting of any loan, guarantee, or other financial assistance unless it determines that the conditions of Section 14081 are satisfied, and so certifies to the board of directors.

(c) A loan committee shall expeditiously act to accept or reject loan applications.

(d) The loan committee in recommending the granting of loans, guarantees or other financial assistance shall emphasize consideration to applications that will increase employment of disadvantaged, disabled persons or unemployed persons and increase employment of youth residing in areas of high youth unemployment and high youth delinquency.

SEC. 44. Section 14070 of the Corporations Code is amended to read:

14070. Notwithstanding any other law, rule, or regulation, any financial institution, nonprofit organization, or other business may become a member of a job creation corporation, if accepted for membership by the board of directors.

SEC. 45. Section 14072 of the Corporations Code is amended to read:

14072. No member shall have on loan at any one time to any one or more job creation corporations a principal amount in excess of the following limits, which loan limits shall be established at the thousand-dollar amount nearest to the computed amount. The loan limits of the following institutions are:

(a) State-chartered banks and trust companies, and national banking associations—2 percent of capital and surplus.

(b) Savings and loan associations—2 percent of capital and surplus.

(c) Mutual savings and loan associations—2 percent of reserves.

(d) Stock insurance companies—2 percent of capital and surplus.

(e) Surety and casualty companies—2 percent of capital and surplus.

(f) Mutual insurance companies—2 percent of guarantee funds or surplus, whichever is applicable.

(g) Comparable limits for other organizations, as may be established by the board of directors.

SEC. 46. Section 14076 of the Corporations Code is amended to read:

14076. A member shall have the right, at any reasonable time, to inspect the membership list and record of loan limits of members, and such list and records shall be included in the annual report of every job creation corporation.

SEC. 47. Section 14081 of the Corporations Code is amended to read:

14081. In furtherance of the purposes set forth in Section 14002, a job creation corporation may lend money to, and guarantee, endorse, or act as surety on the bonds, notes, contracts, or other obligations of, or assist financially, any person, firm, corporation or association, and may establish and regulate the terms and conditions with respect to any such loans or financial assistance and the charges for interest and service connected therewith, except that the corporation shall not make or guarantee any loan unless and until it determines:

(a) There is no probability that the loan or other financial assistance would be granted by a financial institution.

(b) The loan proceeds shall be used exclusively in the region of the corporation.

(c) The loan qualifies as a small business loan or an employment incentive loan.

(d) That the borrower has a minimum equity interest in the business as determined by the board.

SEC. 48. Section 14081.1 is added to the Corporations Code, to read:

14081.1. A job creation corporation may make or guarantee loans to provide the borrower with management and technical assistance. The regional corporation shall have the right to approve all consultants to be hired with loan proceeds.

SEC. 49. Section 14081.2 is added to the Corporations Code, to read:

14081.2. A job creation corporation may charge the borrower or financial institution a loan guarantee fee on all loans guaranteed by the corporation to defray the operating expenses of the corporation. The amount of the fee shall be determined by the board.

SEC. 50. Section 14082 of the Corporations Code is amended to read:

14082. With the approval of the executive director, a regional corporation may establish a profitmaking subsidiary for the specific purpose of sponsoring a minority enterprise small business investment company regulated by the Small Business Administration

under the Small Business Investment Act of 1958, as amended.

SEC. 51. Section 14083 of the Corporations Code is amended to read:

14083. A regional corporation, acting as a sponsor under Section 14082, is authorized to capitalize a minority enterprise small business investment company from funds committed by its members, in an amount designated by the board of directors of the regional corporation. A regional corporation may also capitalize such an investment corporation with funds allocated to it by the board. The allocation of moneys from the State Job Creation Loan Guarantee Fund for the capitalization of such an investment corporation shall be restricted to funds obtained to expand such fund from any source other than appropriations from the General Fund. The state shall not be liable or obligated in any way beyond the money which is deposited in the fund.

SEC. 52. Section 14090 of the Corporations Code is amended to read:

14090. Notwithstanding the provisions of any other law, the notes or other interest-bearing obligations of a job creation corporation, issued in accordance with this chapter and any regulations of the board governing the issuance of such obligations shall be legal investments for banks, insurance, and surety companies, provided, however, that in no case shall the aggregate amount of such obligations held by any such bank, insurance or surety company, including membership loans and loans guaranteed by job creation corporation loan guarantee funds, exceed an amount equal to 3 percent of the capital and surplus of any such bank, insurance or surety company.

SEC. 53. Section 14100 of the Corporations Code is amended to read:

14100. Every job creation corporation shall cause its accounts to be audited by an independent certified public accountant or an independent public accountant as of the close of business on December 31 of each year and shall bear the cost of such audit and examination.

SEC. 54. Section 14101 of the Corporations Code is amended to read:

14101. The corporation shall make an annual report to the board, including the results of the audit and any additional information requested by the board, on or before March 1st of each year.

SEC. 55. Section 14110 of the Corporations Code is amended to read:

14110. It shall be unlawful for the executive director or any person who is an officer, director, or employee of a job creation corporation, or who is a member of a loan committee, or who is a member or employee of the board or executive director to:

(a) Ask for, consent or agree to receive, any commission, emolument, gratuity, money, property, or thing of value for his own use, benefit, or personal advantage, for procuring or endeavoring to

procure for any person, partnership, joint venture, association, or corporation any loan, guarantee, financial or other assistance from any job creation corporation.

(b) Borrow money, property, or to benefit knowingly, directly or indirectly, from the use of the money, credit, or property of any job creation corporation.

(c) Make, maintain, or attempt to make or maintain, a deposit of the funds of a job creation corporation with any other corporation or association on condition, or with the understanding, expressed or implied, that the corporation or association receiving such deposit shall pay any money or make a loan or advance, directly or indirectly, to any person, partnership, joint venture, association, or corporation, other than to a job creation corporation.

SEC. 56. Section 14111 of the Corporations Code is amended to read:

14111. It shall be unlawful for the executive director or any member of a job creation corporation, or any person who is an officer, director, or employee of a job creation corporation, or who is a member or employee of the board or executive director, to purchase or receive, or to be otherwise interested in the purchase or receipt, directly or indirectly, of any asset of a job creation corporation, without paying to such corporation the fair market value of the asset at the time of the transaction.

SEC. 57. Chapter 2 (commencing with Section 14150) is added to Part 5 of Division 3 of Title 1 of the Corporations Code, to read:

## CHAPTER 2. SMALL BUSINESS ASSISTANCE

### Article 1. General Provisions

14150. This chapter shall be known and may be cited as the Small Business Assistance Law.

14151. The Legislature hereby finds and declares that:

(a) There exist serious problems of unemployment in various low-income areas in the state.

(b) Certain noneconomic risks exist within such low-income areas in the state which make it difficult for financial institutions to grant small business opportunity loans to persons for small businesses in such areas in order to provide employment opportunities for the unemployed.

(c) It is in the best interests of the state to eliminate unemployment in these areas by the promotion of small business enterprises within such areas, as well as to develop the entrepreneurial talent of persons in such areas.

14152. It is the intention of the Legislature to promote small business enterprises within various low-income areas, as well as to develop the entrepreneurial talent of residents therein and to eliminate unemployment in such areas, with special emphasis on assistance to those small business whose promotion will reduce youth

delinquency and increase employment opportunities for youth, the disabled, the disadvantaged and unemployed persons. It is also the intention of the Legislature that banks and other financial institutions cooperate with any public or private organization which is attempting to assist the economic development of such areas, and work in conjunction with federal loan-guaranteeing agencies such as the Small Business Administration in making loans to persons eligible for technical assistance. It is not the intention of the Legislature to provide funds for the capitalization of any small business; but to promote and encourage such loans by private banks and other financial institutions to persons eligible for technical assistance under this chapter and to permit such banks and financial institutions to make loans on a risk basis giving consideration to the technical assistance to be provided to a loan applicant.

### Article 2. Definitions

14160. Unless the context otherwise requires, the definitions contained in this chapter govern the construction of this chapter.

14161. "Low-income area" means either of the following:

(a) An area as defined by a severity score based upon the sum of the following:

(1) The percentage of families of not less than 20 percent in the census tract or tracts whose last calendar year income reported to the census was under the amount determined by the board under subdivision (c) of Section 14010.

(2) Twice the percentage of unemployment reported by the most recent federal decennial census for the census tract or tracts in which reside the persons eligible for technical assistance under this chapter or in which a small business is located or will be established for such technical assistance.

(b) An area in which a job creation corporation may be established.

14162. "Small business" means a business as defined in subdivision (f) of Section 14010. "Small business" includes any business dealing in alcoholic beverages.

14163. "Association" includes corporation.

### Article 3. Administration

14164. The executive director shall administer the provisions of this chapter.

### Article 4. Technical Assistance

14170. There is hereby established a program whereby the executive director, with the approval of the board, shall contract with qualified private associations to provide technical assistance to eligible persons in order that such persons may establish and operate

small businesses in low-income areas of the state. The technical assistance may include, but not be limited to the following:

(a) Aid in preparing loan applications and presentations.

(b) Consulting services relating to:

(1) Business organization.

(2) Business management.

(3) Accounting services.

(4) General entrepreneurial skills.

(c) Ongoing consulting services for not exceeding one year after the establishment of or reorganization of a small business. Such consulting services may be extended for one year if requested by the applicant

(d) Referral services to provide a contract between the applicant and the banking and financial community and with existing public and private small business assistance programs.

14171. A private association shall be eligible to contract if the executive director finds that such association has demonstrated competence to provide the kind of technical assistance required to be provided to eligible persons.

14172. The executive director shall select low-income areas and shall notify the banking and financial industry and any interested association of this selection. The executive director shall select eligible associations to provide technical assistance and shall enter into contracts with each of them for this purpose. The executive director may include such other terms and conditions in such contracts as will effectuate the purposes of this part. An association which enters into such contract shall comply with the provisions of this part in providing technical assistance to eligible persons, and shall cooperate with banks and other financial institutions for such purposes. It shall cooperate with any federal or other public agency to effectuate such purposes. It shall also seek out devices, products and techniques in use in the aerospace or other technical industries and shall make them available where appropriate to businesses aided or created under this part.

14173. A person shall be eligible for technical assistance if he owns a small business, or will establish one, in a low-income area selected by the executive director.

14174 A person eligible for technical assistance may apply to a qualified association selected by the executive officer for technical assistance.

14175. Technical assistance shall be granted to any eligible person in conjunction with a prospective loan to be secured by such person to finance the small business, or without a loan if the person is in need of technical assistance only.

14176. Preference shall be given for technical assistance to eligible persons in the following order:

(a) Persons who own and operate small businesses in low-income areas and who demonstrate ability to promote employment opportunities for the disadvantaged and youth.

(b) Persons who have previous business experience of a kind necessary for the establishment and operation of the small business involved.

(c) Persons who have a history and skill needed in a particular small business.

14177. No technical assistance shall be granted to any eligible person unless he has the primary responsibility for the business he represents and he meets all of the following conditions:

(a) Submits with his application an employment plan for the small business involved which reflects increase of employment opportunities in the low-income area in which the small business is to be operated.

(b) Agrees with the association to give prime consideration to employing persons who are eligible for, or are recipients of public assistance.

(c) Agrees to grant disbursement control to the association over any funds, including loans, secured to finance the small business. If a person breaches such agreement, the association may terminate technical assistance to such a person, in which event it shall notify the grantor or lender of such funds of its action.

SEC. 58. Division 12 (commencing with Section 28000) of the Financial Code is repealed.

SEC 59 It is the intent of the Legislature that if this bill and either Assembly Bill No. 1103 or Senate Bill No. 601 are chaptered and both chaptered bills amend Section 14020 of the Corporations Code, and this bill is chaptered after Assembly Bill No. 1103 or Senate Bill No. 601, that both chaptered bills be given effect and incorporated in the form set forth in Section 10 of this bill, and that Section 9 of this bill shall not be operative. If Assembly Bill No. 1103 and Senate Bill No. 601 are not chaptered or if Assembly Bill No. 1103 or Senate Bill No. 601 is chaptered after this bill, Section 9 of this bill shall be operative and Section 10 of this bill shall not become operative.

SEC. 60. It is the intent of the Legislature that if this bill and either Assembly Bill No. 1103 or Senate Bill No. 601 are chaptered and both chaptered bills amend Section 14021 of the Corporations Code, and this bill is chaptered after Assembly Bill No. 1103 or Senate Bill No. 601, that both chaptered bills be given effect and incorporated in the form set forth in Section 11 5 of this bill, and that Section 11 of this bill shall not be operative. If Assembly Bill No. 1103 and Senate Bill No. 601 are not chaptered or if Assembly Bill No. 1103 or Senate Bill No 601 is chaptered after this bill, Section 11 of this bill shall be operative and Section 11 5 of this bill shall not become operative.

SEC. 61. It is the intent of the Legislature that if this bill and either Assembly Bill No. 1103 or Senate Bill No. 601 are chaptered and both chaptered bills amend Section 14024 of the Corporations Code, and this bill is chaptered after Assembly Bill No. 1103 or Senate Bill No. 601, that both chaptered bills be given effect and

incorporated in the form set forth in Section 15.5 of this bill, and that Section 15 of this bill shall not be operative If Assembly Bill No. 1103 and Senate Bill No. 601 are not chaptered or if Assembly Bill No 1103 or Senate Bill No 601 is chaptered after this bill, Section 15 of this bill shall be operative and Section 15.5 of this bill shall not become operative

SEC 62. There is hereby appropriated from the General Fund to the California Job Creation Program Board the sum of one million dollars ($1,000,000) to be used without regard to fiscal year for the purposes of this act

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## CHAPTER 1212

*An act to amend Sections 6446.5, 6880.46, 13658.5, 16721, 16735, and 19699.23 of the Education Code, to amend Sections 11012, 11200, 11501, 11552, 11556, 12538.4, 12803, 15702.1, 29873, and 29874 of the Government Code, to amend Sections 249, 255, 258, 259, 261, 265, 266, 268, 269, 417, 418, 418.1, 1130, 1156, 3279, 3287, 3299, 38056, 38200, 38250, 38251, 38252, and 38253 of, and to add Sections 249.2, 249.3, 249.4, 417.7, 417.8, 417.9, 1142, 1143, 1144, 3289, 3290, 3291, 38250.1, 38250.2, and 38250.3 to, the Health and Safety Code, to amend Section 1690.1 of the Labor Code, to amend Section 13020 of the Penal Code, to amend Sections 7057, 17061, and 19268 of the Revenue and Taxation Code, to amend Sections 130, 133, 134, 301, 302, 303, 305, 306, 308, 309, 310, 311, 312, 315, 316, 317, 318, 320, 321, 322, 323, 325, 326, 409, 410, 605.5, 821.3, 1030, 1030.5, 1031, 1032.5, 1087, 1095, 1282, 1326, 1327, 1328, 1329, 1330, 1331, 1332, 1332.5, 1338, 1339, 1341, 1376, 1379, 1501, 1536, 1537, 1585, 1585.5, 1586, 1587, 1589, 1601, 2110, 2110.3, 2111, 2113, 2602, 2604, 2606, 2657, 2701, 2706, 2706.1, 2707, 2707.1, 2707.2, 2707.3, 2707.4, 2707.5, 2707.6, 2710, 2711, 2714, 2736, 2739, 2902, 3009, 3010, 3011, 3012, 3013, 3014, 3125, 3125.5, 3126, 3127, 3128, 3129, 3131, 3251, 3252, 3253, 3254, 3254.5, 3255, 3257, 3258, 3260, 3262, 3265, 3266, 3267, 3268, 3269, 3271, 3504, 3654, 3655, 3656, 3701, 3751, 4654, 4655, 4656, 4701, 4751, and 5202 of, and the heading of Article 1 (commencing with Section 301) of Chapter 2 of Part 1 of Division 1 of, to amend and renumber Sections 3654.1 and 3654.2 of, to add Sections 301.3, 301.4, 301.6, 301.7, 303.5, 305.1, 305.6, 306.1, 308.1, 309.1, 310.1, 311.3, 311.5, 312.1, 314, 319, 320.1, 321.1, 322.1, 701.5, 801.5, 907, 1701.5, 3267.1, 3268.1, 3654.1, and 3654.4 to, and to repeal Sections 313, 5012, and 5256 of, the Unemployment Insurance Code, and to amend Sections 727, 5174, 5604, 5701, 5702, 5702.1, 5712, 5714, 5714.1, 5715, 5718, 5719.1, 5751, 7354, 7356, 8200, 10020, 10053, 10053.2, 10054, 10055, 10056, 10062, 10550, 10551, 10557, 10560, 10600, 10602.1, 10603, 10605, 10608, 10617, 10650, 10652, 10653, 10654, 10655, 10700, 10705, 10809.5, 10810, 10850, 10906, 11013, 11180, 11181, 11183, 11205, 11300, 11301, 11306, 11307, 11308.7, 11308.8, 11325, 11403, 12205, 13500, 13933, 14024, 14105,*

*14110, 14117, 14120, 14124.1, 14124.2, 14157, 14161, 14318, 15153.5, 16575, 18200.1, and 18454 of, the heading of Chapter 2 (commencing with Section 10550) of Part 2 of Division 9 of, and the heading of Chapter 3 (commencing with Section 10700) of Part 2 of Division 9 of, to amend and renumber Section 10053.5 of, to add Sections 21, 5700.1, 5700.2, 5700.3, 10053.5, 10053.6, 10053.7, 10552.5, 10600.1, 10600.2, 10600.3, 11250.5, 14101.5, 14102, 14103, and 14103.1 to, and to repeal Sections 20, 10560.5, 14105, and 18205 of, the Welfare and Institutions Code, relating to the Department of Benefit Payments.*

[Approved by Governor October 2, 1973. Filed with Secretary of State October 2, 1973.]

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

SECTION 1. The purposes of this act are:

(a) To improve the efficiency of California's collection of taxes and of benefit computations relating to the unemployment and disability insurance programs, and the payment of money to welfare recipients.

(b) To provide better services in the payment of money to such recipients.

(c) To improve California's ability to detect and prevent improper money payments to such recipients.

(d) To establish centralized control and fiscal accountability and responsibility for the supervision and administration of fiscal affairs, and to eliminate duplication and fragmentation of these state governmental functions

To carry out these purposes, this act.

(a) Establishes a Department of Benefit Payments to handle fiscal affairs, supervise and administer the payment of aid, and make tax collections and benefit computations in the unemployment insurance and disability insurance programs.

(b) Consolidates and integrates in the Department of Benefit Payments functions relating to fiscal affairs now scattered among several state departments and agencies as follows:

(1) Transfers from the State Department of Health Care Services to the Department of Benefit Payments the payments to and audits of fiscal intermediaries, and the recovery bureau.

(2) Transfers from the State Department of Mental Hygiene to the Department of Benefit Payments the claims processing and payment responsibilities for local mental health programs and county audits.

(3) Transfers from the State Department of Public Health to the Department of Benefit Payments the payment and audit responsibilities for crippled children's services, regional diagnostic centers for developmental disabilities, family planning services, renal dialysis, tuberculosis subsidies, and local health department

subventions.

(c) Separates program responsibility from fiscal accountability and responsibility, by transferring fiscal affairs to the Department of Benefit Payments and retaining program responsibility in other state departments and agencies.

SEC. 2. Section 6446.5 of the Education Code, as added by Chapter 1147 of the Statutes of 1972, is amended to read:

6446.5. So much of the moneys appropriated for allowances pursuant to Section 6445.13, as is needed, shall be for the purpose of providing state funds to be matched with available federal funds to provide public services for those pupils eligible to receive such services. Federal reimbursement shall be obtained by the Department of Benefit Payments for services to children of those families, designated by the State Department of Education, eligible for federal financial participation. The Department of Benefit Payments and the State Department of Education shall enter into a contract wherein the Department of Education agrees to provide educational services for such pupils wherein the Department of Benefit Payments agrees to pay to the Department of Education all costs of services to participants.

SEC. 3. Section 6880.46 of the Education Code, as amended by Section 27 of Chapter 1093 of the Statutes of 1972, is amended to read:

6880.46. An Advisory Committee on Development Centers for Handicapped Pupils shall be established to aid in setting standards for admission to centers, and to advise the Department of Education in the administration and operation of centers. The advisory committee shall consist of one member from the Department of Benefit Payments to be appointed by the Director of Benefit Payments, one member from the State Department of Health to be appointed by the Director of Health, one member from the Department of Education to be appointed by the Director of Education, one lay member from the general public and one parent of a handicapped pupil to be appointed by the Director of Education, and four members each from a school district or a county superintendent of schools office participating in the program to be appointed by the Director of Education. The member from the Department of Education shall serve as secretary of the committee.

The members of the committee shall serve without compensation, except that they may receive their actual and necessary expenses incurred in the performance of their duties and responsibilities, including travel expenses.

SEC. 4. Section 13658.5 of the Education Code, as added by Chapter 319 of the Statutes of 1972, is amended to read:

13658.5. The Director of Benefit Payments is the administrator of the system of unemployment insurance, as provided in Article 6 (commencing with Section 821) of Chapter 3 of Part 1 of Division 1 of the Unemployment Insurance Code.

SEC. 5. Section 16721 of the Education Code, as added by Chapter 670 of the Statutes of 1972, is amended to read:

16721. The Department of Education shall assist the State Departments of Human Resources Development, Benefit Payments, and Health by offering training and job opportunities in local child development programs for recipients of public assistance and to those persons who qualify under federal regulations as former, current or potential recipients of public assistance.

SEC. 6. Section 16721 of the Education Code, as added by Chapter 670 of the Statutes of 1972, is amended to read:

16721. The Department of Education shall assist the State Departments of Employment Development, Benefit Payments, and Health by offering training and job opportunities in local child development programs for recipients of public assistance and to those persons who qualify under federal regulations as former, current or potential recipients of public assistance

SEC. 7. Section 16735 of the Education Code, as added by Section 24 of Chapter 670 of the Statutes of 1972, is amended to read:

16735. The Governor shall appoint an advisory committee composed of one representative from the State Advisory Health Council, one representative from the Department of Human Resources Development, one representative from the State Board of Education, one representative from the State Benefit Payments Board, one representative of the Director of Education, one representative of the Director of Benefit Payments, one representative of the Director of Health, and one representative of private education, one representative of child welfare, one representative of private health care, one representative of a proprietary child care agency, one representative of a community action agency qualified under Title II of the Economic Opportunity Act of 1969, and five parents of children participating in the program appointed from names selected by a democratic process to assure representation of the parents of the children being served, and three persons representing professional or civic groups or public or nonprofit private agencies, organizations or groups concerned with child development programs.

The advisory committee shall assist the Department of Education in developing a state plan for child development programs pursuant to this division.

The advisory committee shall continually evaluate the effectiveness of such programs and shall report thereon at each regular session of the Legislature.

A "proprietary child care agency" is an organization or facility providing child care, which is operated for profit.

SEC. 8. Section 16735 of the Education Code, as added by Section 24 of Chapter 670 of the Statutes of 1972, is amended to read:

16735. The Governor shall appoint an advisory committee composed of one representative from the State Advisory Health Council, one representative from the Department of Employment Development, one representative from the State Board of Education, one representative from the State Benefit Payments

Board, one representative of the Director of Education, one representative of the Director of Benefit Payments, one representative of the Director of Health, and one representative of private education, one representative of child welfare, one representative of private health care, one representative of a proprietary child care agency, one representative of a community action agency qualified under Title II of the Economic Opportunity Act of 1969, and five parents of children participating in the program appointed from names selected by a democratic process to assure representation of the parents of children being served, and three persons representing professional or civic groups or public or nonprofit private agencies, organizations or groups concerned with child development programs.

The advisory committee shall assist the Department of Education in developing a state plan for child development programs pursuant to this division.

The advisory committee shall continually evaluate the effectiveness of such programs and shall report thereon at each regular session of the Legislature.

A "proprietary child care agency" is an organization or facility providing child care, which is operated for profit.

SEC. 9. Section 19699.23 of the Education Code is amended to read:

19699.23. This article shall be administered by the State Allocation Board. The board shall adopt such rules and regulations as it deems necessary to carry out the purposes of this article. The rules and regulations of the board shall establish a system of priorities to determine the relative necessity to establish children's center facilities by a local agency. In establishing priorities with regard to the outlay of capital funds for the construction of new children's centers, or with regard to the rental or leasing of facilities for new centers, the board shall give special consideration to school districts as described under subdivision (a) of Section 6461 which are also certified by the State Department of Health as containing substantial numbers of families who are recipients of aid to families with dependent children or who are former or potential recipients of such aid and who might reasonably be expected to improve their ability to be self-supporting if child care services are made available. The Department of Benefit Payments shall provide the State Department of Health with any information in its possession necessary for the administration of this section.

SEC. 10. Section 11012 of the Government Code is amended to read:

11012. Whenever any state agency, including but not limited to state agencies acting in a fiduciary capacity, is authorized to invest funds, or to sell or exchange securities, prior approval of the Department of Finance to the investment, sale or exchange shall be secured.

Every state agency shall furnish the Department of Finance with

such reports and in such form, relating to the funds or securities, their acquisition, sale or exchange, as may be requested by the Department of Finance from time to time.

This section does not apply to the following state agencies:

(a) Any state agency when issuing or dealing in securities authorized to be issued by it.

(b) The Treasurer.

(c) The Regents of the University of California.

(d) Any state department with respect to funds administered under the Unemployment Insurance Code.

(e) Department of Veterans Affairs.

(f) Hastings College of Law.

(g) Board of Administration of the California Public Employees' Retirement System.

(h) State Compensation Insurance Fund.

(i) California Toll Bridge Authority and Department of Transportation when acting in accordance with bond resolutions adopted under the California Toll Bridge Authority Act prior to the effective date of this section.

(j) Teachers' Retirement Board of the State Teachers' Retirement System.

SEC. 11. Section 11200 of the Government Code is amended to read:

11200. The Governor, upon recommendation of the director of the following state departments, may appoint not to exceed two chief deputies for the Directors of the Departments of Finance, Transportation, Benefit Payments, and General Services, and not to exceed one chief deputy for the Directors of the Departments of Food and Agriculture, Insurance, Human Resources Development, Motor Vehicles, Consumer Affairs, and Water Resources.

The deputies provided for in this section shall be in addition to those authorized by any other law.

SEC. 12. Section 11200 of the Government Code is amended to read:

11200. The Governor, upon recommendation of the director of the following state departments, may appoint not to exceed two chief deputies for the Directors of the Departments of Finance, Transportation, Benefit Payments, and General Services, and not to exceed one chief deputy for the Directors of the Departments of Employment Development, Food and Agriculture, Insurance, Motor Vehicles, Consumer Affairs, and Water Resources.

The deputies provided for in this section shall be in addition to those authorized by any other law.

SEC. 13. Section 11501 of the Government Code, as amended by Chapter 749 of the Statutes of 1972, is amended to read:

11501. (a) The procedure of any agency shall be conducted pursuant to the provisions of this chapter only as to those functions to which this chapter is made applicable by the statutes relating to the particular agency.

(b) The enumerated agencies referred to in Section 11500 are:
Board of Dental Examiners of California.
Board of Medical Examiners of the State of California and the district review committees.
Board of Osteopathic Examiners of the State of California.
California Board of Nursing Education and Nurse Registration.
State Board of Optometry.
California State Board of Pharmacy.
State Department of Health.
Board of Examiners in Veterinary Medicine.
State Board of Accountancy.
California State Board of Architectural Examiners.
State Board of Barber Examiners.
State Board of Registration for Professional Engineers.
Registrar of Contractors.
State Board of Cosmetology.
State Board of Funeral Directors and Embalmers.
Structural Pest Control Board.
Department of Navigation and Ocean Development.
Director of Consumer Affairs.
Bureau of Collection and Investigative Services
State Fire Marshal.
State Board of Registration for Geologists.
Director of Food and Agriculture.
Labor Commissioner.
Real Estate Commissioner.
Commissioner of Corporations.
Department of Benefit Payments.
State Benefit Payments Board.
Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun.
Board of Pilot Commissioners for Humboldt Bay and Bar.
Board of Pilot Commissioners for the Harbor of San Diego.
Fish and Game Commission.
State Board of Education.
Insurance Commissioner.
Savings and Loan Commissioner.
State Board of Dry Cleaners.
Board of Behavioral Science Examiners.
State Board of Chiropractic Examiners.
State Board of Guide Dogs for the Blind.
Department of Aeronautics.
Board of Administration, Public Employees' Retirement System.
Department of Motor Vehicles.
Bureau of Home Furnishings.
Cemetery Board.
Department of Conservation.
Department of Water Resources acting pursuant to Section 414 of the Water Code.

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Board of Vocational Nurse and Psychiatric Technician Examiners of the State of California.
Certified Shorthand Reporters Board
Bureau of Repair Services.
California State Board of Landscape Architects
Department of Alcoholic Beverage Control
California Horse Racing Board.
School districts under Section 13443 of the Education Code.
State Fair Employment Practice Commission.
Bureau of Employment Agencies.

SEC 14 Section 11552 of the Government Code, as amended by Chapter 1253 of the Statutes of 1972, is amended to read·

11552. An annual salary of thirty thousand dollars ($30,000) shall be paid to each of the following

(a) Superintendent of Banks
(b) Commissioner of Corporations
(c) Insurance Commissioner
(d) Director of Transportation
(e) Real Estate Commissioner
(f) Savings and Loan Commissioner
(g) Director of Benefit Payments
(h) Director of Water Resources
(i) Director of Food and Agriculture
(j) Director of Corrections
(k) Director of General Services
(*l*) Director of Industrial Relations
(m) Director of Motor Vehicles
(n) Director of Youth Authority
(o) Commissioner, California Highway Patrol
(p) Members of the Public Utilities Commission
(q) Director of Human Resources Development
(r) Director of Alcoholic Beverage Control.

SEC. 15. Section 11552 of the Government Code, as amended by Chapter 1253 of the Statutes of 1972, is amended to read:

11552. An annual salary of thirty thousand dollars ($30,000) shall be paid to each of the following.

(a) Superintendent of Banks
(b) Commissioner of Corporations
(c) Insurance Commissioner
(d) Director of Transportation
(e) Real Estate Commissioner
(f) Savings and Loan Commissioner
(g) Director of Benefit Payments
(h) Director of Water Resources
(i) Director of Food and Agriculture
(j) Director of Corrections
(k) Director of General Services
(*l*) Director of Industrial Relations
(m) Director of Motor Vehicles

(n) Director of Youth Authority
(o) Commissioner, California Highway Patrol
(p) Members of the Public Utilities Commission
(q) Director of Employment Development
(r) Director of Alcoholic Beverage Control

SEC 16 Section 11552 of the Government Code, as amended by Chapter 1253 of the Statutes of 1972, is amended to read·

11552 An annual salary of thirty thousand dollars ($30,000) shall be paid to each of the following.

(a) Superintendent of Banks
(b) Commissioner of Corporations
(c) Director of Department of Human Resources Development
(d) Insurance Commissioner
(e) Director of Transportation
(f) Real Estate Commissioner
(g) Savings and Loan Commissioner
(h) Director of Benefit Payments
(i) Director of Water Resources
(j) Director of Food and Agriculture
(k) Director of General Services
(*l*) Director of Industrial Relations
(m) Director of Motor Vehicles
(n) Commissioner, California Highway Patrol
(o) Members of the Public Utilities Commission
(p) Director of Alcoholic Beverage Control.

SEC. 17. Section 11552 of the Government Code, as amended by Chapter 1253 of the Statutes of 1972, is amended to read:

11552. An annual salary of thirty thousand dollars ($30,000) shall be paid to each of the following:

(a) Superintendent of Banks
(b) Commissioner of Corporations
(c) Director of Employment Development
(d) Insurance Commissioner
(e) Director of Transportation
(f) Real Estate Commissioner
(g) Savings and Loan Commissioner
(h) Director of Benefit Payments
(i) Director of Water Resources
(j) Director of Food and Agriculture
(k) Director of General Services
(*l*) Director of Industrial Relations
(m) Director of Motor Vehicles
(n) Commissioner, California Highway Patrol
(o) Members of the Public Utilities Commission
(p) Director of Alcoholic Beverage Control.

SEC. 18. Section 11556 of the Government Code, as amended by Chapter 590 of the Statutes of 1972, is amended to read:

11556 An annual salary of twenty-five thousand dollars ($25,000) shall be paid to each of the following:

(a) Director of Navigation and Ocean Development
(b) Director, Office of Emergency Services
(c) Director, Department of Housing and Community Development
(d) Members of the Adult Authority
(e) Members of the Board of Equalization
(f) Members of the State Water Resources Control Board
(g) Members of the Youth Authority Board
(h) State Fire Marshal.

SEC. 19. Section 11556 of the Government Code, as amended by Chapter 590 of the Statutes of 1972, is amended to read:

11556. An annual salary of twenty-five thousand dollars ($25,000) shall be paid to each of the following:
(a) Director of Navigation and Ocean Development
(b) Director, Office of Emergency Services
(c) Director, Department of Housing and Community Development
(d) Members of the Parole Authority
(e) Members of the Board of Equalization
(f) Members of the State Water Resources Control Board
(g) State Fire Marshal.

SEC. 20. Section 12538.4 of the Government Code, as amended by Chapter 1313 of the Statutes of 1972, is amended to read:

12538.4. Upon registration, each health care service plan shall pay a registration fee of eight cents ($0.08) for each individual or family unit covered as of the close of its last accounting year: except that the minimum registration fee shall be one hundred dollars ($100) as it is the legislative intent that this measure be self-supporting. Any prepaid drug plan entered into by the State Department of Health for recipients of public assistance shall not be subject to such registration fee.

SEC. 21. Section 12803 of the Government Code, as added by Section 4 of Chapter 333 of the Statutes of 1972, is amended to read:

12803. The Human Relations Agency is hereby renamed the Health and Welfare Agency. The Health and Welfare Agency consists of the following departments: Benefit Payments; Rehabilitation; Health; Human Resources Development; the Youth Authority; and Corrections.

SEC. 22. Section 12803 of the Government Code, as added by Section 4 of Chapter 333 of the Statutes of 1972, is amended to read:

12803. The Human Relations Agency is hereby renamed the Health and Welfare Agency. The Health and Welfare Agency consists of the following departments. Benefit Payments; Health; Employment Development; Rehabilitation; the Youth Authority; and Corrections.

SEC. 23. Section 15702.1 of the Government Code is amended to read:

15702.1. The Franchise Tax Board is authorized to delegate to the Department of Benefit Payments which is authorized to accept,

exercise, and perform, the powers and duties necessary to administer the reporting, collection, refunding, and enforcement of taxes required to be withheld by employers under Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code. The Franchise Tax Board is authorized to delegate to the California Unemployment Insurance Appeals Board which is authorized to accept, exercise, and perform, under rules it adopts, the powers and duties to administer appeals and petitions relating to such provisions of Part 10. The delegation to the Department of Benefit Payments shall not, however, include the power and duty of the Franchise Tax Board to adopt rules and regulations.

SEC. 24. Section 29873 of the Government Code is amended to read:

29873. The county shall submit its application to the Department of Benefit Payments. The application shall be in such form and show such facts as are prescribed by the Department of Benefit Payments and the Department of Finance If the Department of Benefit Payments approves the application, it shall transmit the application and a statement of its approval to the Department of Finance.

SEC. 25. Section 29874 of the Government Code is amended to read:

29874. If the Department of Finance determines that the purchase will tend to effect the purpose of this article, and that the county is eligible to make application, it may with the approval of the State Board of Control purchase in the name of the state registered warrants of the county in the amount specified in the application or in any lesser amount agreed to by the county and approved by the Department of Benefit Payments.

SEC. 26. Section 249 of the Health and Safety Code, as added by Section 2 of Chapter 27 of the Statutes of 1972, is amended to read:

249. The State Department of Health shall establish and administer a program of services for physically defective or handicapped persons under the age of 21 years, in cooperation with the federal government through its appropriate agency or instrumentality, for the purpose of developing, extending and improving such services. The department shall receive all funds made available to it by the federal government, the state, its political subdivisions or from other sources. The department shall have power to supervise those services included in the state plan which are not directly administered by the state. The department shall cooperate with the medical, health, nursing and welfare groups and organizations concerned with the program, and any agency of the state charged with the administration of laws providing for vocational rehabilitation of physically handicapped children.

The reference to "the age of 21 years" in this section is unaffected by Section 1 of Chapter 1748 of the Statutes of 1971 or any other provision of that chapter.

SEC. 27. Section 249.2 is added to the Health and Safety Code, to read:

249.2. The Department of Benefit Payments succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the State Department of Health with respect to moneys, funds, and appropriations available to the State Department of Health for the purposes of processing, audit, and payment of claims received for the purposes of this article, and such moneys, funds, and appropriations shall be made available to the Department of Benefit Payments by the Director of Health for the purposes of such processing, audit, and payment of claims after such moneys, funds, and appropriations have been appropriated to or received by the State Department of Health.

SEC. 28. Section 249.3 is added to the Health and Safety Code, to read:

249.3. The Department of Benefit Payments shall have the possession and control of all records, papers, equipment, and supplies held for the benefit or use of the Director of Health in the performance of his duties, powers, purposes, responsibilities, and jurisdiction that are vested in the Department of Benefit Payments by Section 249.2.

SEC. 29. Section 249.4 is added to the Health and Safety Code, to read:

249.4. All officers and employees of the Director of Health who on the operative date of this section are serving in the state civil service, other than as temporary employees, and engaged in the performance of a function vested in the Department of Benefit Payments by Section 249.2 shall be transferred to the Department of Benefit Payments. The status, positions, and rights of such persons shall not be affected by the transfer and shall be retained by them as officers and employees of the Department of Benefit Payments pursuant to the State Civil Service Act, except as to positions exempt from civil service.

SEC. 30. Section 255 of the Health and Safety Code is amended to read:

255. The department shall establish uniform standards of financial eligibility for treatment services under the crippled children's program, including a uniform formula for the repayment for services rendered by the program. All counties shall use the uniform standards for financial eligibility and uniform formula for repayment established by the department All repayments shall be used in support of the crippled children's program.

SEC. 31. Section 258 of the Health and Safety Code is amended to read:

258. A county of under 200,000 population, administering its county program jointly with the state department, shall forward to the State Department of Health a statement certifying the family of the handicapped child as financially eligible for treatment services. The State Department of Health shall authorize necessary services within the limits of available funds. Payment for services shall be made by the Department of Benefit Payments, with reimbursement

from the county for its proportionate share as specified in this article.

SEC. 32. Section 259 of the Health and Safety Code is amended to read:

259. The Department of Benefit Payments may, without the possession of a county certification, pay the expenses for services required by any physically handicapped child out of any funds received by it through gift, devise, or bequest or from private, state, federal or other grant or source.

The department may authorize or contract with any person or institution properly qualified to furnish services to handicapped children. The Department of Benefit Payments may pay for services out of any funds appropriated for the purpose or from funds it may receive by gift, devise or bequest

The Department of Benefit Payments may receive gifts, legacies, and bequests and expend them for the purpose of this article, but not for administrative expense.

SEC. 33. Section 261 of the Health and Safety Code is amended to read:

261. Upon the request of another state or of a federal agency, the Department of Benefit Payments may pay the expenses of services required by any physically handicapped child who is not a resident of the state; provided, that the cost of such services is fully covered by special grants or allotments received from such state or federal agency for that purpose.

SEC. 34. Section 265 of the Health and Safety Code is amended to read:

265. Annually the board of supervisors of each county shall appropriate for services for handicapped children of the county, including diagnosis, treatment, and therapy services for physically handicapped children in public schools, exclusive of administrative costs, a sum of money not less than that represented by a rate of one-tenth of one mill ($0.0001) on each dollar on the assessed valuation of the taxable property in the county, except that whenever the department on or before May 1st of any year certifies to the board of supervisors a smaller amount needed for such purposes in that county, the latter shall be the minimum amount appropriable for expenditure therefor in that county during the next succeeding fiscal year.

The state shall appropriate funds sufficient to bring each county program to twenty thousand dollars ($20,000) or four-tenths of one mill ($0.0004), whichever is greater, except if the county has appropriated less than one-tenth mill ($0.0001) as provided in this section.

Nothing in this section shall prevent a county board of supervisors from appropriating additional money for services to handicapped children, and the state shall be obligated to match such appropriations in a ratio of three dollars ($3) for one dollar ($1) of county money up to a maximum county appropriation of two-tenths of a mill ($0.0002) of assessed valuation upon a determination by the

department that a need based on departmental priorities exists for such supplemental state and county funds.

Expenditures for services shall represent a concurrent obligation against state and county funds according to the method of reimbursement specified in this section.

The state shall reimburse counties quarterly on a 3:1 matching basis for county expenditures, provided that the state quarterly payment shall not exceed by more than 10 percent the total state funds allocated quarterly to each county, except as provided in Section 266.

Expenditures made to reimburse counties for the state's share of the cost of such services shall be charged to the fiscal year in which the county issues its warrant in payment of such services. Expenditures made by the state on behalf of counties for the cost of such services shall be charged to the fiscal year in which the warrant is issued by the State Controller.

Federal grant funds allocated for the support of the crippled children's program shall be used for the purpose of state matching of county appropriations for services except for the cost of the administration of the program by the department and the Department of Benefit Payments.

State matching dollars for services for handicapped children shall not exceed the amount actually appropriated for the program.

SEC. 35. Section 266 of the Health and Safety Code is amended to read:

266. For those counties with a total appropriation of county and state funds not exceeding one hundred fifty thousand dollars ($150,000) and upon the expenditure of county funds equivalent to a county appropriation of two-tenths mill ($0.0002), the Department of Benefit Payments may from state-appropriated funds pay for services for cases deemed by the State Department of Health to represent emergencies or cases where medical care cannot be delayed without great harm to the child.

SEC. 36. Section 268 of the Health and Safety Code is amended to read:

268. The state and the counties will share in the cost of administration of the crippled children's program at the local level. The director shall establish the standards for administration, staffing and local operation of the program subject to reimbursement by the state. Reimbursable administrative costs, to be paid by the state to counties, shall not exceed 4.1 percent of the gross total expenditures for diagnosis, treatment and therapy by counties as specified in Section 265.

SEC. 37. Section 269 of the Health and Safety Code is amended to read:

269. The department shall require of participating local governments the provision of program data including, but not limited to, the number of children treated, the kinds of disabilities, and the costs of treatment, to enable the department, the

Department of Benefit Payments, the Department of Finance, and the Legislature to evaluate in a timely fashion and to adequately fund the crippled children's program.

SEC 38. Section 417 of the Health and Safety Code as amended by Chapter 1416 of the Statutes of 1972, is amended to read:

417 (a) Up to four regional dialysis centers with up to two in the northern and up to two in the southern part of the state, shall be established for the treatment of persons suffering from chronic uremia Each such center shall be located in a metropolitan area and shall have an affiliation with a large hospital or medical school, but shall not be necessarily a physical part of such institution. These institutions, however, shall be able to provide a full range of medical, surgical and rehabilitation services. The Department of Benefit Payments shall only act as a granting agency for state funds which are appropriated for the establishment and the continuation of the four centers. The State Department of Health, upon the advice of the review committee which is provided for by Section 417.3, may contract with any such hospital or medical care institution for the administration and operation of one of the regional dialysis centers It is not the intent of this section that any new hospital or medical school be established.

(b) Any moneys appropriated by the act amending this section at the 1972 Regular Session of the Legislature may be used either in existing dialysis and kidney transplantation programs for children or to establish new programs for such purposes. Any new or existing dialysis center funded pursuant to this subdivision shall provide for children the same center dialysis, home dialysis, and outpatient clinic services as are provided under Section 417 6 Any new center funded pursuant to this subdivision shall be designated as a pediatric renal failure center. Funds granted for aid to children under the provisions of this subdivision shall be based upon need as determined by the Renal Dialysis Review Committee established pursuant to Section 417.3 and an evaluation by the State Department of Health of a county's ability to fund their one-fourth share of a child's care under the Crippled Children's Services Program. Such funds shall only cover costs not recoverable from direct or third party payments. A pediatric renal failure center may use funds provided under this subdivision for payment of costs for kidney transplantation services at any hospital which is authorized to perform these services by the state department. For purposes of this subdivision, a child is any person 18 years of age or under.

SEC. 39. Section 417.7 is added to the Health and Safety Code, to read:

417.7. The Department of Benefit Payments succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the State Department of Health with respect to the payment of grants to and audit responsibility for regional dialysis centers under this article and for home dialysis training centers under Article 7.8 (commencing with Section 418) of Chapter

2, Part 1, Division 1. Moneys, funds, and appropriations available to the State Department of Health for the purposes of this section shall be made available to the Department of Benefit Payments by the Director of Health for the purposes of this section after such moneys, funds, and appropriations have been appropriated to or received by the State Department of Health.

SEC. 40. Section 417 8 is added to the Health and Safety Code, to read:

417 8 The Department of Benefit Payments shall have the possession and control of all records, papers, equipment, and supplies held for the benefit or use of the Director of Health in the performance of his duties, powers, purposes, responsibilities, and jurisdiction that are vested in the Department of Benefit Payments by Section 417.7.

SEC 41 Section 417 9 is added to the Health and Safety Code, to read:

417 9 All officers and employees of the Director of Health who on the operative date of this section are serving in the state civil service, other than as temporary employees, and engaged in the performance of a function vested in the Department of Benefit Payments by Section 417.7 shall be transferred to the Department of Benefit Payments. The status, positions, and rights of such persons shall not be affected by the transfer and shall be retained by them as officers and employees of the Department of Benefit Payments pursuant to the State Civil Service Act, except as to positions exempt from civil service.

SEC. 42. Section 418 of the Health and Safety Code is amended to read:

418. Up to three home dialysis training centers shall be established for the purpose of training persons suffering from chronic uremia for home dialysis Each such center shall have an affiliation with a large hospital or medical school, but shall utilize the most economical facilities for treatment. These institutions, however, shall be able to provide a full range of home dialysis training services. The Department of Benefit Payments shall only act as a granting agency for state funds which are appropriated for the establishment and the continuation of the three centers The State Department of Health and the review committee established pursuant to Section 417.3 shall exercise over the home dialysis training centers the same powers they exercise, pursuant to Article 7.7 (commencing with Section 417) of this chapter, over regional dialysis centers.

SEC. 43. Section 418.1 of the Health and Safety Code is amended to read.

418.1 Each center shall contain approximately four dialysis bed units. The Department of Benefit Payments shall grant to each such center fifty thousand dollars ($50,000) during the first year, twenty-five thousand dollars ($25,000) during the second year, and twelve thousand five hundred dollars ($12,500) during the third year. The Department of Benefit Payments shall grant to each such

center not to exceed five thousand dollars ($5,000) in the first year for the purchasing or leasing of equipment and not to exceed two thousand five hundred dollars ($2,500) in the first year for construction or remodeling of the physical facility.

SEC. 44. Section 1130 of the Health and Safety Code is amended to read:

1130. The State Department of Health, after consultation with and approval by the Conference of Local Health Officers, shall by regulations establish standards of education and experience for professional and technical personnel employed in local health departments and for the organization and operation of the local health departments. The Director of Health may include standards for the maintenance of records of services which shall be reported to him in a manner and at such times as he may specify. The Director of Benefit Payments may include standards for the maintenance of records of finances and expenditures, which shall be reported to him in a manner and at such times as he may specify. The Director of Benefit Payments shall furnish the Director of Health with such information obtained under this section as the Director of Health shall require.

SEC. 45. Section 1142 is added to the Health and Safety Code, to read:

1142. The Department of Benefit Payments succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the State Department of Health with respect to the processing, audit, and payment of funds appropriated for the purposes of this article to the administrative bodies of qualifying local health departments. Moneys, funds, and appropriations available to the State Department of Health for the purposes of this section shall be made available to the Department of Benefit Payments by the Director of Health for the purposes of this section after such moneys, funds, and appropriations have been appropriated to or received by the State Department of Health.

SEC. 46. Section 1143 is added to the Health and Safety Code, to read:

1143. The Department of Benefit Payments shall have the possession and control of all records, papers, equipment, and supplies held for the benefit or use of the Director of Health in the performance of his duties, powers, purposes, responsibilities, and jurisdiction that are vested in the Department of Benefit Payments by Section 1142.

SEC. 47. Section 1144 is added to the Health and Safety Code, to read:

1144. All officers and employees of the Director of Health who on the operative date of this section are serving in the state civil service, other than as temporary employees, and engaged in the performance of a function vested in the Department of Benefit Payments by Section 1142 shall be transferred to the Department of Benefit Payments. The status, positions, and rights of such persons

shall not be affected by the transfer and shall be retained by them as officers and employees of the Department of Benefit Payments pursuant to the State Civil Service Act, except as to positions exempt from civil service.

SEC. 48. Section 1156 of the Health and Safety Code is amended to read:

1156. The basic and per capita allotments shall be paid quarterly to the administrative body of each qualifying local health department. Each quarterly payment may be adjusted on a basis of the actual expenditures during the previous quarter, if such adjustment is necessary to maintain the minimum proportional relationship of state and local expenditures as outlined in Section 1154. The Department of Benefit Payments shall certify to the State Controller the amounts to be paid to each local health department each quarter and the State Controller shall thereupon draw the necessary warrants, and the State Treasurer shall pay to the administrative body of each local health department the amount so certified. Any such payments may be withheld by the Department of Benefit Payments if a local health department fails to continue to meet the minimum standards established by the State Department of Health, provided that not less than 45 days' advance notice of intention to withhold such payments, and the reasons therefor, shall be given to the governing body of the local health department.

SEC. 49. Section 3279 of the Health and Safety Code is amended to read:

3279. The department shall maintain a program for the control of tuberculosis. The Department of Benefit Payments shall administer the funds made available by the state for the care of tuberculosis patients.

SEC. 50. Section 3287 of the Health and Safety Code is amended to read:

3287. The department and the Department of Benefit Payments may inspect and have access to all records of all institutions and clinics, both public and private, where tuberculosis patients are treated.

SEC. 51. Section 3289 is added to the Health and Safety Code, to read:

3289. The Department of Benefit Payments succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the State Department of Health with respect to the processing, audit, and certification for payments of claims for state aid made under this chapter. Moneys, funds, and appropriations available to the State Department of Health for the purposes of this section shall be made available to the Department of Benefit Payments by the Director of Health for the purposes of this section after such moneys, funds, and appropriations have been appropriated to or received by the State Department of Health.

SEC. 52. Section 3290 is added to the Health and Safety Code, to read:

3290. The Department of Benefit Payments shall have the possession and control of all records, papers, equipment, and supplies held for the benefit or use of the Director of Health in the performance of his duties, powers, purposes, responsibilities, and jurisdiction that are vested in the Department of Benefit Payments by Section 3289.

SEC. 53. Section 3291 is added to the Health and Safety Code, to read:

3291. All officers and employees of the Director of Health who on the operative date of this section are serving in the state civil service, other than as temporary employees, and engaged in the performance of a function vested in the Department of Benefit Payments by Section 3289 shall be transferred to the Department of Benefit Payments. The status, positions, and rights of such persons shall not be affected by the transfer and shall be retained by them as officers and employees of the Department of Benefit Payments pursuant to the State Civil Service Act, except as to positions exempt from civil service.

SEC. 54. Section 3299 of the Health and Safety Code is amended to read:

3299. The medical superintendent of each hospital for which state aid is received under this chapter shall render semiannually to the State Department of Health a report under oath showing, for the period covered by the report:

(a) The number of patients suffering from tuberculosis cared for at public expense, and unable to pay for care.

(b) The number of days of treatment of each such patient. In the case of hospitals, wards, or sanatoriums operated jointly by two or more counties, the patients whose admission and care have been authorized by each county shall be reported separately.

With the consent of the respective cities, counties, or groups of counties, an exchange of patients may be arranged without expense to the county except for transportation when the exchange seems necessary or desirable to assist in the patients' recovery.

Counties may contract for the care and treatment of tuberculosis patients through their boards of supervisors, after consultation with the state department, with cities, counties, or groups of counties, who maintain a tuberculosis ward or hospital for the treatment of persons suffering from tuberculosis, which conforms to the regulations of, and is approved by, the state department, and may receive from the state the tuberculosis subsidy provided by Section 3300.

SEC. 55. Section 38056 of the Health and Safety Code is amended to read:

38056. No member of an area board may be an employee of a regional center, the State Department of Health, or the Department of Benefit Payments.

SEC. 56. Section 38200 of the Health and Safety Code is amended to read:

38200. There is in the Health and Welfare Agency the State

Developmental Disabilities Planning and Advisory Council.

The council shall consist of 15 voting members. Six members shall represent consumers of services for persons with developmental disabilities of whom one member shall be the parent of a mentally retarded child who is not in a state hospital and one member shall be the parent of a mentally retarded child who is a patient in a state hospital.

Five members shall be representatives of local agencies, nongovernmental organizations, and groups concerned with services for persons with developmental disabilities.

The Governor shall appoint the following seven members of the council: the six representatives of consumers of services for persons with developmental disabilities and one representative of a local agency or nongovernmental organization serving the retarded. The Senate Rules Committee and the Speaker of the Assembly shall each appoint two representatives of local agencies or nongovernmental organizations serving the retarded.

The State Director of Health, the Director of Benefit Payments, the Superintendent of Public Instruction, and the Director of the Department of Rehabilitation shall serve as members of the council.

Of the members appointed by the Governor, three shall hold office for three years, two shall hold office for two years, and two shall hold office for one year. The members appointed by the Senate Rules Committee and by the Speaker of the Assembly each shall hold office for three years.

SEC. 57. Section 38250 of the Health and Safety Code is amended to read:

38250. It is the intent of this division that state funds previously allocated to other agencies for the provision of out-of-home prehospital, hospital and posthospital care be allocated, to the fullest extent feasible, to regional centers to contract with appropriate agencies for the provision of out-of-home placements.

In the event either the Governor or the Legislature should obtain federal approval to transfer programs for the mentally retarded from other state departments to the State Department of Health under the provisions of Public Law 90-577 (Intergovernmental Cooperation Act of 1968), the State Controller shall, upon approval of the Director of Finance, transfer to the State Department of Health such parts of the appropriation of the other departments that are related to mental retardation programs; provided further, that such transfer shall enable the state to make maximum utilization of available state and federal funds.

It is the intent of this division that the regional center program be funded by the state on a regional basis using the maximum of federal funds available, and that all funds be transmitted through the Department of Benefit Payments to each regional center.

SEC. 58. Section 38250.1 is added to the Health and Safety Code, to read:

38250.1. The Department of Benefit Payments succeeds to and is

vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the State Department of Health and the Secretary of the Health and Welfare Agency with respect to the processing, audit, and payment of funds made available under this chapter. Moneys, funds, and appropriations available to the State Department of Health for the purposes of this section shall be made available to the Department of Benefit Payments by the Director of Health for the purposes of this section after such moneys, funds, and appropriations have been appropriated to or received by the Department of Health.

SEC. 59. Section 38250.2 is added to the Health and Safety Code, to read:

38250.2. The Department of Benefit Payments shall have the possession and control of all records, papers, equipment, and supplies held for the benefit or use of the Director of Health in the performance of his duties, powers, purposes, responsibilities, and jurisdiction that are vested in the Department of Benefit Payments by Section 38250.1.

SEC. 60. Section 38250.3 is added to the Health and Safety Code, to read:

38250.3. All officers and employees of the Director of Health and the Secretary of the Health and Welfare Agency who on the operative date of this section are serving in the state civil service, other than as temporary employees, and engaged in the performance of a function vested in the Department of Benefit Payments by Section 38250.1 shall be transferred to the Department of Benefit Payments. The status, positions, and rights of such persons shall not be affected by the transfer and shall be retained by them as officers and employees of the Department of Benefit Payments pursuant to the State Civil Service Act, except as to positions exempt from civil service

SEC. 61. Section 38251 of the Health and Safety Code is amended to read:

38251. When appropriated by the Legislature, the State Department of Health may receive and the Department of Benefit Payments may expend all funds made available by the federal government, the state, its political subdivisions, and other sources, and, within the limitation of the funds made available, shall act as an agent for the transmittal of such funds for services through the regional centers. The Department of Benefit Payments may use any funds received under Article 2 (commencing with Section 249) of Chapter 2 of Part 1 of Division 1 of the Health and Safety Code for the purposes of this division.

SEC. 62. Section 38252 of the Health and Safety Code is amended to read:

38252. The State Department of Health may accept and expend grants, gifts, and legacies of money and, with the consent of the Department of Finance, may accept, manage and expend grants, gifts and legacies of other property, in furtherance of the purposes

of this division.

The secretary may enter into agreements with any person, agency, corporation, foundation, or other legal entity to carry out the purposes of this division.

SEC. 63. Section 38253 of the Health and Safety Code is amended to read:

38253. The secretary, in the same manner and subject to the same conditions as other state agencies, shall submit a program budget annually to the Department of Finance, including not only expenditures proposed to be made under this division, but also expenditures proposed to be made under any related program or by any other state agency, designed to provide services incidental to the functions to which this division relates. The secretary may require state departments to contract with him for services to carry out the provisions of this division

Notwithstanding any other provision of law, authorized services to eligible persons, as defined in this division, provided by all state agencies, including, but not limited to, the Departments of Education, Health, Rehabilitation and Benefit Payments shall, to the fullest extent permitted by federal law, by contract or otherwise, be made available upon request of the director, and the approval of the secretary, to the department for services to eligible persons.

The secretary shall consult with the departments involved in developing the statewide plan and program budget, and shall seek the advice of the state board.

SEC. 64. Section 1690.1 of the Labor Code is amended to read:

1690.1. If any licensee fails to remit the proper amount of worker contributions required by Chapter 4 (commencing with Section 901) of Part 1 of Division 1 of the Unemployment Insurance Code, or the Department of Benefit Payments has made an assessment for such unpaid worker contributions against the licensee that is final, the Labor Commissioner shall, upon written notice by the Department of Benefit Payments, refuse to issue or renew the license of such licensee until such licensee has fully paid the amount of delinquency for such unpaid worker contributions.

The Labor Commissioner shall not, however, refuse to renew the license of a licensee under this section until the assessment for unpaid worker contributions is final and unpaid, and the licensee has exhausted, or failed to seek, his right of administrative review of such final assessment, pursuant to Chapter 4 (commencing with Section 901) of Part 1 of Division 1 of the Unemployment Insurance Code.

SEC. 65. Section 13020 of the Penal Code, as amended by Chapter 1377 of the Statutes of 1972, is amended to read:

13020. It shall be the duty of every constable, city marshal, chief of police, railroad and steamship police, sheriff, coroner, district attorney, city attorney and city prosecutor having criminal jurisdiction, probation officer, county board of parole commissioners, work furlough administrator, the Department of Justice, Health and Welfare Agency, Department of Corrections, Adult Authority,

Department of Youth Authority, California Women's Board of Terms and Parole, State Department of Health, Department of Benefit Payments, State Fire Marshal, Liquor Control Administrator, constituent agencies of the State Department of Investment, and every other person or agency dealing with crimes or criminals or with delinquency or delinquents, when requested by the Attorney General:

(a) To install and maintain records needed for the correct reporting of statistical data required by him;

(b) To report statistical data to the department at such times and in such manner as the Attorney General prescribes;

(c) To give to the Attorney General, or his accredited agent, access to statistical data for the purpose of carrying out the provisions of this title.

SEC. 66. Section 13020 of the Penal Code, as amended by Chapter 1377 of the Statutes of 1972, is amended to read:

13020. It shall be the duty of every constable, city marshal, chief of police, railroad and steamship police, sheriff, coroner, district attorney, city attorney and city prosecutor having criminal jurisdiction, probation officer, county board of parole commissioners, work furlough administrator, the Department of Justice, Health and Welfare Agency, Department of Correctional Services, Parole Authority, State Department of Health, Department of Benefit Payments, State Fire Marshal, Liquor Control Administrator, constituent agencies of the State Department of Investment, and every other person or agency dealing with crimes or criminals or with delinquency or delinquents, when requested by the Attorney General:

(a) To install and maintain records needed for the correct reporting of statistical data required by him;

(b) To report statistical data to the Department of Justice at such times and in such manner as the Attorney General prescribes;

(c) To give to the Attorney General, or his accredited agent, access to statistical data for the purpose of carrying out the provisions of this title.

SEC. 67. Section 7057 of the Revenue and Taxation Code, as amended by Chapter 1273 of the Statutes of 1972, is amended to read:

7057. Any officer or employee of the Board of Equalization authorized to accept an application for a seller's permit under Section 6066 of this code or authorized to register a retailer under Section 6226 of this code shall at the time of acceptance of such an application or such registration, ascertain whether or not the person is also required to register as an employer under Section 1086 of the Unemployment Insurance Code, and if so shall register the person as an employer on a form provided by the Department of Benefit Payments and shall promptly notify the Department of Benefit Payments of such registration.

SEC. 68. Section 17061 of the Revenue and Taxation Code is amended to read:

17061. (a) In the case of a person entitled to a refund pursuant to Section 1176 of the Unemployment Insurance Code, there shall be a credit against the tax imposed under this part in the amount of such refund. If the tax due after deduction of any other credit under this part is less than the credit allowable pursuant to this section, the difference shall be a tax refund.

(b) If the Franchise Tax Board disallows the refund or credit provided for by this section, the Franchise Tax Board shall notify the claimant accordingly. The Franchise Tax Board's action upon the credit or refund is final unless the claimant files a protest with the Director of Benefit Payments pursuant to Section 1176.5 of the Unemployment Insurance Code None of the remedies provided by this part shall be available to such claimant.

SEC. 69. Section 19268 of the Revenue and Taxation Code is amended to read:

19268. The Franchise Tax Board shall transmit to the Director of Benefit Payments claims for credit or refund allowed pursuant to Section 17061 of this code and subdivision (a) of Section 1176.5 of the Unemployment Insurance Code.

SEC. 70. Section 130 of the Unemployment Insurance Code is amended to read:

130. "Contingent fund" means the Department of Employment Development Contingent Fund.

SEC. 71. Section 133 of the Unemployment Insurance Code is amended to read:

133. Except as otherwise provided, "department" means the Department of Human Resources Development.

SEC. 72. Section 133 of the Unemployment Insurance Code is amended to read:

133. Except as otherwise provided, "department" means the Department of Employment Development

SEC. 73. Section 134 of the Unemployment Insurance Code is amended to read:

134. Except as otherwise provided, "director" means the Director of the Department of Human Resources Development.

SEC. 74. Section 134 of the Unemployment Insurance Code is amended to read:

134. Except as otherwise provided, "director" means the Director of Employment Development.

SEC. 75. The heading of Article 1 (commencing with Section 301) of Chapter 2 of Part 1 of Division 1 of the Unemployment Insurance Code is amended to read:

Article 1. Departments of Human Resources Development and Benefit Payments

SEC. 76. The heading of Article 1 (commencing with Section 301) of Chapter 2 of Part 1 of Division 1 of the Unemployment Insurance Code is amended to read:

## Article 1. Departments of Employment Development and Benefit Payments

SEC. 77. Section 301 of the Unemployment Insurance Code is amended to read·

301 (a) There is in the Health and Welfare Agency the Department of Human Resources Development which except as provided in subdivision (b) of this section, succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the Department of Employment. The provisions of this division shall be administered by an executive officer known as the Director of the Department of Human Resources Development who except as provided in subdivision (b) of this section, succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the Director of Employment.

(b) (1) There is in the Health and Welfare Agency the Department of Benefit Payments which succeeds to and is vested with the following duties, purposes, responsibilities and jurisdiction heretofore exercised by the Department of Human Resources Development·

(A) Making computations of the amount and duration of benefits.

(B) Determination of contribution rates and the administration and collection of contributions, penalties and interest, including but not limited to filing and releasing liens.

(C) Establishment, administration, and transfer of reserve accounts.

(D) Making assessments and the administration of credits and refunds.

(E) Approving elections for coverage or for financing unemployment insurance coverage.

(2) The Department of Benefit Payments shall be administered by an executive officer known as the Director of Benefit Payments who succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the Director of the Department of Human Resources Development with respect to the functions specified in paragraph (1) of this subdivision.

(3) The Director of Benefit Payments is authorized to delegate to the Department of Human Resources Development which is authorized to accept, exercise, and perform the powers and duties necessary to administer all or any part of the functions specified in this subdivision (b).

SEC. 78 Section 301 of the Unemployment Insurance Code is amended to read:

301. (a) There is in the Health and Welfare Agency the Department of Employment Development which except as provided in subdivision (b) of this section, succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the Department of Human Resources Development, and by the Health and Welfare Agency with respect to job creation

activities. The Department of Employment Development shall be administered by an executive officer known as the Director of Employment Development who except as provided in subdivision (b) of this section, succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the Director of the Department of Human Resources Development.

(b) (1) There is in the Health and Welfare Agency the Department of Benefit Payments which succeeds to and is vested with the following duties, purposes, responsibilities and jurisdiction heretofore exercised by the Department of Human Resources Development:

(A) Making computations of the amount and duration of benefits.

(B) Determination of contribution rates and the administration and collection of contributions, penalties and interest, including but not limited to filing and releasing liens.

(C) Establishment, administration, and transfer of reserve accounts.

(D) Making assessments and the administration of credits and refunds.

(E) Approving elections for coverage or for financing unemployment insurance coverage.

(2) The Department of Benefit Payments shall be administered by an executive officer known as the Director of Benefit Payments who succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the Director of the Department of Human Resources Development with respect to the functions specified in paragraph (1) of this subdivision.

(3) The Director of Benefit Payments is authorized to delegate to the Department of Employment Development which is authorized to accept, exercise, and perform the powers and duties necessary to administer all or any part of the functions specified in this subdivision (b).

SEC. 79. Section 301.3 is added to the Unemployment Insurance Code, to read:

301.3. The Department of Employment Development shall have the possession and control of all records, papers, offices, equipment, supplies, moneys, funds, appropriations, land, and other property real or personal held for the benefit or use of the Department of Human Resources Development in the performance of the duties, powers, purposes, responsibilities, and jurisdiction of such department that are vested in the Department of Employment Development by Section 301.

SEC. 80. Section 301.4 is added to the Unemployment Insurance Code, to read:

301.4. All officers and employees of the Department of Human Resources Development who on the operative date of this section are serving in the state civil service, other than as temporary employees, and engaged in the performance of a function vested in the Department of Employment Development by Section 301 shall

be transferred to the Department of Employment Development. The status, positions, and rights of such persons shall not be affected by the transfer and shall be retained by them as officers and employees of the Department of Employment Development pursuant to the State Civil Service Act, except as to positions exempt from civil service.

SEC. 81. Section 301.6 is added to the Unemployment Insurance Code, to read:

301.6. The Department of Benefit Payments shall have the possession and control of all records, papers, offices, equipment, supplies, moneys, appropriations, land, and other property real or personal held for the benefit or use of the Department of Human Resources Development in the performance of the duties, powers, purposes, responsibilities, and jurisdiction that are vested in the Department of Benefit Payments by Section 301. This section shall not apply with respect to all or any part of any function delegated to the Department of Human Resources Development or the Department of Employment Development by the Director of Benefit Payments under a contract pursuant to paragraph (3) of subdivision (b) of Section 301, except that moneys and appropriations with respect to any such delegated function shall be available to the Department of Benefit Payments.

SEC. 82. Section 301.7 is added to the Unemployment Insurance Code, to read:

301.7. All officers and employees of the Department of Human Resources Development who on the operative date of this section are serving in the state civil service, other than as temporary employees, and engaged in the performance of a function vested in the Department of Benefit Payments by Section 301 shall be transferred to the Department of Benefit Payments. The status, positions, and rights of such persons shall not be affected by the transfer and shall be retained by them as officers and employees of the Department of Benefit Payments pursuant to the State Civil Service Act, except as to positions exempt from civil service. This section shall not apply with respect to employees engaged in the performance of all or any part of any function delegated to the Department of Human Resources Development or the Department of Employment Development by the Director of Benefit Payments under a contract pursuant to paragraph (3) of subdivision (b) of Section 301.

SEC. 83. Section 302 of the Unemployment Insurance Code is amended to read:

302. The Director of Human Resources Development shall be appointed by the Governor, subject to the approval of the Senate, and shall serve as director at the pleasure of the Governor. The annual salary of the Director of Human Resources Development shall be as provided for by Chapter 6 of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 84. Section 302 of the Unemployment Insurance Code is

amended to read:

302. The Director of Employment Development shall be appointed by the Governor, subject to the approval of the Senate, and shall serve as director at the pleasure of the Governor. The annual salary of the Director of Employment Development shall be as provided for by Chapter 6 of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 85. Section 303 of the Unemployment Insurance Code, as amended by Chapter 618 of the Statutes of 1972, is amended to read:

303. The Deputy Director of the Department of Human Resources Development shall be appointed by the Governor subject to the approval of the Senate. The salary of the deputy director shall be fixed in accordance with law.

SEC. 86. Section 303 of the Unemployment Insurance Code, as amended by Chapter 618 of the Statutes of 1972, is amended to read:

303. There shall be four deputy directors in the Department of Employment Development who shall be appointed by the Governor subject to the approval of the Senate and shall hold office at the pleasure of the Governor. The salary of the deputy directors shall be fixed in accordance with law.

SEC. 87. Section 303.5 is added to the Unemployment Insurance Code, to read:

303.5 The deputy director of the Department of Benefit Payments shall be appointed by the Governor and shall hold office at the pleasure of the Governor. The salary of the deputy director shall be fixed in accordance with law.

SEC. 88. Section 305 of the Unemployment Insurance Code is amended to read:

305. Regulations for the administration of the functions of the Department of Human Resources Development under this code shall be adopted, amended, or repealed by the Director of the Department of Human Resources Development as provided in Chapter 4.5 (commencing with Section 11371) of Part 1 of Division 3 of Title 2 of the Government Code, except as modified by this article.

SEC. 89. Section 305 of the Unemployment Insurance Code is amended to read:

305. Regulations for the administration of the functions of the Department of Employment Development under this code shall be adopted, amended, or repealed by the Director of Employment Development as provided in Chapter 4.5 (commencing with Section 11371) of Part 1 of Division 3 of Title 2 of the Government Code, except as modified by this article

SEC. 90. Section 305.1 is added to the Unemployment Insurance Code, to read:

305.1. Regulations for the administration of the functions of the Department of Benefit Payments under this code shall be adopted, amended, or repealed by the Director of Benefit Payments as provided in Chapter 4.5 (commencing with Section 11371) of Part 1

of Division 3 of Title 2 of the Government Code, except as modified by this article.

SEC. 91. Section 305.6 is added to the Unemployment Insurance Code, to read:

305.6. All regulations heretofore adopted by the Director of the Department of Human Resources Development shall remain in effect and shall be fully enforceable unless and until readopted, amended or repealed by the Director of Benefit Payments with respect to his functions under this code.

SEC. 92 Section 306 of the Unemployment Insurance Code is amended to read:

306. The Director of the Department of Human Resources Development may adopt, amend, or repeal such regulations as are reasonably necessary to enforce his functions under this code.

SEC. 93. Section 306 of the Unemployment Insurance Code is amended to read:

306. The Director of Employment Development may adopt, amend, or repeal such regulations as are reasonably necessary to enforce his functions under this code.

SEC. 94. Section 306.1 is added to the Unemployment Insurance Code, to read:

306.1. The Director of Benefit Payments may adopt, amend, or repeal such regulations as are reasonably necessary to enforce his functions under this code.

SEC. 95. Section 308 of the Unemployment Insurance Code is amended to read:

308. (a) Prior to the filing of a regulation with the Secretary of State the Director of the Department of Human Resources Development shall hold a public hearing pursuant to Chapter 4.5 (commencing with Section 11371) of Part 1 of Division 3 of Title 2 of the Government Code.

(b) After the public hearing on a regulation, the director shall by mail or personal service promptly notify every person who appeared at the public hearing and opposed a regulation, of the director's action on the regulation opposed including the following:

(1) Whether the regulation has been filed with the Secretary of State.

(2) Whether the regulation has been revised. If the director revises the regulation, the notice shall set forth the revised text of the regulation, and shall state whether the revised regulation has been filed with the Secretary of State.

(c) This section shall not apply to an emergency regulation.

SEC. 96. Section 308 of the Unemployment Insurance Code is amended to read:

308. (a) Prior to the filing of a regulation with the Secretary of State the Director of Employment Development shall hold a public hearing pursuant to Chapter 4.5 (commencing with Section 11371) of Part 1 of Division 3 of Title 2 of the Government Code.

(b) After the public hearing on a regulation, the director shall by

mail or personal service promptly notify every person who appeared at the public hearing and opposed a regulation, of the director's action on the regulation opposed including the following:

(1) Whether the regulation has been filed with the Secretary of State.

(2) Whether the regulation has been revised. If the director revises the regulation, the notice shall set forth the revised text of the regulation, and shall state whether the revised regulation has been filed with the Secretary of State.

(c) This section shall not apply to an emergency regulation.

SEC. 97. Section 308.1 is added to the Unemployment Insurance Code, to read:

308.1. (a) Prior to the filing of a regulation, adopted, amended, or repealed pursuant to Section 305.1, with the Secretary of State the Director of Benefit Payments shall hold a public hearing pursuant to Chapter 4.5 (commencing with Section 11371) of Part 1 of Division 3 of Title 2 of the Government Code.

(b) After the public hearing on a regulation, the director shall by mail or personal service promptly notify every person who appeared at the public hearing and opposed a regulation, of the director's action on the regulation opposed including the following:

(1) Whether the regulation has been filed with the Secretary of State.

(2) Whether the regulation has been revised. If the director revises the regulation, the notice shall set forth the revised text of the regulation, and shall state whether the revised regulation has been filed with the Secretary of State.

(c) This section shall not apply to an emergency regulation.

SEC. 98. Section 309 of the Unemployment Insurance Code is amended to read:

309. (a) Any person who opposes a proposed regulation at a public hearing held by the Director of the Department of Human Resources Development may, within 10 days of the date of the mailing or personal service of the notice required by subdivision (b) of Section 308, file an appeal to the Appeals Board. The Appeals Board shall promptly notify the director of the filing of the appeal. The appellant or the director may request a hearing before the Appeals Board. If an appeal is filed and a hearing is requested the matter shall be heard by the Appeals Board within 30 days from the date of the request. If an appeal is filed, the proposed regulation shall not become effective unless the Appeals Board has finally approved it. The Appeals Board shall issue a decision on the appeal and mail or deliver the decision to the appellant and the director. If the Appeals Board approves the regulation, it shall become effective after filing by the director with the Secretary of State in the manner provided in Section 11422 of the Government Code.

(b) This section shall not apply to an emergency regulation.

SEC. 99. Section 309 of the Unemployment Insurance Code is amended to read:

309. (a) Any person who opposes a proposed regulation at a public hearing held by the Director of Employment Development may, within 10 days of the date of the mailing or personal service of the notice required by subdivision (b) of Section 308, file an appeal to the Appeals Board. The Appeals Board shall promptly notify the director of the filing of the appeal. The appellant or the director may request a hearing before the Appeals Board. If an appeal is filed and a hearing is requested the matter shall be heard by the Appeals Board within 30 days from the date of the request. If an appeal is filed, the proposed regulation shall not become effective unless the Appeals Board has finally approved it. The Appeals Board shall issue a decision on the appeal and mail or deliver the decision to the appellant and the director. If the Appeals Board approves the regulation, it shall become effective after filing by the director with the Secretary of State in the manner provided in Section 11422 of the Government Code.

(b) This section shall not apply to an emergency regulation.

SEC. 100. Section 309 1 is added to the Unemployment Insurance Code, to read:

309.1 (a) Any person who opposes a proposed regulation at a public hearing held by the Director of Benefit Payments pursuant to Section 308.1 may, within 10 days of the date of the mailing or personal service of the notice required by subdivision (b) of Section 308.1 file an appeal to the Appeals Board. The Appeals Board shall promptly notify the director of the filing of the appeal. The appellant or the director may request a hearing before the Appeals Board. If an appeal is filed and a hearing is requested the matter shall be heard by the Appeals Board within 30 days from the date of the request. If an appeal is filed, the proposed regulation shall not become effective unless the Appeals Board has finally approved it. The Appeals Board shall issue a decision on the appeal and mail or deliver the decision to the appellant and the director. If the Appeals Board approves the regulation, it shall become effective after filing by the director with the Secretary of State in the manner provided in Section 11422 of the Government Code.

(b) This section shall not apply to an emergency regulation.

SEC. 101. Section 310 of the Unemployment Insurance Code is amended to read:

310. The Director of the Department of Human Resources Development or the Department of Human Resources Development may prescribe the extent, if any, to which any rule, regulation or interpretation issued or promulgated in accordance with the provisions of this code shall be applied without retroactive effect.

SEC. 102. Section 310 of the Unemployment Insurance Code is amended to read:

310. The Director of Employment Development or the Department of Employment Development may prescribe the extent, if any, to which any rule, regulation or interpretation issued

or promulgated in accordance with the provisions of this code shall be applied without retroactive effect.

SEC. 103. Section 310.1 is added to the Unemployment Insurance Code, to read:

310 1. The Director of Benefit Payments or the Department of Benefit Payments may prescribe the extent, if any, to which any rule, regulation or interpretation issued or promulgated in accordance with the provisions of this code shall be applied without retroactive effect

SEC. 104 Section 311 of the Unemployment Insurance Code is amended to read:

311 The Director of the Department of Human Resources Development shall appoint such assistants except personnel of the Appeals Division as he finds necessary for the administration of this division, subject to the provisions of the Government Code, and may delegate to any of the officers or employees of the department such powers and duties as he considers necessary for the proper administration of this division

The Director of the Department of Human Resources Development and his authorized representatives in the enforcement of the division shall have all the powers of a head of a department as set forth in Article 2 (commencing with Section 11180) of Chapter 2, Part 1, Division 3, Title 2 of the Government Code. For the purpose of any investigation, hearing, or proceeding under this division, the Director of the Department of Human Resources Development may delegate his power in relation thereto to any deputy, or other person properly authorized in writing by him.

SEC. 105 Section 311 of the Unemployment Insurance Code is amended to read:

311. The Director of Employment Development shall appoint such assistants except personnel of the appeals division as he finds necessary for the administration of this division, subject to the provisions of the Government Code, and may delegate to any of the officers or employees of the department such powers and duties as he considers necessary for the proper administration of this division.

The Director of Employment Development and his authorized representatives in the enforcement of the division shall have all the powers of a head of a department as set forth in Article 2 (commencing with Section 11180) of Chapter 2, Part 1, Division 3, Title 2 of the Government Code. For the purpose of any investigation, hearing, or proceeding under this division, the Director of Employment Development may delegate his power in relation thereto to any deputy, or other person properly authorized in writing by him.

SEC. 106. Section 311.3 is added to the Unemployment Insurance Code, to read:

311.3. The Director of Benefit Payments shall appoint such assistants as he finds necessary for the administration of functions, duties, powers, and responsibilities vested in him, subject to the

provisions of the Government Code, and may delegate to any of the officers or employees of the department such powers and duties as he considers necessary for the proper administration of his functions, duties, powers, and responsibilities.

SEC. 107. Section 311.5 is added to the Unemployment Insurance Code, to read:

311.5. The Director of Benefit Payments and his authorized representatives in the enforcement of the functions, duties, powers, and responsibilities vested in him shall have all the powers of a head of a department as set forth in Article 2 (commencing with Section 11180) of Chapter 2, Part 1, Division 3, Title 2 of the Government Code. For the purpose of any investigation, hearing, or proceeding under this code, the Director of Benefit Payments may delegate his power in relation thereto to any deputy, or other person properly authorized in writing by him.

SEC. 108. Section 312 of the Unemployment Insurance Code is amended to read.

312. Each officer and employee of the Department of Human Resources Development whose duties include the handling of property or funds shall execute to the State of California an official bond conditioned upon the faithful performance of his duties in such amount as the Director of General Services shall fix.

SEC. 109. Section 312 of the Unemployment Insurance Code is amended to read:

312. Each officer and employee of the Department of Employment Development whose duties include the handling of property or funds shall execute to the State of California an official bond conditioned upon the faithful performance of his duties in such amount as the Director of General Services shall fix.

SEC. 110. Section 312.1 is added to the Unemployment Insurance Code, to read:

312.1. Each officer and employee of the Department of Benefit Payments whose duties under this code include the handling of property or funds shall execute to the State of California an official bond conditioned upon the faithful performance of his duties in such amount as the Director of General Services shall fix.

SEC. 111. Section 313 of the Unemployment Insurance Code is repealed.

SEC. 112. Section 314 is added to the Unemployment Insurance Code, to read:

314. The Department of Human Resources Development and the Department of Benefit Payments shall provide to the other any information necessary for the performance of such department's duties under this code.

SEC. 113. Section 314 is added to the Unemployment Insurance Code, to read:

314. The Department of Employment Development and the Department of Benefit Payments shall provide to the other any information necessary for the performance of such department's



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duties under this code.

SEC. 114. Section 315 of the Unemployment Insurance Code is amended to read:

315. The Appeals Division within the Department of Human Resources Development includes the appeals board and its clerical staff and assistants and the referees and their supervisors and clerical staff and assistants.

SEC. 115. Section 315 of the Unemployment Insurance Code is amended to read:

315. The Appeals Division within the Department of Employment Development includes the appeals board and its clerical staff and assistants and the referees and their supervisors and clerical staff and assistants.

SEC. 116. Section 316 of the Unemployment Insurance Code is amended to read:

316. There shall be maintained within an appropriate division of the Department of Human Resources Development, a bureau, section or unit relating to education and public instruction for the purpose of informing employers and workers of their rights and responsibilities under this code, and of instructing the public generally concerning its basic purposes, provisions and operations. All standard information employee pamphlets concerning unemployment and disability insurance programs shall be printed in English and separately in Spanish, or at the discretion of the Director of the Department of Human Resources Development, in English and Spanish, in such number as he may determine.

SEC. 117 Section 316 of the Unemployment Insurance Code is amended to read:

316. There shall be maintained within an appropriate division of the Department of Employment Development, a bureau, section or unit relating to education and public instruction for the purpose of informing employers and workers of their rights and responsibilities under this code, and of instructing the public generally concerning its basic purposes, provisions and operations. All standard information employee pamphlets concerning unemployment and disability insurance programs shall be printed in English and separately in Spanish, or at the discretion of the Director of Employment Development, in English and Spanish, in such number as he may determine.

SEC. 118. Section 317 of the Unemployment Insurance Code is amended to read:

317. The Director of the Department of Human Resources Development shall maintain a field investigating staff, whose function shall embrace investigation throughout the state of violations of this code, to the end that its provisions are more adequately and strictly enforced.

SEC. 119. Section 317 of the Unemployment Insurance Code is amended to read:

317. The Director of Employment Development shall maintain a

field investigating staff, whose function shall embrace investigation throughout the state of violations of this code, to the end that its provisions are more adequately and strictly enforced.

SEC. 120. Section 318 of the Unemployment Insurance Code is amended to read:

318 The Director of the Department of Human Resources Development shall comply with all applicable provisions of the Government Code relating to contracts, budgets and other fiscal matters, including Sections 13320 to 13324, inclusive, of that code, in the same manner and to the same extent as other state agencies, insofar as such provisions are not inconsistent with the provisions of the Social Security Act and the rules and regulations of the Secretary of Labor.

SEC. 121. Section 318 of the Unemployment Insurance Code is amended to read:

318. The Director of Employment Development shall comply with all applicable provisions of the Government Code relating to contracts, budgets and other fiscal matters, including Sections 13320 to 13324, inclusive, of that code, in the same manner and to the same extent as other state agencies, insofar as such provisions are not inconsistent with the provisions of the Social Security Act and the rules and regulations of the Secretary of Labor.

SEC. 122. Section 319 is added to the Unemployment Insurance Code, to read:

319. The Director of Benefit Payments shall comply with all applicable provisions of the Government Code relating to contracts, budgets and other fiscal matters, including Sections 13320 to 13324, inclusive, of that code, in the same manner and to the same extent as other state agencies, insofar as such provisions are not inconsistent with the provisions of the Social Security Act and the rules and regulations of the Secretary of Labor.

SEC. 123. Section 320 of the Unemployment Insurance Code is amended to read:

320. The Director of the Department of Human Resources Development shall make such reports in such form and containing such information as the Secretary of Labor may from time to time require, and shall comply with such provisions as the secretary may from time to time find necessary to assure the correctness and verification of such reports.

SEC. 124. Section 320 of the Unemployment Insurance Code is amended to read:

320. The Director of Employment Development shall make such reports in such form and containing such information as the Secretary of Labor may from time to time require, and shall comply with such provisions as the secretary may from time to time find necessary to assure the correctness and verification of such reports.

SEC. 125. Section 320.1 is added to the Unemployment Insurance Code, to read:

320.1. The Director of Benefit Payments shall make such reports

in such form and containing such information as the Secretary of Labor or the Secretary of Health, Education and Welfare may from time to time require, and shall comply with such provisions as the secretary may from time to time find necessary to assure the correctness and verification of such reports.

SEC 126. Section 321 of the Unemployment Insurance Code is amended to read:

321. The Director of the Department of Human Resources Development shall make available, upon request, to any agency of the United States government charged with the administration of public works or assistance through public employment, the following information relating to recipients of unemployment compensation:

(a) The recipient's name.

(b) The recipient's address.

(c) The ordinary occupation and employment status of each such recipient of unemployment benefits.

(d) A statement of such recipient's rights to further compensation under this division.

SEC. 127. Section 321 of the Unemployment Insurance Code is amended to read:

321. The Director of Employment Development shall make available, upon request, to any agency of the United States government charged with the administration of public works or assistance through public employment, the following information relating to recipients of unemployment compensation:

(a) The recipient's name.

(b) The recipient's address.

(c) The ordinary occupation and employment status of each such recipient of unemployment benefits.

(d) A statement of such recipient's rights to further compensation under this division.

SEC. 128. Section 321.1 is added to the Unemployment Insurance Code, to read:

321.1. The Director of Benefit Payments shall make available, upon request, to any agency of the United States government charged with the administration of public works or assistance through public employment, the following information relating to recipients of unemployment compensation:

(a) The recipient's name.

(b) The recipient's address.

(c) The ordinary occupation and employment status of each such recipient of unemployment benefits.

(d) A statement of such recipient's rights to further compensation under this division.

SEC. 129. Section 322 of the Unemployment Insurance Code is amended to read:

322. The Department of Human Resources Development may exchange information with other governmental departments and agencies, both federal and state, which are concerned with the

administration of unemployment insurance, or the collection of taxes which may be used to finance the administration of unemployment insurance, or the relief of unemployed or destitute individuals, or legislation concerning, regulating, or in any manner affecting the obligations arising out of an employer-employee relation, and with such other departments or agencies of government as the department deems necessary or desirable for the proper administration of this division in accordance with authorized regulations.

SEC. 130. Section 322 of the Unemployment Insurance Code is amended to read:

322. The Department of Employment Development may exchange information with other governmental departments and agencies, both federal and state, which are concerned with the administration of unemployment insurance, or the collection of taxes which may be used to finance the administration of unemployment insurance, or the relief of unemployed or destitute individuals, or legislation concerning, regulating, or in any manner affecting the obligations arising out of an employer-employee relation, and with such other departments or agencies of government as the department deems necessary or desirable for the proper administration of this division in accordance with authorized regulations.

SEC. 131. Section 322.1 is added to the Unemployment Insurance Code, to read:

322.1. The Department of Benefit Payments may exchange information with other governmental departments and agencies, both federal and state, which are concerned with the administration of unemployment insurance, or the collection of taxes which may be used to finance the administration of unemployment insurance, or the relief of unemployed or destitute individuals, or legislation concerning, regulating, or in any manner affecting the obligations arising out of an employer-employee relation, and with such other departments or agencies of government as the department deems necessary or desirable for the proper administration of this division in accordance with authorized regulations.

SEC. 132. Section 323 of the Unemployment Insurance Code is amended to read:

323. The Director of the Department of Human Resources Development may apply for an advance to the Unemployment Fund and accept the responsibility for the repayment of such advance in accordance with the conditions specified in Title XII of the Social Security Act, as amended, to secure to this state and its citizens the advantages available under the provisions of that title.

SEC. 133. Section 323 of the Unemployment Insurance Code is amended to read:

323. The Director of Employment Development may apply for an advance to the Unemployment Fund and accept the responsibility for the repayment of such advance in accordance with

the conditions specified in Title XII of the Social Security Act, as amended, to secure to this state and its citizens the advantages available under the provisions of that title

SEC. 134. Section 325 of the Unemployment Insurance Code is amended to read:

325. (a) The Department of Human Resources Development may study and make recommendations as to action which might tend to:

(1) Promote the prevention of unemployment and the stabilization of employment.

(2) Encourage and assist in the adoption of practical methods of vocational training, retraining and guidance.

(3) Promote the establishment and operation by governmental units and agencies of reserves for public work to be prosecuted in time of business depression and unemployment.

(4) Promote the reemployment of unemployed workers throughout the state in any way that may seem feasible.

(5) Reduce and prevent unemployment.

(6) Establish the most effective methods of providing economic security through all forms of social insurance.

(b) To accomplish the ends set forth in subdivision (a) of this section, the department may carry on and publish the results of investigations and research studies

SEC. 135. Section 325 of the Unemployment Insurance Code is amended to read:

325. (a) The Department of Employment Development may study and make recommendations as to action which might tend to:

(1) Promote the prevention of unemployment and the stabilization of employment.

(2) Encourage and assist in the adoption of practical methods of vocational training, retraining and guidance.

(3) Promote the establishment and operation by governmental units and agencies of reserves for public work to be prosecuted in time of business depression and unemployment.

(4) Promote the reemployment of unemployed workers throughout the state in any way that may seem feasible.

(5) Reduce and prevent unemployment.

(6) Establish the most effective methods of providing economic security through all forms of social insurance.

(b) To accomplish the ends set forth in subdivision (a) of this section, the department may carry on and publish the results of investigations and research studies.

SEC. 136. Section 326 of the Unemployment Insurance Code is amended to read:

326. The Department of Human Resources Development shall investigate and report upon the degree of unemployment hazard in various industries and occupations and their cost to the Unemployment Fund. It shall recommend to employers in industries or occupations showing an excessive cost to that fund, means for

stabilizing employment. It shall also, if necessary, recommend to the Legislature a higher rate of contribution for any classification of industries or occupations in which unemployment is excessive or chronic.

SEC. 137. Section 326 of the Unemployment Insurance Code is amended to read:

326. The Department of Employment Development shall investigate and report upon the degree of unemployment hazard in various industries and occupations and their cost to the Unemployment Fund. It shall recommend to employers in industries or occupations showing an excessive cost to that fund, means for stabilizing employment. It shall also, if necessary, recommend to the Legislature a higher rate of contribution for any classification of industries or occupations in which unemployment is excessive or chronic.

SEC. 138. Section 409 of the Unemployment Insurance Code is amended to read:

409. The chairman shall assign cases before the board to any three members thereof for consideration and decision. Assignments by the chairman of members to such cases shall be rotated on such a basis so as to equalize the workload of the members but with the composition of the members so assigned being varied and changed to assure that there shall never be a fixed and continuous composition of members. Except as otherwise provided, a decision by two of the members assigned the case shall be the decision of the appeals board. A case shall be considered and decided by the appeals board acting as a whole at the request of any member of the appeals board.

The appeals board shall meet as a whole at such times as the chairman may direct to consider and pass on such matters as the chairman may bring before it, and to consider and decide cases which present issues of first impression or which will enable the appeals board to achieve uniformity of decisions by the respective members, and to hear and decide matters pursuant to Section 309 or 309.1.

The appeals board, acting as a whole, may designate certain of its decisions as precedents. The appeals board, acting as a whole, may on its own motion reconsider a previously issued decision solely to determine whether or not such decision shall be designated as a precedent decision. Decisions of the appeals board acting as a whole shall be by a majority vote of its members. The Director of the Department of Human Resources Development, the Director of Benefit Payments, and the appeals board referees shall be controlled by such precedents except as modified by judicial review.

The decisions of the appeals board shall contain a statement of the facts upon which the decision is based, and a statement of the decision itself and the reasons therefor. If the appeals board issues decisions other than those designated as precedent decisions, anything incorporated in such decisions shall be physically attached to and be made a part of such decisions. All decisions designated as

precedents shall be published in such manner as to make them available for public use. The appeals board may make such reasonable charge for publications as it deems necessary to defray the cost of their publication and distribution

SEC 139 Section 409 of the Unemployment Insurance Code is amended to read·

409. The chairman shall assign cases before the board to any three members thereof for consideration and decision Assignments by the chairman of members to such cases shall be rotated on such a basis so as to equalize the workload of the members but with the composition of the members so assigned being varied and changed to assure that there shall never be a fixed and continuous composition of members Except as otherwise provided, a decision by two of the members assigned the case shall be the decision of the appeals board. A case shall be considered and decided by the appeals board acting as a whole at the request of any member of the appeals board.

The appeals board shall meet as a whole at such times as the chairman may direct to consider and pass on such matters as the chairman may bring before it, and to consider and decide cases which present issues of first impression or which will enable the appeals board to achieve uniformity of decisions by the respective members, and to hear and decide matters pursuant to Section 309 or 309.1.

The appeals board, acting as a whole, may designate certain of its decisions as precedents The appeals board, acting as a whole, may on its own motion reconsider a previously issued decision solely to determine whether or not such decision shall be designated as a precedent decision. Decisions of the appeals board acting as a whole shall be by a majority vote of its members. The Director of Employment Development, the Director of Benefit Payments, and the appeals board referees shall be controlled by such precedents except as modified by judicial review

The decisions of the appeals board shall contain a statement of the facts upon which the decision is based, and a statement of the decision itself and the reasons therefor. If the appeals board issues decisions other than those designated as precedent decisions, anything incorporated in such decisions shall be physically attached to and be made a part of such decisions. All decisions designated as precedents shall be published in such manner as to make them available for public use. The appeals board may make such reasonable charge for publications as it deems necessary to defray the cost of their publication and distribution.

SEC. 140. Section 410 of the Unemployment Insurance Code, as amended by Chapter 1385 of the Statutes of 1972, is amended to read:

410 A decision of the appeals board is final, except for such action as may be taken by a judicial tribunal as permitted or required by law.

A decision of the appeals board is binding on the Director of the Department of Human Resources Development, and the Director of

Benefit Payments, with respect to the parties involved in the particular appeal.

The Director of the Department of Human Resources Development, and the Director of Benefit Payments, shall have the right to seek judicial review from an appeals board decision to which such director was a party irrespective of whether or not he appeared or participated in the appeal to the referee or to the appeals board.

Notwithstanding any other provision of law, the right of such directors, or of any other party except as provided by Sections 1035, 1055, 1182, and 5308, to seek judicial review from an appeals board decision shall be exercised not later than six months after the date of the decision of the appeals board or the date on which the decision is designated as a precedent decision, whichever is later

The appeals board shall attach to all of its decisions where a request for review may be taken, an explanation of the party's right to seek such review

SEC. 141. Section 410 of the Unemployment Insurance Code, as amended by Chapter 1385 of the Statutes of 1972, is amended to read·

410. A decision of the appeals board is final, except for such action as may be taken by a judicial tribunal as permitted or required by law

A decision of the appeals board is binding on the Director of Employment Development, and the Director of Benefit Payments, with respect to the parties involved in the particular appeal.

The Director of Employment Development, and the Director of Benefit Payments, shall have the right to seek judicial review from an appeals board decision to which such director was a party irrespective of whether or not he appeared or participated in the appeal to the referee or to the appeals board.

Notwithstanding any other provision of law, the right of such directors, or of any other party except as provided by Sections 1035, 1055, 1182, and 5308, to seek judicial review from an appeals board decision shall be exercised not later than six months after the date of the decision of the appeals board or the date on which the decision is designated as a precedent decision, whichever is later.

The appeals board shall attach to all of its decisions where a request for review may be taken, an explanation of the party's right to seek such review

SEC. 142. Section 605 5 of the Unemployment Insurance Code is amended to read:

605 5 (a) "Employment" includes all services performed by blind individuals and otherwise handicapped individuals, who do not hold civil service or permanent tenure positions, in connection with their employment by the State of California for work in the California Industries for the Blind

(b) For the purposes of this division, the Department of Rehabilitation shall be considered the employer of persons performing the services described in subdivision (a) of this section.

(c) The employer and worker contributions, penalties and

interest required of the state for services performed under this section shall be paid from the California Industries for the Blind Manufacturing Fund. The State Controller shall determine quarterly the amount of employer and withheld worker contributions, penalties and interest required and shall issue a warrant for such amount which shall be transmitted to the Director of Benefit Payments by the Department of Rehabilitation pursuant to this division.

(d) The Director of Benefit Payments may require from the State Controller and the Department of Rehabilitation such employment, financial, statistical or other information and reports as may be deemed necessary by the director to carry out his duties under this section. Such information and reports shall be filed with the director at the time and in the manner prescribed by the director.

(e) The Director of Benefit Payments may tabulate and publish information obtained pursuant to this section in statistical form and may divulge the name of the state agency.

(f) The State Controller and the Department of Rehabilitation shall keep such work records as may be prescribed by the Director of Benefit Payments for the proper administration of this section.

(g) Except as inconsistent with the provisions of this section, the provisions of this division and authorized regulations shall apply.

SEC. 143. Section 701.5 is added to the Unemployment Insurance Code, to read:

701.5. Unless otherwise specified, as used in this article "director" means the Director of Benefit Payments, and "department" means the Department of Benefit Payments.

SEC. 144. Section 801.5 is added to the Unemployment Insurance Code, to read:

801.5. Unless otherwise specified, "director" as used in this article means the Director of Benefit Payments, and "department" means the Department of Benefit Payments.

SEC. 145. Section 821.3 of the Unemployment Insurance Code, as added by Chapter 319 of the Statutes of 1972, is amended to read:

821.3. As used in this article, "administrator" means the Director of Benefit Payments.

SEC. 146. Section 907 is added to the Unemployment Insurance Code, to read:

907. Unless otherwise specified, "director" means the Director of Benefit Payments, and "department" means the Department of Benefit Payments.

SEC. 147. Section 1030 of the Unemployment Insurance Code is amended to read:

1030. (a) Any employer who is entitled under Section 1327 to receive notice of the filing of a new or additional claim may, within 10 days after mailing of such notice, submit to the Department of Human Resources Development any facts within its possession disclosing whether the claimant left such employer's employ voluntarily and without good cause or was discharged from such

employment for misconduct connected with his work, or whether the claimant was a student employed on a temporary basis and whose employment began within, and ended with his leaving to return to school at the close of, his vacation period. The period during which the employer may submit such facts may be extended by the Director of the Department of Human Resources Development for good cause.

(b) Any base period employer who is not entitled under Section 1327 to receive notice of the filing of a new or additional claim and is entitled under Section 1329 to receive notice of computation may, within 15 days after mailing of such notice of computation, submit to the Department of Human Resources Development any facts within its possession disclosing whether the claimant left such employer's employ voluntarily and without good cause or was discharged from such employment for misconduct connected with his work, or whether the claimant was a student employed on a temporary basis and whose employment began within, and ended with his leaving to return to school at the close of, his vacation period. The period during which the employer may submit such facts may be extended by the Director of the Department of Human Resources Development for good cause.

(c) The Department of Human Resources Development shall consider such facts together with any information in its possession and promptly notify the employer of its ruling as to the cause of the termination of the claimant's employment. Any ruling may for good cause be reconsidered by the department within 15 days after mailing or personal service of the notice of ruling. For purposes of this section only, if the claimant voluntarily leaves such employer's employ without notification to the employer of the reasons therefor, and if the employer submits all of the facts within its possession concerning such leaving within the applicable time period referred to in this section, such leaving shall be presumed to be without good cause. An individual whose employment is terminated under the compulsory retirement provisions of a collective bargaining agreement to which the employer is a party shall not be deemed to have voluntarily left his employment without good cause. An appeal may be taken from a ruling or reconsidered ruling in the manner prescribed in Section 1328. The Director of the Department of Human Resources Development shall be an interested party to any appeal.

SEC. 148. Section 1030 of the Unemployment Insurance Code is amended to read:

1030. (a) Any employer who is entitled under Section 1327 to receive notice of the filing of a new or additional claim may, within 10 days after mailing of such notice, submit to the Department of Employment Development any facts within its possession disclosing whether the claimant left such employer's employ voluntarily and without good cause or was discharged from such employment for misconduct connected with his work, or whether the claimant was

a student employed on a temporary basis and whose employment began within, and ended with his leaving to return to school at the close of, his vacation period. The period during which the employer may submit such facts may be extended by the Director of Employment Development for good cause.

(b) Any base period employer who is not entitled under Section 1327 to receive notice of the filing of a new or additional claim and is entitled under Section 1329 to receive notice of computation may, within 15 days after mailing of such notice of computation, submit to the Department of Employment Development any facts within its possession disclosing whether the claimant left such employer's employ voluntarily and without good cause or was discharged from such employment for misconduct connected with his work, or whether the claimant was a student employed on a temporary basis and whose employment began within, and ended with his leaving to return to school at the close of, his vacation period. The period during which the employer may submit such facts may be extended by the Director of Employment Development for good cause.

(c) The Department of Employment Development shall consider such facts together with any information in its possession and promptly notify the employer of its ruling as to the cause of the termination of the claimant's employment. Any ruling may for good cause be reconsidered by the department within 15 days after mailing or personal service of the notice of ruling. For purposes of this section only, if the claimant voluntarily leaves such employer's employ without notification to the employer of the reasons therefor, and if the employer submits all of the facts within its possession concerning such leaving within the applicable time period referred to in this section, such leaving shall be presumed to be without good cause. An individual whose employment is terminated under the compulsory retirement provisions of a collective bargaining agreement to which the employer is a party shall not be deemed to have voluntarily left his employment without good cause. An appeal may be taken from a ruling or reconsidered ruling in the manner prescribed in Section 1328 The Director of Employment Development shall be an interested party to any appeal.

SEC. 149. Section 1030.5 of the Unemployment Insurance Code is amended to read:

1030.5. If the Director of the Department of Human Resources Development finds that any employer or any employee, officer, or agent of any employer, in submitting facts pursuant to Section 1030, 3701, or 4701, willfully makes a false statement or representation or willfully fails to report a material fact concerning the termination of a claimant's employment, the director shall make a determination thereon charging the employer's reserve account not less than two or more than 10 times the weekly benefit amount of such claimant. The director shall give notice to the employer of a determination under this section. An appeal may be taken from a determination in the manner prescribed in Section 1328. The Director of the

Department of Human Resources Development shall be an interested party to any appeal.

SEC. 150 Section 1030.5 of the Unemployment Insurance Code is amended to read.

1030.5. If the Director of Employment Development finds that any employer or any employee, officer, or agent of any employer, in submitting facts pursuant to Section 1030, 3701, or 4701, willfully makes a false statement or representation or willfully fails to report a material fact concerning the termination of a claimant's employment, the director shall make a determination thereon charging the employer's reserve account not less than two or more than 10 times the weekly benefit amount of such claimant. The director shall give notice to the employer of a determination under this section. An appeal may be taken from a determination in the manner prescribed in Section 1328. The Director of Employment Development shall be an interested party to any appeal.

SEC. 151. Section 1031 of the Unemployment Insurance Code is amended to read·

1031. No ruling made under Section 1030 may constitute a basis for the disqualification of any claimant but a determination by the Department of Human Resources Development made under the provisions of Section 1328 may constitute a ruling under Section 1030.

SEC. 152. Section 1031 of the Unemployment Insurance Code is amended to read·

1031. No ruling made under Section 1030 may constitute a basis for the disqualification of any claimant but a determination by the Department of Employment Development made under the provisions of Section 1328 may constitute a ruling under Section 1030.

SEC. 153. Section 1032.5 of the Unemployment Insurance Code is amended to read·

1032.5. (a) Any base period employer may, within 15 days after mailing of a notice of computation under Section 1329, submit to the Department of Human Resources Development facts within its possession disclosing that the individual claiming benefits is rendering services for that employer in less than full-time work and is receiving wages less than his weekly benefit amount, and that the individual has continuously, commencing in or prior to the beginning of the base period, rendered services for that employer in such less than full-time work for wages less than the weekly benefit amount.

(b) The Department of Human Resources Development shall consider facts submitted under subdivision (a) of this section together with any information in its possession and promptly notify the employer of its ruling If the department finds that an individual is, under Section 1252, unemployed in any week on the basis of his having less than full-time work and receiving wages less than his weekly benefit amount, and that the employer submitting facts under this section is a base period employer for whom the individual has continuously, commencing in or prior to the beginning of the

base period, rendered services in such less than full-time work for wages less than the weekly benefit amount, that employer's account shall not be charged for benefits paid the individual in any week in which such wages are payable by that employer to the individual. Any ruling may for good cause be reconsidered by the department within 15 days after mailing or personal service of the notice of ruling. An appeal may be taken from a ruling or reconsidered ruling in the manner prescribed in Section 1328. The Director of the Department of Human Resources Development shall be an interested party to any appeal.

SEC. 154. Section 1032.5 of the Unemployment Insurance Code is amended to read:

1032.5. (a) Any base period employer may, within 15 days after mailing of a notice of computation under Section 1329, submit to the Department of Employment Development facts within its possession disclosing that the individual claiming benefits is rendering services for that employer in less than full-time work and is receiving wages less than his weekly benefit amount, and that the individual has continuously, commencing in or prior to the beginning of the base period, rendered services for that employer in such less than full-time work for wages less than the weekly benefit amount.

(b) The Department of Employment Development shall consider facts submitted under subdivision (a) of this section together with any information in its possession and promptly notify the employer of its ruling. If the department finds that an individual is, under Section 1252, unemployed in any week on the basis of his having less than full-time work and receiving wages less than his weekly benefit amount, and that the employer submitting facts under this section is a base period employer for whom the individual has continuously, commencing in or prior to the beginning of the base period, rendered services in such less than full-time work for wages less than the weekly benefit amount, that employer's account shall not be charged for benefits paid the individual in any week in which such wages are payable by that employer to the individual. Any ruling may for good cause be reconsidered by the department within 15 days after mailing or personal service of the notice of ruling. An appeal may be taken from a ruling or reconsidered ruling in the manner prescribed in Section 1328. The Director of Employment Development shall be an interested party to any appeal.

SEC. 155. Section 1087 of the Unemployment Insurance Code is amended to read:

1087. Any officer or employee of the Sales and Use Tax Division of the Board of Equalization who is authorized to accept an application for a seller's permit under Section 6066 of the Revenue and Taxation Code or authorized to register a retailer under Section 6226 of the Revenue and Taxation Code is a duly authorized agent of the Department of Benefit Payments for purposes of accepting registration of employers as required in this part. Any officer or

employee of the Board of Equalization who is authorized to accept an application for a license to operate commercial motor vehicles under Section 9701 of the Revenue and Taxation Code or authorized to issue a license under Section 9703 of the Revenue and Taxation Code is a duly authorized agent of the Department of Benefit Payments for purposes of accepting registration of employers as required in this part.

The department shall reimburse the Board of Equalization for any additional costs incurred by reason of services by any of its officers or employees to the department pursuant to this section.

SEC. 156 Section 1095 of the Unemployment Insurance Code is amended to read:

1095. The director and the Director of the Department of Human Resources Development shall permit the use of any information in his possession to the extent necessary for any of the following purposes.

(a) To properly present a claim for benefits

(b) To acquaint a worker or his authorized agent with his existing or prospective right to benefits.

(c) To furnish an employer or his authorized agent with information to enable him to fully discharge his obligations or safeguard his rights under this division

(d) To enable an employer to receive a reduction in contribution rate.

(e) To enable the Director of Benefit Payments or his representatives or the Director of Health or his representatives subject to federal law to verify or determine the eligibility or entitlement of an applicant for, or a recipient of, public social services provided pursuant to the Welfare and Institutions Code, and directly connected with and limited to the administration of public social services, or to enable the Director of Benefit Payments or his representative to carry out his responsibilities under this code.

(f) To enable the Director of the Department of Human Resources Development or his representative to carry out his responsibilities under this code

SEC. 157. Section 1095 of the Unemployment Insurance Code is amended to read:

1095. The director and the Director of Employment Development shall permit the use of any information in his possession to the extent necessary for any of the following purposes:

(a) To properly present a claim for benefits.

(b) To acquaint a worker or his authorized agent with his existing or prospective right to benefits.

(c) To furnish an employer or his authorized agent with information to enable him to fully discharge his obligations or safeguard his rights under this division.

(d) To enable an employer to receive a reduction in contribution rate.

(e) To enable the Director of Benefit Payments or his

representatives or the Director of Health or his representatives subject to federal law to verify or determine the eligibility or entitlement of an applicant for, or a recipient of, public social services provided pursuant to the Welfare and Institutions Code, and directly connected with and limited to the administration of public social services, or to enable the Director of Benefit Payments or his representative to carry out his responsibilities under this code

(f) To enable the Director of Employment Development or his representative to carry out his responsibilities under this code

SEC 158 Section 1282 of the Unemployment Insurance Code is amended to read·

1282. If the remuneration of an individual is not based upon a fixed period or duration of time or if the individual's wages are paid at irregular intervals or in such manner as not to extend regularly over the period of employment, the wages for any week or for any calendar quarter for the purpose of computing an individual's right to unemployment compensation benefits shall be determined pursuant to authorized regulations of the Director of Benefit Payments The regulations shall, so far as possible, secure results reasonably similar to those which would prevail if the individual were paid his wages at regular intervals.

SEC. 159 Section 1326 of the Unemployment Insurance Code is amended to read.

1326. Claims for unemployment compensation benefits shall be made in accordance with authorized regulations of the Director of the Department of Human Resources Development. Except as otherwise provided in this article, the Department of Human Resources Development shall promptly pay benefits if it finds the claimant is eligible or shall promptly deny benefits if it finds the claimant is ineligible

SEC. 160. Section 1326 of the Unemployment Insurance Code is amended to read:

1326. Claims for unemployment compensation benefits shall be made in accordance with authorized regulations of the Director of Employment Development. Except as otherwise provided in this article, the Department of Employment Development shall promptly pay benefits if it finds the claimant is eligible or shall promptly deny benefits if it finds the claimant is ineligible.

SEC. 161. Section 1327 of the Unemployment Insurance Code is amended to read:

1327 The Department of Human Resources Development shall give a notice of the filing of a new or additional claim to the employing unit by which the claimant was last employed immediately preceding the filing of such claim The employing unit so notified shall submit within 10 days after the mailing of such notice any facts then known which may affect the claimant's eligibility for benefits

SEC. 162. Section 1327 of the Unemployment Insurance Code is amended to read:

1327 The Department of Employment Development shall give a notice of the filing of a new or additional claim to the employing unit by which the claimant was last employed immediately preceding the filing of such claim The employing unit so notified shall submit within 10 days after the mailing of such notice any facts then known which may affect the claimant's eligibility for benefits.

SEC. 163 Section 1328 of the Unemployment Insurance Code is amended to read·

1328. The Department of Human Resources Development shall consider the facts submitted by an employer pursuant to Section 1327 and make a determination as to the claimant's eligibility for benefits. The Department of Human Resources Development shall promptly notify the claimant and any employer who prior to the determination has submitted any facts or given any notice pursuant to Section 1327 and authorized regulations of the determination and the reasons therefor. The claimant and any such employer may appeal therefrom to a referee within 10 days from mailing or personal service of notice of the determination. The 10-day period may be extended for good cause The Director of the Department of Human Resources Development shall be an interested party to any appeal.

SEC. 164 Section 1328 of the Unemployment Insurance Code is amended to read.

1328. The Department of Employment Development shall consider the facts submitted by an employer pursuant to Section 1327 and make a determination as to the claimant's eligibility for benefits. The Department of Employment Development shall promptly notify the claimant and any employer who prior to the determination has submitted any facts or given any notice pursuant to Section 1327 and authorized regulations of the determination and the reasons therefor. The claimant and any such employer may appeal therefrom to a referee within 10 days from mailing or personal service of notice of the determination. The 10-day period may be extended for good cause. The Director of Employment Development shall be an interested party to any appeal.

SEC. 165. Section 1329 of the Unemployment Insurance Code is amended to read.

1329 Upon the filing of a new claim for benefits, the Department of Benefit Payments shall promptly make a computation on the claim which shall set forth the maximum amount of benefits potentially payable during the benefit year and the weekly benefit amount. The Department of Benefit Payments shall promptly notify the claimant of the computation. The Department of Benefit Payments shall promptly notify each of the claimant's base period employers of the computation after the payment of the first weekly benefit.

SEC 166. Section 1330 of the Unemployment Insurance Code is amended to read:

1330. Upon the receipt of notice of the computation or recomputation, the claimant and any base period employer so

notified may protest the accuracy of the computation or recomputation. The Department of Benefit Payments shall consider any such protest and shall promptly notify the claimant and the base period employer submitting the protest of the recomputation or denial of recomputation. An appeal may be taken from a notice of denial of recomputation in the manner prescribed in Section 1328. The Director of Benefit Payments shall be an interested party to any appeal.

SEC. 167. Section 1331 of the Unemployment Insurance Code is amended to read:

1331. Upon the receipt of notice of the computation, any base period employer so notified shall submit to the Department of Human Resources Development any facts then known which he was not previously required to submit to the department under Section 1327 which may affect the claimant's eligibility for benefits The Department of Human Resources Development shall make a determination thereon and shall promptly notify the claimant and the base period employer submitting the facts of the determination and the reasons therefor. An appeal may be taken in the manner prescribed in Section 1328. The Director of the Department of Human Resources Development shall be an interested party to any appeal.

SEC. 168. Section 1331 of the Unemployment Insurance Code is amended to read:

1331. Upon the receipt of notice of the computation, any base period employer so notified shall submit to the Department of Employment Development any facts then known which he was not previously required to submit to the department under Section 1327 which may affect the claimant's eligibility for benefits. The Department of Employment Development shall make a determination thereon and shall promptly notify the claimant and the base period employer submitting the facts of the determination and the reasons therefor. An appeal may be taken in the manner prescribed in Section 1328. The Director of Employment Development shall be an interested party to any appeal.

SEC. 169. Section 1332 of the Unemployment Insurance Code is amended to read:

1332. (a) The Department of Human Resources Development may for good cause reconsider any determination provided for in this article within 15 days after mailing or personal service of the notice of determination. The Department of Human Resources Development shall give notice of any reconsidered determination to the claimant and any employer or employing unit which received notice under Sections 1328 and 1331, and the claimant or employer may appeal therefrom in the manner prescribed in Section 1328.

(b) The Department of Benefit Payments may for good cause reconsider any computation or recomputation provided for in this article during the benefit year or extended duration period to which the notice of computation or recomputation relates, except that no

recomputation may be considered with respect to any issue considered or under consideration in an appeal taken from a denial of recomputation. The Department of Benefit Payments shall promptly notify the claimant and each of the claimant's base period employers of the recomputation. The claimant and any base period employer may protest the accuracy of the recomputation as prescribed in Section 1330.

SEC. 170. Section 1332 of the Unemployment Insurance Code is amended to read:

1332. (a) The Department of Employment Development may for good cause reconsider any determination provided for in this article within 15 days after mailing or personal service of the notice of determination. The Department of Employment Development shall give notice of any reconsidered determination to the claimant and any employer or employing unit which received notice under Sections 1328 and 1331 and the claimant or employer may appeal therefrom in the manner prescribed in Section 1328.

(b) The Department of Benefit Payments may for good cause reconsider any computation or recomputation provided for in this article during the benefit year or extended duration period to which the notice of computation or recomputation relates, except that no recomputation may be considered with respect to any issue considered or under consideration in an appeal taken from a denial of recomputation. The Department of Benefit Payments shall promptly notify the claimant and each of the claimant's base period employers of the recomputation. The claimant and any base period employer may protest the accuracy of the recomputation as prescribed in Section 1330.

SEC. 171. Section 1332.5 of the Unemployment Insurance Code is amended to read:

1332.5. (a) Notwithstanding any other provision of this division any provision that prescribes time limits within which the Department of Human Resources Development may reconsider any determination or ruling, or any provision that otherwise restricts or prevents such reconsideration, shall not apply in any case of fraud, misrepresentation or willful nondisclosure.

(b) Notwithstanding any other provision of this division any provision that prescribes time limits within which the Department of Benefit Payments may reconsider any computation, or any provision that otherwise restricts or prevents such reconsideration, shall not apply in any case of fraud, misrepresentation or willful nondisclosure.

SEC. 172. Section 1332.5 of the Unemployment Insurance Code is amended to read:

1332.5. (a) Notwithstanding any other provision of this division any provision that prescribes time limits within which the Department of Employment Development may reconsider any determination or ruling, or any provision that otherwise restricts or prevents such reconsideration, shall not apply in any case of fraud,

misrepresentation or willful nondisclosure.

(b) Notwithstanding any other provision of this division any provision that prescribes time limits within which the Department of Benefit Payments may reconsider any computation, or any provision that otherwise restricts or prevents such reconsideration, shall not apply in any case of fraud, misrepresentation or willful nondisclosure.

SEC. 173. Section 1338 of the Unemployment Insurance Code is amended to read:

1338. If the Appeals Board issues a decision allowing benefits the benefits shall be paid regardless of any further action taken by the Director of the Department of Human Resources Development, the Director of Benefit Payments, the Appeals Board, or any other administrative agency, and regardless of any appeal or mandamus, or other proceeding in the courts. If the decision of the Appeals Board is finally reversed or set aside, no employer's account shall be charged with the benefits paid pursuant to this section.

SEC. 174. Section 1338 of the Unemployment Insurance Code is amended to read:

1338. If the Appeals Board issues a decision allowing benefits the benefits shall be paid regardless of any further action taken by the Director of Employment Development, the Director of Benefit Payments, the Appeals Board, or any other administrative agency, and regardless of any appeal or mandamus, or other proceeding in the courts. If the decision of the Appeals Board is finally reversed or set aside, no employer's account shall be charged with the benefits paid pursuant to this section.

SEC. 175. Section 1339 of the Unemployment Insurance Code is amended to read:

1339. (a) The Department of Human Resources Development shall pay unemployment compensation benefits through public employment offices or such other agency as may be prescribed by authorized regulations of the Director of Human Resources Development.

(b) Each check or certification (pay order) issued in payment of unemployment insurance compensation benefits shall have prominently imprinted upon it: "State unemployment insurance benefits under the California Unemployment Insurance Code are paid for by employers."

SEC. 176. Section 1339 of the Unemployment Insurance Code is amended to read:

1339. (a) The Department of Employment Development shall pay unemployment compensation benefits through public employment offices or such other agency as may be prescribed by authorized regulations of the Director of Employment Development.

(b) Each check or certification (pay order) issued in payment of unemployment insurance compensation benefits shall have prominently imprinted upon it: "State unemployment insurance

benefits under the California Unemployment Insurance Code are paid for by employers."

SEC. 177. Section 1341 of the Unemployment Insurance Code is amended to read:

1341 Benefits due a deceased or legally declared incompetent person may be paid to such person or persons as appears to the Director of the Department of Human Resources Development to be legally entitled thereto in accordance with authorized regulations of the Director of the Department of Human Resources Development. Such payment shall be made upon affidavit executed by the person or persons claiming to be entitled to the benefits and the receipt of the affidavit or affidavits shall fully discharge the Director of the Department of Human Resources Development from any further liability with reference to the payments, without the necessity of inquiring into the truth of any of the facts stated in the affidavit.

SEC. 178. Section 1341 of the Unemployment Insurance Code is amended to read:

1341 Benefits due a deceased or legally declared incompetent person may be paid to such person or persons as appears to the Director of Employment Development to be legally entitled thereto in accordance with authorized regulations of the Director of Employment Development. Such payment shall be made upon affidavit executed by the person or persons claiming to be entitled to the benefits and the receipt of the affidavit or affidavits shall fully discharge the Director of Employment Development from any further liability with reference to the payments, without the necessity of inquiring into the truth of any of the facts stated in the affidavit.

SEC. 179. Section 1376 of the Unemployment Insurance Code is amended to read:

1376. The Director of the Department of Human Resources Development shall determine the amount of the overpayment and shall notify the liable person of the basis of the overpayment determination. In the absence of fraud, misrepresentation, or willful nondisclosure, notice of the overpayment determination shall be mailed or personally served not later than one year after the close of the benefit year in which the overpayment was made.

SEC. 180. Section 1376 of the Unemployment Insurance Code is amended to read:

1376 The Director of Employment Development shall determine the amount of the overpayment and shall notify the liable person of the basis of the overpayment determination. In the absence of fraud, misrepresentation, or willful nondisclosure, notice of the overpayment determination shall be mailed or personally served not later than one year after the close of the benefit year in which the overpayment was made.

SEC 181. Section 1379 of the Unemployment Insurance Code is amended to read·

1379. The Director of the Department of Human Resources Development, subject to the provisions of this article, may do any or all of the following in the recovery of overpayments:

(a) File a civil action against the liable person for the recovery of the amount of the overpayment within one year after any of the following:

(1) The mailing or personal service of the notice of overpayment determination if the person affected does not file an appeal to a referee.

(2) The mailing of the decision of the referee if the person affected does not initiate a further appeal to the Appeals Board.

(3) The date of the decision of the Appeals Board.

(b) Offset the amount of the overpayment received by the liable person against any amount of benefits to which he may become entitled under this division within any of the following periods:

(1) The current disability benefit period.

(2) The current benefit year.

(3) Any benefit year which begins during the three-year period next succeeding the date of the mailing or personal service of the notice of overpayment determination.

(4) One year from the beginning date of any disability benefit period which begins during the three-year period next succeeding the date of the mailing or personal service of the notice of overpayment determination.

SEC. 182. Section 1379 of the Unemployment Insurance Code is amended to read:

1379. The Director of Employment Development, subject to the provisions of this article, may do any or all of the following in the recovery of overpayments:

(a) File a civil action against the liable person for the recovery of the amount of the overpayment within one year after any of the following:

(1) The mailing or personal service of the notice of overpayment determination if the person affected does not file an appeal to a referee.

(2) The mailing of the decision of the referee if the person affected does not initiate a further appeal to the Appeals Board.

(3) The date of the decision of the Appeals Board.

(b) Offset the amount of the overpayment received by the liable person against any amount of benefits to which he may become entitled under this division within any of the following periods:

(1) The current disability benefit period.

(2) The current benefit year.

(3) Any benefit year which begins during the three-year period next succeeding the date of the mailing or personal service of the notice of overpayment determination.

(4) One year from the beginning date of any disability benefit period which begins during the three-year period next succeeding the date of the mailing or personal service of the notice of

overpayment determination.

SEC. 183. Section 1501 of the Unemployment Insurance Code is amended to read:

1501. The director and the Director of Benefit Payments may in accordance with law deposit for the purpose of clearance by the director all money collected under this division, in a state or national bank in this state. After clearance the money so deposited shall be deposited in the State Treasury to the credit of the proper fund as prescribed in this division.

SEC. 184. Section 1536 of the Unemployment Insurance Code is amended to read:

1536. Any amounts determined by the Director of Benefit Payments or his authorized representatives to be payable to employing units as refunds of contributions erroneously paid which are unclaimed at the end of three years from such determination shall be included in the revenue to the Unemployment Fund or in the case of interest or penalties, to the Contingent Fund. The employing unit or person entitled to such payment shall not thereafter maintain any claim, action or proceeding with respect to such amounts.

SEC. 185. Section 1537 of the Unemployment Insurance Code is amended to read:

1537. Whenever any warrant drawn on an account in the Unemployment Fund or on the Unemployment Administration Fund or the Contingent Fund by the State Controller remains unclaimed after three years the amount thereof shall revert to the account and the fund from which the amount was payable.

SEC. 186. Section 1585 of the Unemployment Insurance Code is amended to read:

1585. The Department of Human Resources Development Contingent Fund is continued in existence as a special fund in the State Treasury. There shall be deposited in or transferred to this fund:

(a) All interest on contributions collected under this division.

(b) All penalties collected under this division, except as provided in Sections 1958 and 3654.2.

(c) Notwithstanding any other provision of law, all penalties and interest collected by the Department of Benefit Payments pursuant to the provisions of the Revenue and Taxation Code relating to the withholding of personal income tax.

(d) Rental payments or proceeds attributable to property derived from amounts expended from this fund.

(e) Interest on amounts expended from this fund.

SEC. 187. Section 1585 of the Unemployment Insurance Code is amended to read:

1585. There is in the State Treasury a special fund known as the Department of Employment Development Contingent Fund. The Department of Employment Development Contingent Fund is the successor of the Department of Human Resources Development

Contingent Fund. There shall be deposited in or transferred to this fund:

(a) All interest on contributions collected under this division.

(b) All penalties collected under this division, except as provided in Sections 1958 and 3654.2.

(c) Notwithstanding any other provision of law, all penalties and interest collected by the Department of Benefit Payments pursuant to the provisions of the Revenue and Taxation Code relating to the withholding of personal income tax

(d) Rental payments or proceeds attributable to property derived from amounts expended from this fund.

(e) Interest on amounts expended from this fund.

SEC 188. Section 1585.5 of the Unemployment Insurance Code is amended to read:

1585.5. The Director of Benefit Payments shall estimate the amount of penalties and interest collected by the Department of Benefit Payments pursuant to the provisions of the Revenue and Taxation Code relating to the withholding of personal income tax and shall notify the Director of the Department of Human Resources Development who shall transfer said amount to the Personal Income Tax Fund on a quarterly basis.

SEC. 189 Section 1585 5 of the Unemployment Insurance Code is amended to read:

1585.5. The Director of Benefit Payments shall estimate the amount of penalties and interest collected by the Department of Benefit Payments pursuant to the provisions of the Revenue and Taxation Code relating to the withholding of personal income tax and shall notify the Director of Employment Development who shall transfer said amount to the Personal Income Tax Fund on a quarterly basis.

SEC. 190. Section 1586 of the Unemployment Insurance Code is amended to read:

1586. All amounts in the Contingent Fund are hereby continuously appropriated without regard to fiscal years for refund of amounts collected after January 29, 1945, and erroneously deposited therein, for interest payable under this division on refunds and judgments and for the administration of the Departments of Benefit Payments and Human Resources Development.

SEC. 191. Section 1586 of the Unemployment Insurance Code is amended to read:

1586. All amounts in the Contingent Fund are hereby continuously appropriated without regard to fiscal years for refund of amounts collected after January 29, 1945, and erroneously deposited therein, for interest payable under this division on refunds and judgments and for the administration of the Departments of Benefit Payments and Employment Development.

SEC. 192. Section 1587 of the Unemployment Insurance Code is amended to read:

1587. No expenditure for administration shall be made from the

Contingent Fund except under an authorization made by the Director of Finance in the manner prescribed in Section 11006 of the Government Code. No such authorization shall be made as a substitution for a grant of federal funds, or for any portion thereof, which in the absence of the authorization would be available to the Departments of Benefit Payments and Human Resources Development.

SEC 193. Section 1587 of the Unemployment Insurance Code is amended to read.

1587. No expenditure for administration shall be made from the Contingent Fund except under an authorization made by the Director of Finance in the manner prescribed in Section 11006 of the Government Code No such authorization shall be made as a substitution for a grant of federal funds, or for any portion thereof, which in the absence of the authorization would be available to the Departments of Benefit Payments and Employment Development.

SEC. 194. Section 1589 of the Unemployment Insurance Code, as amended by Chapter 333 of the Statutes of 1972, is amended to read:

1589 In lieu of filing claims for refund and interest payable on refunds against each of the funds from which an amount has been determined to be due under this division, the Director of Benefit Payments may file a single claim with the State Controller showing the amount payable from each fund for payment from the Contingent Fund, and the Controller shall thereupon draw his warrant on the Contingent Fund and transfer the amounts certified by the Director of Benefit Payments to be due from the Clearing Account-Unemployment Fund, the Unemployment Compensation Disability Fund, and the Personal Income Tax Fund, to the Contingent Fund.

SEC. 195. Section 1601 of the Unemployment Insurance Code is amended to read:

1601. When money other than Disability Fund money is used in the purchase of property and in the construction of buildings, and appurtenant facilities, or in the purchase of property, or in the construction of buildings, and appurtenant facilities, for the use of the Departments of Benefit Payments and Human Resources Development, or for the use of such departments and other state agencies, the Director of the Department of Human Resources Development may do any and all things necessary to protect the property including purchasing insurance against the loss of or damage to the property or the loss of use and occupancy of the property. Any transaction entered into by the Director of the Department of Human Resources Development under this section shall be subject to the approval of the Department of General Services.

SEC. 196. Section 1601 of the Unemployment Insurance Code is amended to read:

1601 When money other than Disability Fund money is used in the purchase of property and in the construction of buildings, and

appurtenant facilities, or in the purchase of property, or in the construction of buildings, and appurtenant facilities, for the use of the Departments of Benefit Payments and Employment Development, or for the use of such departments and other state agencies, the Director of Employment Development may do any and all things necessary to protect the property including purchasing insurance against the loss of or damage to the property or the loss of use and occupancy of the property. Any transaction entered into by the Director of Employment Development under this section shall be subject to the approval of the Department of General Services.

SEC. 197. Section 1701.5 is added to the Unemployment Insurance Code, to read:

1701.5. Unless otherwise specified, "director" as used in this chapter means the Director of Benefit Payments and "department" means the Department of Benefit Payments.

SEC. 198. Section 2110 of the Unemployment Insurance Code is amended to read:

2110. Any employing unit, including any individual member of a partnership employing unit, any officer of a corporate or association employing unit, and the general manager, or any other person having charge of the affairs of a corporate or association employing unit, which knowingly withholds the deductions required by this division from remuneration paid to its workers, and willfully fails or is willfully financially unable to pay such deductions to the Department of Benefit Payments on the date on which they become delinquent is guilty of a misdemeanor.

SEC. 199. Section 2110.3 of the Unemployment Insurance Code is amended to read:

2110.3. Any employing unit, including any individual member of a partnership employing unit, any officer of a corporate or association employing unit, and the general manager, or any other person having charge of the affairs of a corporate or association employing unit, which knowingly undertakes or agrees to pay without deduction from remuneration paid to its workers the amount of any contributions to the Disability Fund required of such workers under this division and which willfully fails or is willfully financially unable to pay such amount to the Department of Benefit Payments on the date on which the contributions become delinquent is guilty of a misdemeanor.

SEC. 200. Section 2111 of the Unemployment Insurance Code is amended to read:

2111. Except as otherwise provided in Section 1094 information obtained in the course of administration of this division is confidential and shall not be published or open to public inspection in any manner. Any director or deputy director or employee of the Department of Human Resources Development or of the Department of Benefit Payments, any member or employee of the Appeals Board, or any member or employee of the Job Training, Development and Placement Services Advisory Board who violates

this section is guilty of a misdemeanor.

SEC. 201. Section 2111 of the Unemployment Insurance Code is amended to read:

2111. Except as otherwise provided in Section 1094 information obtained in the course of administration of this division is confidential and shall not be published or open to public inspection in any manner. Any director or deputy director or employee of the Department of Employment Development or of the Department of Benefit Payments, any member or employee of the Appeals Board, or any member or employee of the Employment Services Board who violates this section is guilty of a misdemeanor.

SEC. 202. Section 2113 of the Unemployment Insurance Code is amended to read:

2113. Nothing in this division shall prevent the Department of Human Resources Development from accepting restitution or an acceptable arrangement for restitution, made voluntarily before such department files a criminal complaint, for overpayment of benefits from any person, who has not previously claimed any right under this section, who has not been convicted of an offense under Section 2101 within three years preceding the service under this section of a written notice of intent to file a criminal complaint and who has willfully made a false statement or representation or knowingly failed to disclose a material fact to obtain or increase any benefit under any provision of this division. The Department of Human Resources Development shall by mail or personal service give such person written notice of intent to file a criminal complaint not less than 10 days prior to the filing of the criminal complaint. The Department of Human Resources Development may accept restitution or an arrangement for restitution and any such acceptance shall be in lieu of any criminal action against such person, except that such department shall not be precluded from filing a criminal action against any person who defaults under an arrangement for restitution which it has accepted. For purposes of this section, no period of time during which an arrangement for restitution is in effect shall be a part of any limitation of the time for commencing a criminal action. The Department of Human Resources Development shall deposit amounts received from any person under this section in the fund from which the overpayments were made.

SEC. 203. Section 2113 of the Unemployment Insurance Code is amended to read:

2113. Nothing in this division shall prevent the Department of Employment Development from accepting restitution or an acceptable arrangement for restitution, made voluntarily before such department files a criminal complaint, for overpayment of benefits from any person, who has not previously claimed any right under this section, who has not been convicted of an offense under Section 2101 within three years preceding the service under this section of a written notice of intent to file a criminal complaint and

who has willfully made a false statement or representation or knowingly failed to disclose a material fact to obtain or increase any benefit under any provision of this division. The Department of Employment Development shall by mail or personal service give such person written notice of intent to file a criminal complaint not less than 10 days prior to the filing of the criminal complaint. The Department of Employment Development may accept restitution or an arrangement for restitution and any such acceptance shall be in lieu of any criminal action against such person, except that such department shall not be precluded from filing a criminal action against any person who defaults under an arrangement for restitution which it has accepted. For purposes of this section, no period of time during which an arrangement for restitution is in effect shall be a part of any limitation of the time for commencing a criminal action. The Department of Employment Development shall deposit amounts received from any person under this section in the fund from which the overpayments were made.

SEC. 204. Section 2113 of the Unemployment Insurance Code is amended to read:

2113. Nothing in this division shall prevent the Department of Human Resources Development from accepting restitution or an acceptable arrangement for restitution of any overpayment of benefits, made voluntarily before such department files a criminal complaint, from any person who has not previously claimed any rights under this section, who has not, within three years preceding the service under this section of a written notice of intent to file a criminal complaint, been convicted of an offense under Section 2101 or 2102 of this code or under Section 470 of the Penal Code relating to any benefit or payment under this division or under the unemployment insurance law of any other state, and who has willfully made a false statement or representation or knowingly failed to disclose a material fact and has thereby obtained or increased benefits or payments under any state or federal statute specified by subdivision (b) of Section 2101 or by Section 2102 or has attempted thereby to obtain or increase any benefit or payment under any such state or federal statute. The Department of Human Resources Development shall by mail or personal service give such person written notice of intent to file a criminal complaint not less than 10 days prior to the filing of the criminal complaint. The Department of Human Resources Development may accept restitution or an arrangement for restitution and any such acceptance shall be in lieu of any criminal action against such person, except that such department shall not be precluded from filing a criminal action against any person who defaults under an arrangement for restitution which it has accepted. For purposes of this section, no period of time during which an arrangement for restitution is in effect shall be a part of any limitation of the time for commencing a criminal action. The Department of Human Resources Development shall deposit amounts received from any

person under this section in the fund from which the overpayments were made.

SEC. 205. Section 2113 of the Unemployment Insurance Code is amended to read:

2113. Nothing in this division shall prevent the Department of Employment Development from accepting restitution or an acceptable arrangement for restitution of any overpayment of benefits, made voluntarily before such department files a criminal complaint, from any person who has not previously claimed any right under this section, who has not, within three years preceding the service under this section of a written notice of intent to file a criminal complaint, been convicted of an offense under Section 2101 or 2102 of this code or under Section 470 of the Penal Code relating to any benefit or payment under this division or under the unemployment insurance law of any other state, and who has willfully made a false statement or representation or knowingly failed to disclose a material fact and has thereby obtained or increased benefits or payments under any state or federal statute specified by subdivision (b) of Section 2101 or by Section 2102 or has attempted thereby to obtain or increase any benefit or payment under any such state or federal statute. The Department of Employment Development shall by mail or personal service give such person written notice of intent to file a criminal complaint not less than 10 days prior to the filing of the criminal complaint. The Department of Employment Development may accept restitution or an arrangement for restitution and any such acceptance shall be in lieu of any criminal action against such person, except that such department shall not be precluded from filing a criminal action against any person who defaults under an arrangement for restitution which it has accepted. For purposes of this section, no period of time during which an arrangement for restitution is in effect shall be a part of any limitation of the time for commencing a criminal action. The Department of Employment Development shall deposit amounts received from any person under this section in the fund from which the overpayments were made.

SEC. 206. Section 2602 of the Unemployment Insurance Code is amended to read:

2602. (a) Except as otherwise provided, the provisions and definitions of Part 1 (commencing with Section 100) of this division apply to this part. In case of any conflict between the provisions of Part 1 and the provisions of this part, the provisions of this part shall prevail with respect to unemployment compensation disability benefits, and the provisions of Part 1 shall prevail with respect to unemployment compensation benefits.

(b) The provisions of Article 4 (commencing with Section 1375) and Article 5 (commencing with Section 1401) of Chapter 5 of Part 1, and the provisions of Chapter 6 (commencing with Section 1501) of Part 1 of this division do not apply to this part.

(c) Sections 312, 312.1, 318, 319, 625, 626, 627, 628, 1251, 1253, 1254,

1255, 1279, 1326 to 1333, inclusive, 1339, and 1340 do not apply to this part.

SEC. 207. Section 2602 of the Unemployment Insurance Code is amended to read:

2602. (a) Except as otherwise provided, the provisions and definitions of Part 1 (commencing with Section 100) of this division apply to this part. In case of any conflict between the provisions of Part 1 and the provisions of this part, the provisions of this part shall prevail with respect to unemployment compensation disability benefits, and the provisions of Part 1 shall prevail with respect to unemployment compensation benefits.

(b) The provisions of Article 4 (commencing with Section 1375) and Article 5 (commencing with Section 1401) of Chapter 5 of Part 1, and the provisions of Chapter 6 (commencing with Section 1501) of Part 1 of this division do not apply to this part.

(c) Sections 312, 312.1, 318, 319, 1251, 1253, 1254, 1255, 1279, 1326 to 1333, inclusive, 1339, and 1340 do not apply to this part.

SEC. 208. Section 2604 of the Unemployment Insurance Code is amended to read:

2604. Whenever the Director of the Department of Human Resources Development believes that a change in contributions rate or disability benefit amounts may become necessary to protect the solvency of the Disability Fund, he shall at once inform the Governor and the Legislature thereof and make recommendations accordingly. In such case the Governor may declare an emergency and authorize the Director of the Department of Human Resources Development to announce a modified scale of benefits or increased waiting period, or other changes in regulations regarding the eligibility for payment of benefits which the Director of the Department of Human Resources Development may deem necessary to assure the solvency of the Disability Fund; such modified regulations to be in effect until the Governor declares the emergency at an end or until further action is taken by the Legislature.

SEC. 209. Section 2604 of the Unemployment Insurance Code is amended to read:

2604. Whenever the Director of Employment Development believes that a change in contributions rate or disability benefit amounts may become necessary to protect the solvency of the Disability Fund, he shall at once inform the Governor and the Legislature thereof and make recommendations accordingly. In such case the Governor may declare an emergency and authorize the Director of Employment Development to announce a modified scale of benefits or increased waiting period, or other changes in regulations regarding the eligibility for payment of benefits which the Director of Employment Development may deem necessary to assure the solvency of the Disability Fund; such modified regulations to be in effect until the Governor declares the emergency at an end or until further action is taken by the Legislature.

SEC. 210. Section 2606 of the Unemployment Insurance Code is amended to read:

2606. "Employment" for the purposes of this part means:

(a) Service included in "employment" as defined by Part 1 of this division.

(b) Service in agricultural labor, including agricultural labor for an agricultural or horticultural organization.

(c) Notwithstanding any other provision of this division, all service performed in the employ of a corporation, community chest, fund, or foundation, in connection with the operation of a hospital as defined in subdivision (b) of Section 1250 of the Health and Safety Code including the institutions described in subdivisions (c), (e), and (g) of Section 1312 of the Health and Safety Code but not including county hospitals or those described in subdivisions (a) and (b) of Section 1312 of the Health and Safety Code, no part of the net earnings of which inures to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation, which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office and which is exempt from income tax under Section 501(a) of the Internal Revenue Code of 1954, except service performed by an individual as a duly ordained priest, clergyman, rabbi, rector, vicar, pastor, or minister of religion, or by a practitioner who heals the sick by prayer in the practice of religion, or by a reader whose duty it is to conduct regular religious services of a religious organization, or by a member of a religious order in the exercise of duties required by the order, or by any other individual performing service in the practice of religion by designation of the governing body of a religious organization and subject to discipline by, including removal by, such governing body.

SEC. 211 Section 2606 of the Unemployment Insurance Code is amended to read:

2606. "Employment" for the purposes of this part means:

(a) Service included in "employment" as defined by Part 1 of this division.

(b) Notwithstanding any other provision of this division, all service performed in the employ of a corporation, community chest, fund, or foundation, in connection with the operation of a hospital as defined in subdivision (b) of Section 1250 of the Health and Safety Code including the institutions described in subdivisions (c), (e), and (g) of Section 1312 of the Health and Safety Code but not including county hospitals or those described in subdivisions (a) and (b) of Section 1312 of the Health and Safety Code, no part of the net earnings of which inures to the benefit of any private shareholder or individual, no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation, which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any

candidate for public office and which is exempt from income tax under Section 501(a) of the Internal Revenue Code of 1954, except service performed by an individual as a duly ordained priest, clergyman, rabbi, rector, vicar, pastor, or minister of religion, or by a practitioner who heals the sick by prayer in the practice of religion, or by a reader whose duty it is to conduct regular religious services of a religious organization, or by a member of a religious order in the exercise of duties required by the order, or by any other individual performing service in the practice of religion by designation of the governing body of a religious organization and subject to discipline by, including removal by, such governing body.

SEC. 212. Section 2657 of the Unemployment Insurance Code is amended to read:

2657. If the remuneration of an individual is not based upon a fixed period or duration of time or if the individual's wages are paid at irregular intervals or in such manner as not to extend regularly over the period of employment, the wages for any week or for any calendar quarter for the purpose of computing an individual's right to disability benefits shall be determined pursuant to authorized regulations of the Director of Benefit Payments. The regulations shall, so far as possible, secure results reasonably similar to those which would prevail if the individual were paid his wages at regular intervals.

SEC 213. Section 2701 of the Unemployment Insurance Code is amended to read:

2701. Disability benefits shall be paid by the Department of Human Resources Development through public employment offices or other agencies approved by the Director of Human Resources Development.

SEC. 213.5. Section 2701 of the Unemployment Insurance Code is amended to read·

2701. Disability benefits shall be paid by the Department of Employment Development through public employment offices or other agencies approved by the Director of Employment Development.

SEC. 214. Section 2706 of the Unemployment Insurance Code is amended to read

2706 Claims for disability benefits shall be made in accordance with authorized regulations of the Director of the Department of Human Resources Development Each employer shall post and maintain in places readily accessible to individuals in his service printed statements concerning such regulations and shall make available to each such individual copies of such printed statements, regulations or matters relating to claims for disability benefits as the Director of the Department of Human Resources Development may prescribe. Such printed statements shall be supplied to each employer by the Director of the Department of Human Resources Development without cost to the employer.

SEC. 215. Section 2706 of the Unemployment Insurance Code is

amended to read

2706. Claims for disability benefits shall be made in accordance with authorized regulations of the Director of Employment Development. Each employer shall post and maintain in places readily accessible to individuals in his service printed statements concerning such regulations and shall make available to each such individual copies of such printed statements, regulations or matters relating to claims for disability benefits as the Director of Employment Development may prescribe Such printed statements shall be supplied to each employer by the Director of Employment Development without cost to the employer

SEC 216. Section 2706 1 of the Unemployment Insurance Code is amended to read

2706.1 A first claim, accompanied by a certificate on a form furnished by the Department of Human Resources Development to the claimant, shall be filed not later than the 20th consecutive day following the first compensable day of unemployment and disability with respect to which the claim is made for benefits, which time shall be extended by the Department of Human Resources Development upon a showing of good cause If a first claim is not complete, the claim form shall be returned to the claimant for completion and it shall be completed and returned not later than the 10th consecutive day after the date it was mailed by the Department of Human Resources Development to the claimant, except that such time shall be extended by the Department of Human Resources Development upon a showing of good cause

SEC 217. Section 2706 1 of the Unemployment Insurance Code is amended to read.

2706.1 A first claim, accompanied by a certificate on a form furnished by the Department of Employment Development to the claimant, shall be filed not later than the 20th consecutive day following the first compensable day of unemployment and disability with respect to which the claim is made for benefits, which time shall be extended by the Department of Employment Development upon a showing of good cause If a first claim is not complete, the claim form shall be returned to the claimant for completion and it shall be completed and returned not later than the 10th consecutive day after the date it was mailed by the Department of Employment Development to the claimant, except that such time shall be extended by the Department of Employment Development upon a showing of good cause.

SEC. 218. Section 2707 of the Unemployment Insurance Code is amended to read:

2707. The Department of Human Resources Development shall give a notice of the filing of a first claim for each disability benefit period to the employing unit by which the claimant was last employed immediately preceding the filing of such claim.

SEC. 219. Section 2707 of the Unemployment Insurance Code is amended to read:

2707. The Department of Employment Development shall give a notice of the filing of a first claim for each disability benefit period to the employing unit by which the claimant was last employed immediately preceding the filing of such claim.

SEC. 220. Section 2707.1 of the Unemployment Insurance Code is amended to read:

2707.1. Within two working days after receipt of the notice provided for in Section 2707, or if there has been a termination of the claimant's service within five days after such termination, whichever is the later, the last employer shall notify the Department of Human Resources Development of any information known to him which may bear upon the eligibility of the claimant.

SEC. 221. Section 2707.1 of the Unemployment Insurance Code is amended to read:

2707.1. Within two working days after receipt of the notice provided for in Section 2707, or if there has been a termination of the claimant's service within five days after such termination, whichever is the later, the last employer shall notify the Department of Employment Development of any information known to him which may bear upon the eligibility of the claimant.

SEC. 222. Section 2707.2 of the Unemployment Insurance Code is amended to read:

2707.2. The Department of Human Resources Development shall consider the facts submitted by the employer pursuant to Section 2707.1 and make a determination as to the eligibility of the claimant for benefits. The Department of Human Resources Development shall promptly notify the claimant of the determination and the reasons therefor. The claimant may appeal therefrom to a referee within 10 days from mailing or personal service of the notice of determination. The 10-day period may be extended for good cause. The Director of the Department of Human Resources Development and the Director of Benefit Payments shall be interested parties to any appeal.

SEC. 223. Section 2707.2 of the Unemployment Insurance Code is amended to read:

2707.2. The Department of Employment Development shall consider the facts submitted by the employer pursuant to Section 2707.1 and make a determination as to the eligibility of the claimant for benefits. The Department of Employment Development shall promptly notify the claimant of the determination and the reasons therefor. The claimant may appeal therefrom to a referee within 10 days from mailing or personal service of the notice of determination. The 10-day period may be extended for good cause. The Director of Employment Development and the Director of Benefit Payments shall be interested parties to any appeal.

SEC. 224. Section 2707.3 of the Unemployment Insurance Code is amended to read:

2707.3. (a) Except as provided in subdivision (b) of this section, upon the filing of a claim for unemployment compensation disability

benefits, the Department of Benefit Payments shall promptly make a computation on the claim which shall set forth the maximum amount of benefits potentially payable during the disability benefit period and the weekly benefit amount The Department of Benefit Payments shall promptly notify the claimant of the computation.

(b) No computation shall be made on a claim of an employee for disability benefits under an approved self-insured plan if the uninterrupted period of disability for such claim does not exceed the waiting period prescribed for benefits from the Disability Fund under subdivision (b) of Section 2627 and Section 2802.

SEC. 225. Section 2707.4 of the Unemployment Insurance Code is amended to read:

2707.4. Upon receipt of the notice of the computation, the claimant so notified may protest the accuracy of the computation. The Department of Benefit Payments shall consider any such protest and make a determination as to the accuracy of the computation. The Department of Benefit Payments shall promptly notify the claimant of the determination and he may appeal therefrom in the manner prescribed in Section 2707 2. The Director of Benefit Payments shall be an interested party to any appeal.

SEC. 226. Section 2707.5 of the Unemployment Insurance Code is amended to read·

2707.5. (a) The Department of Human Resources Development may for good cause reconsider any determination provided for in this article prior to the filing of an appeal therefrom. The Department of Human Resources Development shall promptly notify the claimant of any reconsidered determination, and the claimant may appeal therefrom in the manner provided herein for appeals from other determinations.

(b) The Department of Benefit Payments may for good cause reconsider any computation provided for in this article prior to the filing of an appeal therefrom.

SEC. 227. Section 2707.5 of the Unemployment Insurance Code is amended to read:

2707.5. (a) The Department of Employment Development may for good cause reconsider any determination provided for in this article prior to the filing of an appeal therefrom. The Department of Employment Development shall promptly notify the claimant of any reconsidered determination, and the claimant may appeal therefrom in the manner provided herein for appeals from other determinations.

(b) The Department of Benefit Payments may for good cause reconsider any computation provided for in this article prior to the filing of an appeal therefrom.

SEC. 228 Section 2707.6 of the Unemployment Insurance Code is amended to read:

2707.6. Notices, protests, and information required under this article shall be submitted in accordance with authorized regulations of the Department of Human Resources Development.

SEC. 229. Section 2707.6 of the Unemployment Insurance Code is amended to read:

2707.6. Notices, protests, and information required under this article shall be submitted in accordance with authorized regulations of the Department of Employment Development

SEC 230. Section 2710 of the Unemployment Insurance Code is amended to read:

2710. Claims for the benefits provided in Section 2801 shall be made in accordance with authorized regulations of the Director of the Department of Human Resources Development and shall be supported by a certificate signed by the physician of the claimant or by a practitioner duly authorized by any bona fide church, sect, denomination or organization whose principles or teachings call for dependence for healing entirely upon prayer or spiritual means stating the date the physician or duly authorized practitioner ordered the confinement and the duration of such confinement. With respect to any eligible claimant who is hospitalized in a county hospital in this state or is hospitalized by said county hospital in another hospital, a certificate stating the date that the physician ordered the confinement of the claimant and the duration of such confinement signed by the registrar of the hospital shall satisfy the requirements of this section. With respect to any eligible claimant who is hospitalized pursuant to court order or physician's or health officer's certificate, a statement from the superintendent or registrar of the hospital stating the dates of such confinement shall satisfy the requirements of this section.

SEC 231. Section 2710 of the Unemployment Insurance Code is amended to read:

2710. Claims for the benefits provided in Section 2801 shall be made in accordance with authorized regulations of the Director of Employment Development and shall be supported by a certificate signed by the physician of the claimant or by a practitioner duly authorized by any bona fide church, sect, denomination or organization whose principles or teachings call for dependence for healing entirely upon prayer or spiritual means stating the date the physician or duly authorized practitioner ordered the confinement and the duration of such confinement. With respect to any eligible claimant who is hospitalized in a county hospital in this state or is hospitalized by said county hospital in another hospital, a certificate stating the date that the physician ordered the confinement of the claimant and the duration of such confinement signed by the registrar of the hospital shall satisfy the requirements of this section. With respect to any eligible claimant who is hospitalized pursuant to court order or physician's or health officer's certificate, a statement from the superintendent or registrar of the hospital stating the dates of such confinement shall satisfy the requirements of this section.

SEC. 232. Section 2711 of the Unemployment Insurance Code, as amended by Chapter 863 of the Statutes of 1972, is amended to read:

2711. Where an individual eligible for additional benefits during

confinement in a hospital or nursing home has first given his written consent with respect to a particular claim, the additional benefits shall be paid by the Department of Human Resources Development directly to the hospital or nursing home in which he is confined in accordance with authorized regulations adopted by the Director of the Department of Human Resources Development prescribing procedure governing such payments Any additional benefits during such confinement in excess of the daily rate of charge for care, including special care or treatment by a hospital or nursing home, shall be paid by the Department of Human Resources Development to the disabled individual as otherwise provided in this division.

SEC. 232.5. Section 2711 of the Unemployment Insurance Code, as amended by Chapter 863 of the Statutes of 1972, is amended to read:

2711. Where an individual eligible for additional benefits during confinement in a hospital or nursing home has first given his written consent with respect to a particular claim, the additional benefits shall be paid by the Department of Employment Development directly to the hospital or nursing home in which he is confined in accordance with authorized regulations adopted by the Director of Employment Development prescribing procedure governing such payments. Any additional benefits during such confinement in excess of the daily rate of charge for care, including special care or treatment by a hospital or nursing home, shall be paid by the Department of Employment Development to the disabled individual as otherwise provided in this division.

SEC. 233. Section 2714 of the Unemployment Insurance Code is amended to read:

2714. All medical records of the Department of Human Resources Development obtained under this part, except to the extent necessary for the proper administration of this part or as provided herein, or to the extent necessary for the proper administration of public social services pursuant to the Welfare and Institutions Code, shall be confidential and shall not be published or be open to public inspection in any manner revealing the identity of the claimant, or the nature or cause of his disability. Such records are not admissible in evidence in any action or special proceeding other than one arising under this division or one arising under Division 9 (commencing with Section 10000) of the Welfare and Institutions Code to determine entitlement to, and directly connected with and limited to the administration of, public social services. The Department of Human Resources Development may reveal its records to the Director of Benefit Payments or his representatives or to the Director of Health or his representatives and reveal the identity only of the claimant to the Department of Rehabilitation, but such information shall remain confidential and shall not be disclosed except as provided herein.

SEC. 234. Section 2714 of the Unemployment Insurance Code is amended to read:

2714 All medical records of the Department of Employment Development obtained under this part, except to the extent necessary for the proper administration of this part or as provided herein, or to the extent necessary for the proper administration of public social services pursuant to the Welfare and Institutions Code, shall be confidential and shall not be published or be open to public inspection in any manner revealing the identity of the claimant, or the nature or cause of his disability. Such records are not admissible in evidence in any action or special proceeding other than one arising under this division or one arising under Division 9 (commencing with Section 10000) of the Welfare and Institutions Code to determine entitlement to, and directly connected with and limited to the administration of, public social services. The Department of Employment Development may reveal its records to the Director of Benefit Payments or his representatives or to the Director of Health or his representatives, and may reveal the identity only of the claimant to the Department of Rehabilitation, but such information shall remain confidential and shall not be disclosed except as provided herein.

SEC. 235. Section 2736 of the Unemployment Insurance Code is amended to read:

2736. The Director of the Department of Human Resources Development shall determine the amount of the overpayment and shall notify the recipient of the basis of the overpayment determination. In the absence of fraud, misrepresentation or willful nondisclosure, notice of the overpayment determination shall be mailed to or personally served on the recipient within two years after the beginning of the disability benefit period for which the overpayment was made.

SEC. 236. Section 2736 of the Unemployment Insurance Code is amended to read:

2736. The Director of Employment Development shall determine the amount of the overpayment and shall notify the recipient of the basis of the overpayment determination. In the absence of fraud, misrepresentation or willful nondisclosure, notice of the overpayment determination shall be mailed to or personally served on the recipient within two years after the beginning of the disability benefit period for which the overpayment was made.

SEC. 237. Section 2739 of the Unemployment Insurance Code is amended to read:

2739. The Director of the Department of Human Resources Development, subject to the provisions of this article, may do any or all of the following in the recovery of overpayments:

(a) File a civil action against the liable person for the recovery of the amount of the overpayment within one year after any of the following:

(1) The mailing or personal service of the notice of overpayment determination if the person affected does not file an appeal to a referee

(2) The mailing of the decision of the referee if the person affected does not initiate a further appeal to the Appeals Board.

(3) The date of the decision of the Appeals Board

(b) Offset the amount of the overpayment received by the liable person against any amount of benefits to which he may become entitled under this division within any of the following periods:

(1) The current disability benefit period.

(2) The current benefit year.

(3) Any benefit year which begins during the three-year period next succeeding the date of the mailing or personal service of the notice of overpayment determination.

(4) One year from the beginning date of any disability benefit period which begins during the three-year period next succeeding the date of the mailing or personal service of the notice of overpayment determination.

SEC. 237.5. Section 2739 of the Unemployment Insurance Code is amended to read:

2739 The Director of Employment Development, subject to the provisions of this article, may do any or all of the following in the recovery of overpayments:

(a) File a civil action against the liable person for the recovery of the amount of the overpayment within one year after any of the following:

(1) The mailing or personal service of the notice of overpayment determination if the person affected does not file an appeal to a referee.

(2) The mailing of the decision of the referee if the person affected does not initiate a further appeal to the Appeals Board.

(3) The date of the decision of the Appeals Board.

(b) Offset the amount of the overpayment received by the liable person against any amount of benefits to which he may become entitled under this division within any of the following periods:

(1) The current disability benefit period.

(2) The current benefit year.

(3) Any benefit year which begins during the three-year period next succeeding the date of the mailing or personal service of the notice of overpayment determination.

(4) One year from the beginning date of any disability benefit period which begins during the three-year period next succeeding the date of the mailing or personal service of the notice of overpayment determination.

SEC. 238. Section 2902 of the Unemployment Insurance Code is amended to read:

2902. Notwithstanding any other provision of this division, any individual who adheres to the faith or teaching of any bona fide religious sect, denomination, or organization, and in accordance with its creed, tenets, or principles, depends for healing upon prayer in the practice of religion, upon filing with the Department of Benefit Payments and with each of his employers a statement declaring such

adherence and dependence and disclaiming any benefits under this part, shall be exempt from contributions under this division in respect to any wages paid to him by any such employer in the calendar quarter in which such statement is filed, in all subsequent calendar quarters while such statement is in effect, and, if the individual so elects, in any prior calendar quarter for which wages are reported to the Department of Benefit Payments on or after the date such statement is filed. Such individual shall be ineligible to receive benefits under this part based upon such wages.

SEC 239. Section 3009 of the Unemployment Insurance Code is amended to read.

3009. Refunds, credits, or judgments, and interest thereon, payable for contributions erroneously collected under Sections 984 and 985 subsequent to May 21, 1946, may be paid from the Disability Fund on warrants issued by the Controller under the direction of the Director of Benefit Payments

SEC. 240. Section 3010 of the Unemployment Insurance Code is amended to read.

3010 Any amounts determined by the Director of Benefit Payments or his authorized representatives to be payable to employing units or workers as refunds of amounts deposited in the various accounts of the Disability Fund which are unclaimed at the end of three years from such determination, shall be included in the revenue to the account in the Disability Fund in which they were deposited The employing unit or person entitled to such payment shall not thereafter maintain any claim, action or proceeding with respect to such amounts

SEC. 241. Section 3011 of the Unemployment Insurance Code is amended to read.

3011. Whenever any warrant is drawn on an account in the Disability fund by the State Controller, and the same remains unclaimed after three years, the amount thereof shall revert to that account in the Disability Fund from which the amount was payable.

SEC 242. Section 3012 of the Unemployment Insurance Code is amended to read:

3012. (a) All money in the Disability Fund is continuously appropriated without regard to fiscal years for the purpose of providing disability benefits pursuant to this part, including the payment of refunds, credits, or judgments, and interest thereon, the payment of disability benefits to all eligible persons not covered exclusively by an approved voluntary plan, and the payment of the expenses of administration of this part by the Department of Human Resources Development, the Department of Benefit Payments, and the Franchise Tax Board "Eligible persons" as used in this section, means those individuals who are covered by the Disability Fund at the time their period of disability commences, or whose employment has terminated or who are in noncovered employment at the time their period of disability commences, and who are otherwise eligible for benefits under this part

(b) For the purpose of keeping a record of the payments to, and the disbursements from, the Disability Fund with respect to the payment of benefits to persons whose employment has terminated or who are in noncovered employment at the time their period of disability commences, the director shall maintain the Unemployed Disabled Account in the Disability Fund This account shall be credited with the amount of the payments received by the Disability Fund under subdivision (b) of Section 3252 for each calendar year This account shall also be credited with an amount equal to twelve one-hundredths of 1 percent (0 12%) of the taxable wages paid to employees covered by the Disability Fund for each calendar year This account shall be charged each calendar year with disbursements from the Disability Fund for the payment of benefits and the additional administrative costs of the payment of benefits to persons whose employment has terminated or who are in noncovered employment at the time their period of disability commences.

SEC. 243. Section 3012 of the Unemployment Insurance Code is amended to read:

3012 (a) All money in the Disability Fund is continuously appropriated without regard to fiscal years for the purpose of providing disability benefits pursuant to this part, including the payment of refunds, credits, or judgments, and interest thereon, the payment of disability benefits to all eligible persons not covered exclusively by an approved voluntary plan, and the payment of the expenses of administration of this part by the Department of Employment Development, the Department of Benefit Payments, and the Franchise Tax Board "Eligible persons" as used in this section, means those individuals who are covered by the Disability Fund at the time their period of disability commences, or whose employment has terminated or who are in noncovered employment at the time their period of disability commences, and who are otherwise eligible for benefits under this part.

(b) For the purpose of keeping a record of the payments to and the disbursements from the Disability Fund with respect to the payment of benefits to persons whose employment has terminated or who are in noncovered employment at the time their period of disability commences, the director shall maintain the Unemployed Disabled Account in the Disability Fund This account shall be credited with the amount of the payments received by the Disability Fund under subdivision (b) of Section 3252 of each calendar year This account shall also be credited with an amount equal to twelve one-hundredths of 1 percent (0.12%) of the taxable wages paid to employees covered by the Disability Fund for each calendar year. This account shall be charged each calendar year with disbursements from the Disability Fund for the payment of benefits and the additional administrative costs of the payment of benefits to persons whose employment has terminated or who are in noncovered employment at the time their period of disability commences.

SEC. 244. Section 3013 of the Unemployment Insurance Code is

amended to read:

3013. A sum to be determined by the Director of Finance, of amounts deposited in the Disability Fund, may be used for the necessary expenses of administration of this part in addition to any other fund or money available for such purpose. Such sum shall be available to the Department of Human Resources Development for the payment of the expenses of administration of this part by such department, the Department of Benefit Payments, and the Franchise Tax Board only to the extent that money received from the United States or any of its agencies is not available for such purposes.

SEC. 245. Section 3013 of the Unemployment Insurance Code is amended to read:

3013. A sum to be determined by the Director of Finance, of amounts deposited in the Disability Fund, may be used for the necessary expenses of administration of this part in addition to any other fund or money available for such purpose. Such sum shall be available to the Department of Employment Development for the payment of the expenses of administration of this part by such department, the Department of Benefit Payments, and the Franchise Tax Board only to the extent that money received from the United States or any of its agencies is not available for such purposes.

SEC. 246. Section 3014 of the Unemployment Insurance Code is amended to read:

3014. Withdrawals by the Director of Benefit Payment from the Disability Fund for the payment of refunds, credits, or judgments, and withdrawals by the director from the Disability Fund for the payment of disability benefits are exempted from the operation of Section 925.6 of the Government Code.

SEC. 247. Section 3125 of the Unemployment Insurance Code is amended to read:

3125. The Director of the Department of Human Resources Development may from time to time, with approval of the Department of Finance, invest the money in the Disability Fund for the construction and equipment of a building or buildings and appurtenant facilities for the use of the Department of Human Resources Development, and the Department of Benefit Payments as a central office in Sacramento. He may also invest such funds for the acquisition of real property, pursuant to the Property Acquisition Law, to be used as a parking area for the central office and for the development and construction of the parking area, together with appurtenant facilities and equipment not to exceed six hundred thousand dollars ($600,000). Such parking area shall be amortized through rental payments as fixed by the Department of General Services. Such rental payments before and after amortization shall approximate prevailing rates for parking in the immediate area. Costs and expenses necessarily incurred in connection with such investments, including but not limited to the costs of preliminary

plans, services, and negotiations, shall be a proper charge against that portion of the Disability Fund available by law for the payment of benefits and shall constitute a part of the investment. The aggregate amount which may be invested under this section shall not exceed nine million five hundred thousand dollars ($9,500,000) except that when necessary because of increased building costs the aggregate amount may be increased with approval of the Director of the Department of Human Resources Development and the State Public Works Board by an additional amount not to exceed nine hundred fifty thousand dollars ($950,000).

Of the amount herein authorized to be invested, upon request of the Director of the Department of Human Resources, there shall be transferred by the Controller five hundred thousand dollars ($500,000) to the Department of Human Resources Development Contingent Fund in repayment of the amount authorized to be expended from that fund for preliminary plans and specifications under Chapter 34 of the Statutes of 1950 (Third Extraordinary Session).

SEC. 248. Section 3125 of the Unemployment Insurance Code is amended to read:

3125. The Director of Employment Development may from time to time, with approval of the Department of Finance, invest the money in the Disability Fund for the construction and equipment of a building or buildings and appurtenant facilities for the use of the Department of Employment Development, and the Department of Benefit Payments as a central office in Sacramento. He may also invest such funds for the acquisition of real property, pursuant to the Property Acquisition Law, to be used as a parking area for the central office and for the development and construction of the parking area, together with appurtenant facilities and equipment not to exceed six hundred thousand dollars ($600,000). Such parking area shall be amortized through rental payments as fixed by the Department of General Services. Such rental payments before and after amortization shall approximate prevailing rates for parking in the immediate area. Costs and expenses necessarily incurred in connection with such investments, including but not limited to the costs of preliminary plans, services, and negotiations, shall be a proper charge against that portion of the Disability Fund available by law for the payment of benefits and shall constitute a part of the investment. The aggregate amount which may be invested under this section shall not exceed nine million five hundred thousand dollars ($9,500,000) except that when necessary because of increased building costs the aggregate amount may be increased with approval of the Director of Employment Development and the State Public Works Board by an additional amount not to exceed nine hundred fifty thousand dollars ($950,000).

Of the amount herein authorized to be invested, upon request of the Director of Employment Development, there shall be transferred by the Controller five hundred thousand dollars

($500,000) to the Department of Employment Development Contingent Fund in repayment of the amount authorized to be expended from that fund for preliminary plans and specifications under Chapter 34 of the Statutes of 1950 (Third Extraordinary Session).

SEC. 249. Section 3125.5 of the Unemployment Insurance Code is amended to read:

3125.5 The Department of Finance may from time to time, with the approval of the Director of the Department of Human Resources Development, invest money in the Disability Fund for the acquisition of real property, pursuant to the Property Acquisition Law, and the construction and equipment of a building or buildings and appurtenant facilities thereon after approval of preliminary plans under the procedure provided by Section 16 of the Budget Act of 1954, for the use of the Department of Human Resources Development, and the Department of Benefit Payments with respect to its functions under this code, as a branch office in Los Angeles The aggregate amount which may be invested under this section shall not exceed two million seven hundred fifty thousand dollars ($2,750,000).

SEC. 250. Section 3125.5 of the Unemployment Insurance Code is amended to read:

3125.5. The Department of Finance may from time to time, with the approval of the Director of Employment Development, invest money in the Disability Fund for the acquisition of real property, pursuant to the Property Acquisition Law, and the construction and equipment of a building or buildings and appurtenant facilities thereon after approval of preliminary plans under the procedure provided by Section 16 of the Budget Act of 1954, for the use of the Department of Employment Development, and the Department of Benefit Payments with respect to its functions under this code, as a branch office in Los Angeles. The aggregate amount which may be invested under this section shall not exceed two million seven hundred fifty thousand dollars ($2,750,000).

SEC. 251. Section 3126 of the Unemployment Insurance Code is amended to read:

3126. Any buildings or facilities acquired pursuant to this article shall be primarily for the occupancy of the Departments of Human Resources Development and Benefit Payments and, until such time as the investment is repaid, shall be subject to the administration and supervision of the Department of Human Resources Development in accordance with rules and regulations which shall be established by the department with the approval of the Department of General Services. Such regulations shall be comparable to those for the administration and supervision of other state-owned buildings.

SEC. 252. Section 3126 of the Unemployment Insurance Code is amended to read:

3126. Any buildings or facilities acquired pursuant to this article shall be primarily for the occupancy of the Departments of

Employment Development and Benefit Payments and, until such time as the investment is repaid, shall be subject to the administration and supervision of the Department of Employment Development in accordance with rules and regulations which shall be established by the department with the approval of the Department of General Services Such regulations shall be comparable to those for the administration and supervision of other state-owned buildings.

SEC. 253. Section 3127 of the Unemployment Insurance Code is amended to read:

3127 The Director of the Department of Human Resources Development shall allocate space to the agencies and services comprising the Department of Human Resources Development or the Department of Benefit Payments. Any buildings or facilities acquired pursuant to this article may contain space in excess of the requirements of such departments and, until needed, may be leased or let by the Director of the Department of Human Resources Development at such rental and upon such terms and conditions as may be approved by the Department of General Services.

SEC. 254 Section 3127 of the Unemployment Insurance Code is amended to read.

3127 The Director of Employment Development shall allocate space to the agencies and services comprising the Department of Employment Development or the Department of Benefit Payments. Any buildings or facilities acquired pursuant to this article may contain space in excess of the requirements of such departments and, until needed, may be leased or let by the Director of Employment Development at such rental and upon such terms and conditions as may be approved by the Department of General Services.

SEC. 255. Section 3128 of the Unemployment Insurance Code is amended to read:

3128 For all space allocated by the Director of the Department of Human Resources Development to the agencies and services comprising the Department of Human Resources Development or the Department of Benefit Payments, or otherwise leased or let by the Director of the Department of Human Resources Development pursuant to this article, the Director of the Department of Human Resources Development shall charge a rental, to be approved by the Department of General Services. All such rentals shall be deposited in the Unemployment Administration Fund The portion of the rental which pertains to the amortization of the investment, as determined by the Department of Human Resources Development, shall be transferred to the Disability Fund as repayment of any money invested under the provisions of this article, together with interest to be compounded annually at the close of business on December 31st of each year at a reasonable rate to be determined by the Director of the Department of Human Resources Development with the approval of the Department of General Services The remainder of the rental shall be left in the

Unemployment Administration Fund to be used for building maintenance, repairs and alterations, utilities, and other necessary operating expenses.

SEC. 256. Section 3128 of the Unemployment Insurance Code is amended to read:

3128. For all space allocated by the Director of Employment Development to the agencies and services comprising the Department of Employment Development or the Department of Benefit Payments, or otherwise leased or let by the Director of Employment Development pursuant to this article, the Director of Employment Development shall charge a rental, to be approved by the Department of General Services. All such rentals shall be deposited in the Unemployment Administration Fund The portion of the rental which pertains to the amortization of the investment, as determined by the Department of Employment Development, shall be transferred to the Disability Fund as repayment of any money invested under the provisions of this article, together with interest to be compounded annually at the close of business on December 31st of each year at a reasonable rate to be determined by the Director of Employment Development with the approval of the Department of General Services. The remainder of the rental shall be left in the Unemployment Administration Fund to be used for building maintenance, repairs and alterations, utilities, and other necessary operating expenses.

SEC. 257. Section 3129 of the Unemployment Insurance Code is amended to read:

3129. When the money invested under the provisions of this article for the providing and equipment of buildings or facilities has been repaid to the Disability Fund together with interest, the jurisdiction and control of any such buildings or facilities, and the operation and management thereof, shall vest in the Department of General Services, but the Departments of Human Resources Development and Benefit Payments shall have priority to occupy any space within such buildings or facilities at rental rates not exceeding the cost of providing maintenance and other services.

SEC. 258. Section 3129 of the Unemployment Insurance Code is amended to read:

3129. When the money invested under the provisions of this article for the providing and equipment of buildings or facilities has been repaid to the Disability Fund together with interest, the jurisdiction and control of any such buildings or facilities, and the operation and management thereof, shall vest in the Department of General Services, but the Departments of Employment Development and Benefit Payments shall have priority to occupy any space within such buildings or facilities at rental rates not exceeding the cost of providing maintenance and other services.

SEC. 259. Section 3131 of the Unemployment Insurance Code is amended to read:

3131. The Director of the Department of Human Resources

Development may from time to time, with approval of the Department of Finance, invest money in the Disability Fund for repairs and for alterations of buildings and appurtenant facilities, or for repairs, or for alterations of buildings and appurtenant facilities, constructed pursuant to this article, but not to exceed the respective amounts authorized to be invested by Sections 3125 and 3125.5.

SEC. 260. Section 3131 of the Unemployment Insurance Code is amended to read:

3131. The Director of Employment Development may from time to time, with approval of the Department of Finance, invest money in the Disability Fund for repairs and for alterations of buildings and appurtenant facilities, or for repairs, or for alterations of buildings and appurtenant facilities, constructed pursuant to this article, but not to exceed the respective amounts authorized to be invested by Sections 3125 and 3125.5

SEC. 267. Section 3251 of the Unemployment Insurance Code is amended to read:

3251 An employer, a majority of the employees employed in this state of an employer, or both, may apply to the Director of the Department of Human Resources Development for approval of a voluntary plan for the payment of disability benefits to the employees so electing. The benefits payable as indemnification for loss of wages under any voluntary plan shall be separately stated and designated in the plan "unemployment compensation disability benefits" separate and distinct from other benefits, if any.

SEC. 268. Section 3251 of the Unemployment Insurance Code is amended to read:

3251. An employer, a majority of the employees employed in this state of an employer, or both, may apply to the Director of Employment Development for approval of a voluntary plan for the payment of disability benefits to the employees so electing. The benefits payable as indemnification for loss of wages under any voluntary plan shall be separately stated and designated in the plan "unemployment compensation disability benefits" separate and distinct from other benefits, if any.

SEC. 269. Section 3252 of the Unemployment Insurance Code is amended to read:

3252. (a) Except as provided by subdivision (b) of this section, neither an employee nor his employer shall be liable for the worker contributions required under this division with respect to wages paid by the employer while the employee is covered by an approved voluntary plan.

(b) Each voluntary plan shall pay to the Department of Benefit Payments for the Disability Fund twelve one-hundredths of one percent (0.12%) of the taxable wages paid to employees covered by the voluntary plan for disability benefit coverage for each calendar year. Such payments shall not constitute a part of the voluntary plan premium for purposes of any tax under any provision of law. After the end of each calendar quarter the Director of Benefit Payments

shall assess the amounts required by this section against the employer, subject to the provisions of Section 3259 The provisions of Article 8 (commencing with Section 1126) of Chapter 4 of Part 1 of this division with respect to the assessment of contributions and the provisions of Chapter 7 (commencing with Section 1701) of Part 1 of this division with respect to the collection of contributions shall apply to assessments provided by this section, except that interest shall not accrue until 30 days after notice of assessment Amounts so collected shall be deposited in the Disability Fund to the credit of the unemployed disabled account

SEC 270. Section 3253 of the Unemployment Insurance Code is amended to read

3253 Except as provided in this part, an employee covered by an approved voluntary plan shall not be entitled to benefits from the Disability Fund for a disability which commenced while he is covered by the voluntary plan The Director of the Department of Human Resources Development shall prescribe authorized regulations to allow benefits to individuals simultaneously covered by one or more approved voluntary plans and the Disability Fund

SEC 271 Section 3253 of the Unemployment Insurance Code is amended to read

3253 Except as provided in this part, an employee covered by an approved voluntary plan shall not be entitled to benefits from the Disability Fund for a disability which commenced while he is covered by the voluntary plan The Director of Employment Development shall prescribe authorized regulations to allow benefits to individuals simultaneously covered by one or more approved voluntary plans and the Disability Fund

SEC. 272. Section 3254 of the Unemployment Insurance Code is amended to read:

3254 The Director of the Department of Human Resources Development shall approve any voluntary plan, except one filed pursuant to Section 3255, as to which he finds that there is at least one employee in employment and all of the following exist:

(a) The rights afforded to the covered employees are greater than those provided for in Chapter 2 (commencing with Section 2625) and Chapter 3 (commencing with Section 2800) of this part.

(b) The plan has been made available to all of the employees of the employer employed in this state or to all employees at any one distinct, separate establishment maintained by the employer in this state "Employees" as used in this subdivision includes such individuals in partial or other forms of short-time employment and employees not in employment as the Director of the Department of Human Resources Development shall prescribe by authorized regulations

(c) A majority of the employees of the employer employed in this state or a majority of the employees employed at any one distinct, separate establishment maintained by the employer in this state have consented to the plan.

(d) If the plan provides for insurance the form of the insurance policies to be issued have been approved by the Insurance Commissioner and are to be issued by an admitted disability insurer.

(e) The employer has consented to the plan and has agreed to make the payroll deductions required, if any, and transmit the proceeds to the plan insurer, if any

(f) The plan provides for the inclusion of future employees

(g) The plan will be in effect for a period of not less than one year and thereafter continuously unless the Director of the Department of Human Resources Development finds that the employer or a majority of his employees employed in this state covered by the plan have given notice of the termination of the plan. The notice shall be filed in writing with the Director of the Department of Human Resources Development and shall be effective only on the anniversary of the effective date of the plan next following the filing of the notice, but in any event not less than 30 days from the time of the filing of the notice, except that the plan may be terminated on the operative date of any law increasing the benefit amounts provided by Sections 2653, 2655, and 2801, if notice of the termination of the plan is transmitted to the Director of the Department of Human Resources Development not less than 30 days prior to the operative date of such law If the plan is not terminated on such 30 days notice because of the enactment of a law increasing benefits, the plan shall be amended to conform to such increase on the operative date of the increase.

(h) The amount of deductions from the wages of an employee in effect for any plan shall not be increased on other than an anniversary of the effective date of the plan except to the extent that any increase in the deductions from the wages of an employee allowed by Section 3260 permits such amount to exceed the amount of deductions in effect.

(i) The approval of the plan or plans will not result in a substantial selection of risks adverse to the Disability Fund

SEC. 273. Section 3254 of the Unemployment Insurance Code is amended to read:

3254 The Director of Employment Development shall approve any voluntary plan, except one filed pursuant to Section 3255, as to which he finds that there is at least one employee in employment and all of the following exist:

(a) The rights afforded to the covered employees are greater than those provided for in Chapter 2 (commencing with Section 2625) and Chapter 3 (commencing with Section 2800) of this part.

(b) The plan has been made available to all of the employees of the employer employed in this state or to all employees at any one distinct, separate establishment maintained by the employer in this state. "Employees" as used in this subdivision includes such individuals in partial or other forms of short-time employment and employees not in employment as the Director of Employment Development shall prescribe by authorized regulations.

(c) A majority of the employees of the employer employed in this state or a majority of the employees employed at any one distinct, separate establishment maintained by the employer in this state have consented to the plan.

(d) If the plan provides for insurance the form of the insurance policies to be issued have been approved by the Insurance Commissioner and are to be issued by an admitted disability insurer.

(e) The employer has consented to the plan and has agreed to make the payroll deductions required, if any, and transmit the proceeds to the plan insurer, if any.

(f) The plan provides for the inclusion of future employees.

(g) The plan will be in effect for a period of not less than one year and thereafter continuously unless the Director of Employment Development finds that the employer or a majority of his employees employed in this state covered by the plan have given notice of the termination of the plan. The notice shall be filed in writing with the Director of Employment Development and shall be effective only on the anniversary of the effective date of the plan next following the filing of the notice, but in any event not less than 30 days from the time of the filing of the notice; except that the plan may be terminated on the operative date of any law increasing the benefit amounts provided by Sections 2653, 2655, and 2801, if notice of the termination of the plan is transmitted to the Director of Employment Development not less than 30 days prior to the operative date of such law. If the plan is not terminated on such 30 days notice because of the enactment of a law increasing benefits, the plan shall be amended to conform to such increase on the operative date of the increase.

(h) The amount of deductions from the wages of an employee in effect for any plan shall not be increased on other than an anniversary of the effective date of the plan except to the extent that any increase in the deductions from the wages of an employee allowed by Section 3260 permits such amount to exceed the amount of deductions in effect.

(i) The approval of the plan or plans will not result in a substantial selection of risks adverse to the Disability Fund.

SEC. 274. Section 3254.5 of the Unemployment Insurance Code is amended to read:

3254.5. A voluntary plan in force and effect at the time a successor employing unit acquires the organization, trade, or business, or substantially all the assets thereof, or a distinct and severable portion of such organization, trade, or business, and continues its operation without substantial reduction of personnel resulting from such acquisition, shall not terminate without specific request for cancellation thereof. The successor employing unit and the insurer shall be deemed to have consented to the provisions of the plan unless written request for cancellation, effective as of the date of acquisition, is transmitted to the Director of the Department of Human Resources Development, by the employer or the insurer,

within 30 days after the acquisition date, or within 30 days after notification from the Director of the Department of Human Resources Development that the plan is to continue, whichever is later Unless the plan is terminated as of the date of acquisition by the successor employer or the insurer, a written request for cancellation shall be effective only on the anniversary of the effective date of the plan next occurring on or after the date of acquisition, except that the plan may be terminated on the operative date of any law increasing the benefit amounts provided by Sections 2653, 2655, and 2801, if notice of the termination of the plan is transmitted to the Director of the Department of Human Resources Development not less than 30 days prior to the operative date of such law. If the plan is not terminated on such 30 days notice because of the enactment of a law increasing benefits, the plan shall be amended to conform to such increase on the operative date of the increase. Promptly upon notice of change in ownership any insurer of such a plan shall prepare and issue policy forms and amendments as required, unless the plan is canceled Nothing herein contained shall prevent future cancellation of any such plans on an anniversary of the effective date of the plan upon 30 days notice, except that the plan may be terminated on the operative date of any law increasing the benefit amounts provided by Sections 2653, 2655, and 2801, if notice of the termination of the plan is transmitted to the Director of the Department of Human Resources Development not less than 30 days prior to the operative date of such law. If the plan is not terminated on such 30 days notice because of the enactment of a law increasing benefits, the plan shall be amended to conform to such increase on the operative date of the increase.

SEC. 275. Section 3254.5 of the Unemployment Insurance Code is amended to read:

3254.5. A voluntary plan in force and effect at the time of successor employing unit acquires the organization, trade, or business, or substantially all the assets thereof, or a distinct and severable portion of such organization, trade, or business, and continues its operation without substantial reduction of personnel resulting from such acquisition, shall not terminate without specific request for cancellation thereof The successor employing unit and the insurer shall be deemed to have consented to the provisions of the plan unless written request for cancellation, effective as of the date of acquisition, is transmitted to the Director of Employment Development, by the employer or the insurer, within 30 days after the acquisition date, or within 30 days after notification from the Director of Employment Development that the plan is to continue, whichever is later. Unless the plan is terminated as of the date of acquisition by the successor employer or the insurer, a written request for cancellation shall be effective only on the anniversary of the effective date of the plan next occurring on or after the date of acquisition, except that the plan may be terminated on the operative date of any law increasing the benefit amounts provided by Sections

2653, 2655, and 2801, if notice of the termination of the plan is transmitted to the Director of Employment Development not less than 30 days prior to the operative date of such law. If the plan is not terminated on such 30 days notice because of the enactment of a law increasing benefits, the plan shall be amended to conform to such increase on the operative date of the increase. Promptly upon notice of change in ownership any insurer of such a plan shall prepare and issue policy forms and amendments as required, unless the plan is canceled. Nothing herein contained shall prevent future cancellation of any such plans on an anniversary of the effective date of the plan upon 30 days notice, except that the plan may be terminated on the operative date of any law increasing the benefit amounts provided by Sections 2653, 2655, and 2801, if notice of the termination of the plan is transmitted to the Director of Employment Development not less than 30 days prior to the operative date of such law. If the plan is not terminated on such 30 days notice because of the enactment of a law increasing benefits, the plan shall be amended to conform to such increase on the operative date of the increase.

SEC 276. Section 3255 of the Unemployment Insurance Code is amended to read:

3255. When workers are engaged in an employment that normally involves working for several employers in the same industry interchangeably, and several employers or some of them cooperate to establish a plan for the payment of wages at a central place or places, and have appointed an agent under Section 1096, such agent, or a majority of workers regularly paid through such central place or places, or both, may apply to the Director of the Department of Human Resources Development for approval of a voluntary plan for the payment of disability benefits applicable to all employees whose wages are paid at one or more such central place or places. The Director of the Department of Human Resources Development shall approve any voluntary plan under this section as to which he finds that all of the following exist:

(a) The rights afforded to the covered employees are greater than those provided for in Chapter 2 (commencing with Section 2625) and Chapter 3 (commencing with Section 2800) of this part, and are separately stated and designated "unemployment compensation disability benefits" separate and distinct from other benefits, if any.

(b) The plan applies to all employees whose wages are paid at such central place or places with respect to all employment for which wages are paid at such central place or places.

(c) Seventy-five percent of the workers regularly paid at the central place or places have consented to the plan prior to the filing of the initial application for approval.

(d) If the plan provides for insurance the form of the insurance policies to be issued have been approved by the Insurance Commissioner and are to be issued by an admitted disability insurer.

(e) All employers paying wages through the central place or places have agreed to participate in the plan and the agent appointed

under Section 1096 has agreed to make the payroll deductions required, if any, and transmit the proceeds to the plan insurer, if any.

(f) The plan provides for the inclusion of all future employees paid at the central place or places.

(g) The plan is to be in effect for a period of not less than one year and, thereafter, continuously unless the Director of the Department of Human Resources Development finds that the agent or a majority of the employees regularly paid at the central place or places has given written notice of termination of the plan. Such notice shall be filed in writing with the Director of the Department of Human Resources Development at least 30 days before it is to become effective and, upon the filing, shall be effective only as to wages paid after the beginning of the calendar quarter next occurring on or after the anniversary of the effective date of the plan, except that the plan may be terminated on the operative date of any law increasing the benefit amounts provided by Sections 2653, 2655, and 2801, if notice of the termination of the plan is transmitted to the Director of the Department of Human Resources Development not less than 30 days prior to the operative date of such law. If the plan is not terminated on such 30 days notice because of the enactment of a law increasing benefits, the plan shall be amended to conform to such increase on the operative date of the increase.

(h) The amount of deductions from the wages of an employee in effect for any plan shall not be increased on other than an anniversary of the effective date of the plan except to the extent that any increase in the deductions from the wages of an employee allowed by Section 3260 permits such amount to exceed the amount of deductions in effect.

(i) The approval of the plan or plans will not result in a substantial selection of risks adverse to the Disability Fund.

SEC. 277. Section 3255 of the Unemployment Insurance Code is amended to read:

3255. When workers are engaged in an employment that normally involves working for several employers in the same industry interchangeably, and several employers or some of them cooperate to establish a plan for the payment of wages at a central place or places, and have appointed an agent under Section 1096, such agent, or a majority of workers regularly paid through such central place or places, or both, may apply to the Director of Employment Development for approval of a voluntary plan for the payment of disability benefits applicable to all employees whose wages are paid at one or more such central place or places. The Director of Employment Development shall approve any voluntary plan under this section as to which he finds that all of the following exist:

(a) The rights afforded to the covered employees are greater than those provided for in Chapter 2 (commencing with Section 2625) and Chapter 3 (commencing with Section 2800) of this part, and are separately stated and designated "unemployment compensation

disability benefits" separate and distinct from other benefits, if any.

(b) The plan applies to all employees whose wages are paid at such central place or places with respect to all employment for which wages are paid at such central place or places.

(c) Seventy-five percent of the workers regularly paid at the central place or places have consented to the plan prior to the filing of the initial application for approval.

(d) If the plan provides for insurance the form of the insurance policies to be issued have been approved by the Insurance Commissioner and are to be issued by an admitted disability insurer.

(e) All employers paying wages through the central place or places have agreed to participate in the plan and the agent appointed under Section 1096 has agreed to make the payroll deductions required, if any, and transmit the proceeds to the plan insurer, if any.

(f) The plan provides for the inclusion of all future employees paid at the central place or places.

(g) The plan is to be in effect for a period of not less than one year and, thereafter, continuously unless the Director of Employment Development finds that the agent or a majority of the employees regularly paid at the central place or places has given written notice of termination of the plan. Such notice shall be filed in writing with the Director of Employment Development at least 30 days before it is to become effective and, upon the filing, shall be effective only as to wages paid after the beginning of the calendar quarter next occurring on or after the anniversary of the effective date of the plan; except that the plan may be terminated on the operative date of any law increasing the benefit amounts provided by Sections 2653, 2655, and 2801, if notice of the termination of the plan is transmitted to the Director of Employment Development not less than 30 days prior to the operative date of such law. If the plan is not terminated on such 30 days notice because of the enactment of a law increasing benefits, the plan shall be amended to conform to such increase on the operative date of the increase.

(h) The amount of deductions from the wages of an employee in effect for any plan shall not be increased on other than an anniversary of the effective date of the plan except to the extent that any increase in the deductions from the wages of an employee allowed by Section 3260 permits such amount to exceed the amount of deductions in effect.

(i) The approval of the plan or plans will not result in a substantial selection of risks adverse to the Disability Fund.

SEC. 278. Section 3257 of the Unemployment Insurance Code is amended to read:

3257. Whenever eighty-five percent (85%) of the employees to whom a plan is available have consented to the plan, the employer, or seventy-five percent (75%) of the employees who have consented to the plan, or both, may elect to make the plan applicable to all employees to whom it is available, except those who reject the plan. In such case, there shall be filed with the Director of the Department

of Human Resources Development a notice stating that the requisite percentage of employees has consented to the plan and fixing the date upon which the plan will become applicable to all employees to whom it is available. At least 10 days before the date fixed in the notice, a notice shall be posted and circulated in a manner reasonably calculated to bring it to the attention of all employees to whom the plan is available but who have not consented thereto. The notice to such employees shall set forth the date the plan is to become applicable and the manner in which an employee may reject it.

From the time fixed in the notice filed with the Director of the Department of Human Resources Development all employees to whom the plan is available shall be deemed to have elected to be covered by the plan, except those who advise the employer in writing of their rejection within the time fixed.

Every person employed after the date the plan becomes applicable and to whom the plan is available, shall be deemed to have elected to be covered by the plan from the time of employment unless he rejects the plan prior to or at the time of employment. Each employee at the time of employment shall be given a written notice specifying his right to consent to or to reject such plan and a written statement setting forth the essential features of the plan.

Any employee covered by a plan may withdraw from the plan as of the beginning of any calendar quarter upon giving reasonable notice in writing directed to the employer.

The form of the statement and the forms of the notices required under this section shall be approved by the Director of the Department of Human Resources Development.

SEC 279. Section 3257 of the Unemployment Insurance Code is amended to read:

3257. Whenever eighty-five percent (85%) of the employees to whom a plan is available have consented to the plan, the employer, or seventy-five percent (75%) of the employees who have consented to the plan, or both, may elect to make the plan applicable to all employees to whom it is available, except those who reject the plan. In such case, there shall be filed with the Director of Employment Development a notice stating that the requisite percentage of employees has consented to the plan and fixing the date upon which the plan will become applicable to all employees to whom it is available. At least 10 days before the date fixed in the notice, a notice shall be posted and circulated in a manner reasonably calculated to bring it to the attention of all employees to whom the plan is available but who have not consented thereto. The notice to such employees shall set forth the date the plan is to become applicable and the manner in which an employee may reject it.

From the time fixed in the notice filed with the Director of Employment Development all employees to whom the plan is available shall be deemed to have elected to be covered by the plan, except those who advise the employer in writing of their rejection within the time fixed.

Every person employed after the date the plan becomes applicable and to whom the plan is available, shall be deemed to have elected to be covered by the plan from the time of employment unless he rejects the plan prior to or at the time of employment Each employee at the time of employment shall be given a written notice specifying his right to consent to or to reject such plan and a written statement setting forth the essential features of the plan.

Any employee covered by a plan may withdraw from the plan as of the beginning of any calendar quarter upon giving reasonable notice in writing directed to the employer.

The form of the statement and the forms of the notices required under this Section shall be approved by the Director of Employment Development.

SEC. 280. Section 3258 of the Unemployment Insurance Code is amended to read:

3258. If a voluntary plan does not provide for the assumption by an admitted disability insurer of the liability of the employer to pay the benefits afforded by the plan, the Director of the Department of Human Resources Development shall not approve it unless the employer files with the Director of the Department of Human Resources Development the bond of an admitted surety insurer conditioned on the payment by the employer of his obligations under the plan, or deposits with the Director of the Department of Human Resources Development securities approved by him to secure the payment of such obligations. The penal sum of the bond or the amount of the deposit shall be determined by the Director of the Department of Human Resources Development and shall be not less than five-tenths of 1 percent of the taxable wages prescribed by Section 985 paid during the preceding year to the employees to be covered by the plan, or five-tenths of one percent (0.5%) of the estimated taxable wages prescribed by Section 985 to be paid to such employees for the ensuing year, whichever is greater. Upon approval, such bond, money, or securities shall upon his written order be deposited with the State Treasurer for the purpose herein specified. The Treasurer shall give his receipt for such deposits and the state shall be responsible for the custody and safe return of any securities so deposited.

SEC. 281. Section 3258 of the Unemployment Insurance Code is amended to read:

3258. If a voluntary plan does not provide for the assumption by an admitted disability insurer of the liability of the employer to pay the benefits afforded by the plan, the Director of Employment Development shall not approve it unless the employer files with the Director of Employment Development the bond of an admitted surety insurer conditioned on the payment by the employer of his obligations under the plan, or deposits with the Director of Employment Development securities approved by him to secure the payment of such obligations. The penal sum of the bond or the amount of the deposit shall be determined by the Director of

Employment Development and shall be not less than five-tenths of 1 percent of the taxable wages prescribed by Section 985 paid during the preceding year to the employees to be covered by the plan, or five-tenths of one percent (0.5%) of the estimated taxable wages prescribed by Section 985 to be paid to such employees for the ensuing year, whichever is greater. Upon approval, such bond, money, or securities shall upon his written order be deposited with the State Treasurer for the purpose herein specified. The Treasurer shall give his receipt for such deposits and the state shall be responsible for the custody and safe return of any securities so deposited

SEC. 282. Section 3260 of the Unemployment Insurance Code is amended to read:

3260. An employer may, but need not, assume all or part of the cost of the plan, and may deduct from the wages of an employee covered by the plan, for the purpose of providing the disability benefits specified in this part, an amount not in excess of that which would be required by Sections 984 and 985 if the employee were not covered by the plan. Any such deductions from the wages of an employee remaining in the possession of the employer upon termination of the plan, as a result of plan contributions being in excess of plan costs, which are not disposed of in conformity with authorized regulations of the Director of the Department of Human Resources Development, shall be remitted to the Department of Benefit Payments and deposited in the Disability Fund. If an employer fails to remit any such deductions to the Disability Fund, the Director of Benefit Payments shall assess the amount thereof against the employer. The provisions of Article 8 (commencing with Section 1126) of Chapter 4 of Part 1 of this division with respect to the assessment of contributions and the provisions of Chapter 7 (commencing with Section 1701) of Part 1 of this division with respect to the collection of contributions shall apply to assessments provided by this section, except that interest shall not accrue until 30 days after notice of assessment. With respect to individuals covered by a voluntary plan on January 1st of a calendar year for which the limitation on taxable wages under Section 985 is increased or the tax rate under Section 984 is increased, the amount of the deduction on or after that date may be increased to apply to not more than the maximum limitation on taxable wages or to not more than the maximum tax rate without any further consent of the individual or approval of the Director of the Department of Human Resources Development, but only if such increase in the amount of the deduction is made immediately effective as of January 1st of that particular year.

SEC 283. Section 3260 of the Unemployment Insurance Code is amended to read:

3260. An employer may, but need not, assume all or part of the cost of the plan, and may deduct from the wages of an employee covered by the plan, for the purpose of providing the disability

benefits specified in this part, an amount not in excess of that which would be required by Sections 984 and 985 if the employee were not covered by the plan. Any such deductions from the wages of an employee remaining in the possession of the employer upon termination of the plan, as a result of plan contributions being in excess of plan costs, which are not disposed of in conformity with authorized regulations of the Director of Employment Development, shall be remitted to the Department of Benefit Payments and deposited in the Disability Fund. If an employer fails to remit any such deductions to the Disability Fund, the Director of Benefit Payments shall assess the amount thereof against the employer. The provisions of Article 8 (commencing with Section 1126) of Chapter 4 of Part 1 of this division with respect to the assessment of contributions and the provisions of Chapter 7 (commencing with Section 1701) of Part 1 of this division with respect to the collection of contributions shall apply to assessments provided by this section, except that interest shall not accrue until 30 days after notice of assessment. With respect to individuals covered by a voluntary plan on January 1st of a calendar year for which the limitation on taxable wages under Section 985 is increased or the tax rate under Section 984 is increased, the amount of the deduction on or after that date may be increased to apply to not more than the maximum limitation on taxable wages or to not more than the maximum tax rate without any further consent of the individual or approval of the Director of Employment Development, but only if such increase in the amount of the deduction is made immediately effective as of January 1st of that particular year.

SEC. 284. Section 3262 of the Unemployment Insurance Code is amended to read:

3262. The Director of the Department of Human Resources Development may withdraw his approval of any voluntary plan if he finds that there is danger that the benefits accrued or to accrue will not be paid, that the security for such payment is insufficient, or for other good cause shown. The Director of the Department of Human Resources Development shall give notice of his intention to withdraw approval of a plan to the employer, employee group, and insurer. The notice shall state the effective date and the reason for the withdrawal. The employer, employee group or insurer may, within 10 days from mailing or personal service of the notice, appeal to the Appeals Board. The 10-day period may be extended for good cause. The Appeals Board may prescribe by regulation the time, manner, method and procedure through which it may determine appeals under this section. The Director of the Department of Human Resources Development may change or stay the effective date of his withdrawal of approval.

SEC. 285. Section 3262 of the Unemployment Insurance Code is amended to read:

3262. The Director of Employment Development may withdraw his approval of any voluntary plan if he finds that there is danger that

the benefits accrued or to accrue will not be paid, that the security for such payment is insufficient, or for other good cause shown. The Director of Employment Development shall give notice of his intention to withdraw approval of a plan to the employer, employee group, and insurer. The notice shall state the effective date and the reason for the withdrawal. The employer, employee group or insurer may, within 10 days from mailing or personal service of the notice, appeal to the Appeals Board. The 10-day period may be extended for good cause. The Appeals Board may prescribe by regulation the time, manner, method and procedure through which it may determine appeals under this section. The Director of Employment Development may change or stay the effective date of his withdrawal of approval.

SEC. 286. Section 3265 of the Unemployment Insurance Code is amended to read:

3265. (a) If, on appeal, it is decided that an employee is entitled to receive disability benefits under an approved voluntary plan and the employer or insurer fails to pay the same within 15 days after notice of a decision by a referee or the Appeals Board, the Director of the Department of Human Resources Development shall pay such benefits and the Director of Benefit Payments shall assess the amount thereof against the employer or the insurer, and the provisions of Article 8 (commencing with Section 1126) of Chapter 4 of Part 1 of this division with respect to the assessment of contributions and the provisions of Chapter 7 (commencing with Section 1701) of Part 1 of this division with respect to the collection of contributions shall apply to the recovery of such benefit payments. Amounts so collected shall be deposited in the Disability Fund.

(b) If an approved voluntary plan is not terminated because of the enactment of any law increasing the benefit amounts provided by Sections 2653, 2655, and 2801 and the employer or insurer fails to pay such increase under the plan, the Director of the Department of Human Resources Development shall pay such benefits to an employee, if otherwise eligible, and the Director of Benefit Payments shall assess the amount thereof against the employer or the insurer and the provisions of Article 8 (commencing with Section 1126) of Chapter 4 of Part 1 of this division with respect to the assessment of contributions and the provisions of Chapter 7 (commencing with Section 1701) of Part 1 of this division with respect to the collection of contributions shall apply to the recovery of such benefit payments. Amounts so collected shall be deposited in the Disability Fund.

SEC. 286.5. Section 3265 of the Unemployment Insurance Code is amended to read:

3265. (a) If, on appeal, it is decided that an employee is entitled to receive disability benefits under an approved voluntary plan and the employer or insurer fails to pay the same within 15 days after notice of a decision by a referee or the appeals board, the Director of Employment Development shall pay such benefits and the

Director of Benefit Payments shall assess the amount thereof against the employer or the insurer, and the provisions of Article 8 (commencing with Section 1126) of Chapter 4 of Part 1 of this division with respect to the assessment of contributions and the provisions of Chapter 7 (commencing with Section 1701) of Part 1 of this division with respect to the collection of contributions shall apply to the recovery of such benefit payments. Amounts so collected shall be deposited in the Disability Fund.

(b) If an approved voluntary plan is not terminated because of the enactment of any law increasing the benefit amounts provided by Sections 2653, 2655, and 2801 and the employer or insurer fails to pay such increase under the plan, the Director of Employment Development shall pay such benefits to an employee, if otherwise eligible, and the Director of Benefit Payments shall assess the amount thereof against the employer or the insurer and the provisions of Article 8 (commencing with Section 1126) of Chapter 4 of Part 1 of this division with respect to the assessment of contributions and the provisions of Chapter 7 (commencing with Section 1701) of Part 1 of this division with respect to the collection of contributions shall apply to the recovery of such benefit payments. Amounts so collected shall be deposited in the Disability Fund.

SEC. 287. Section 3266 of the Unemployment Insurance Code is amended to read:

3266. The Director of Benefit Payments shall in accordance with his authorized regulations determine the portion of the aggregate amount of refunds and credits to employees made under Section 1176 during any calendar year which is applicable to voluntary plans for which deductions were made under Section 3260, such determination to be based upon the relation during the preceding calendar year of the amount of wages subject to contributions to the Disability Fund to the amount of wages exempt from contributions to the Disability Fund under Section 3252. The Director of Benefit Payments shall in accordance with his authorized regulations prorate such aggregate amount among the applicable voluntary plans and shall assess and recover from the employer or the insurer if the insurer has indemnified the employer with respect thereto, the amount so prorated. The provisions of Article 8 (commencing with Section 1126) of Chapter 4 of Part 1 of this division with respect to the assessment of contributions and the provisions of Chapter 7 (commencing with Section 1701) of Part 1 of this division with respect to the collection of contributions shall apply to the recovery of amounts under this section. Amounts so collected shall be deposited in the Disability Fund.

SEC. 288. Section 3267 of the Unemployment Insurance Code is amended to read:

3267. Employers whose employees are participating in an approved voluntary plan and any insurer of an approved plan shall furnish such reports and information and make available to the Department of Human Resources Development such records as the

Director of the Department of Human Resources Development may by authorized regulations require for the proper administration of this part.

SEC. 289. Section 3267 of the Unemployment Insurance Code is amended to read:

3267 Employers whose employees are participating in an approved voluntary plan and any insurer of an approved plan shall furnish such reports and information and make available to the Department of Employment Development such records as the Director of Employment Development may by authorized regulations require for the proper administration of this part.

SEC. 290. Section 3267 1 is added to the Unemployment Insurance Code, to read:

3267 1. Employers whose employees are participating in an approved voluntary plan and any insurer of an approved plan shall furnish such reports and information and make available to the Department of Benefit Payments such records as the Director of Benefit Payments may by authorized regulations require for the proper administration of this part

SEC. 291. Section 3268 of the Unemployment Insurance Code is amended to read:

3268. The Director of the Department of Human Resources Development shall, in accordance with his authorized regulations, promptly furnish to employers, employees, or insurers, such information as may be required for the proper administration of an approved voluntary plan.

SEC. 292. Section 3268 of the Unemployment Insurance Code is amended to read:

3268. The Director of Employment Development shall, in accordance with his authorized regulations, promptly furnish to employers, employees, or insurers, such information as may be required for the proper administration of an approved voluntary plan.

SEC. 293. Section 3268.1 is added to the Unemployment Insurance Code, to read:

3268.1. The Director of Benefit Payments shall, in accordance with his authorized regulations, promptly furnish to employers, employees, or insurers, such information as may be required for the proper administration of an approved voluntary plan.

SEC. 294. Section 3269 of the Unemployment Insurance Code is amended to read:

3269. The Director of Benefit Payments shall in accordance with his authorized regulations, determine each fiscal year the total amount expended for added administrative work arising out of voluntary plans. The total amount so determined shall be prorated among the approved voluntary plans in effect during that year on the basis of the amount of wages paid in voluntary plan covered employment by employers to individuals participating in such plans. The Director of Benefit Payments shall make assessments of amounts

so prorated against the employers responsible for benefits under such approved plans. The provisions of Article 8 (commencing with Section 1126) of Chapter 4 of Part 1 of this division with respect to the assessment of contributions and the provisions of Chapter 7 (commencing with Section 1701) of Part 1 of this division with respect to the collection of contributions shall apply to the assessments provided by this section, except that interest shall not accrue until 30 days after notice of assessment. The amounts collected under this section shall be deposited in the Disability Fund and shall be added to the amounts otherwise made available for administration of this part.

SEC. 295. Section 3271 of the Unemployment Insurance Code is amended to read:

3271. (a) Until January 1, 1976, the Director of the Department of Human Resources Development shall approve any amendment to a voluntary plan adjusting the provisions thereof as to periods after the effective date of the amendment as to which he finds that the plan, as amended, will conform to the standards set forth in Section 3254, and that any of the following exist:

(1) A majority of the employees covered by the plan have consented in writing to the amendment.

(2) All of the employees covered by the plan who are adversely affected by the amendment have consented in writing to the amendment.

(3) The insurer of such plan, if any, has certified to the Director of the Department of Human Resources Development that notice of the amendment either separately or as a part of a new certificate or statement of coverage, has, at least 10 days prior to the effective date of the proposed amendment, been delivered to the employer for distribution to his employees within 10 days thereafter and has further certified that such notice specifically included notification to the employees covered by the plan of their right to withdraw from the plan.

(b) Nothing contained in this section is intended to deny or limit the right of the Director of the Department of Human Resources Development to make regulations supplementary thereto, nor on the general subject of requirements for amendments of voluntary plans subsequent to January 1, 1976.

SEC. 296. Section 3271 of the Unemployment Insurance Code is amended to read:

3271. (a) Until January 1, 1976, the Director of Employment Development shall approve any amendment to a voluntary plan adjusting the provisions thereof as to periods after the effective date of the amendment as to which he finds that the plan, as amended, will conform to the standards set forth in Section 3254, and that any of the following exist:

(1) A majority of the employees covered by the plan have consented in writing to the amendment.

(2) All of the employees covered by the plan who are adversely

affected by the amendment have consented in writing to the amendment.

(3) The insurer of such plan, if any, has certified to the Director of Employment Development that notice of the amendment either separately or as a part of a new certificate or statement of coverage, has, at least 10 days prior to the effective date of the proposed amendment, been delivered to the employer for distribution to his employees within 10 days thereafter and has further certified that such notice specifically included notification to the employees covered by the plan of their right to withdraw from the plan.

(b) Nothing contained in this section is intended to deny or limit the right of the Director of Employment Development to make regulations supplementary thereto, nor on the general subject of requirements for amendments of voluntary plans subsequent to January 1, 1976.

SEC. 297. Section 3504 of the Unemployment Insurance Code is amended to read:

3504. The Director of the Department of Human Resources Development shall during the week immediately preceding each calendar week compute the extension ratio for that calendar week and shall file his computation with the Secretary of State.

SEC 297.5. Section 3504 of the Unemployment Insurance Code is amended to read.

3504. The Director of Employment Development shall during the week immediately preceding each calendar week compute the extension ratio for that calendar week and shall file his computation with the Secretary of State.

SEC. 298. Section 3654 of the Unemployment Insurance Code is amended to read:

3654 The Department of Human Resources Development shall give a notice of the filing of a primary claim or an additional claim to the employing unit by which the exhaustee was last employed immediately preceding the filing of such claim. The employing unit so notified shall submit within 10 days after the mailing of such notice any facts then known which may affect the exhaustee's eligibility for extended duration benefits. The 10-day period may be extended for good cause. If after such 10-day period the employing unit acquires knowledge of facts which may affect the eligibility of the exhaustee and such facts could not reasonably have been known within the period, the employing unit shall within 10 days of acquiring such knowledge submit such facts to the Department of Human Resources Development.

SEC. 299. Section 3654 of the Unemployment Insurance Code is amended to read:

3654. The Department of Employment Development shall give a notice of the filing of a primary claim or an additional claim to the employing unit by which the exhaustee was last employed immediately preceding the filing of such claim. The employing unit so notified shall submit within 10 days after the mailing of such notice

any facts then known which may affect the exhaustee's eligibility for extended duration benefits. The 10-day period may be extended for good cause. If after such 10-day period the employing unit acquires knowledge of facts which may affect the eligibility of the exhaustee and such facts could not reasonably have been known within the period, the employing unit shall within 10 days of acquiring such knowledge submit such facts to the Department of Employment Development.

SEC. 300 Section 3654.1 is added to the Unemployment Insurance Code, to read·

3654 1 (a) For the purpose of determining whether an unemployed individual meets the eligibility requirements of subdivision (e) of Section 3552, the Director of Benefit Payments may pursuant to his authorized regulations require that wage and employment information shall be submitted to the Director of Benefit Payments, within 10 days after the mailing of a request by the Director of Benefit Payments, by any or all of the following:

(1) Each employing unit subsequent to the end of the base period of the new claim and prior to the effective date of a valid primary claim for extended duration benefits.

(2) Each employing unit in the four quarters immediately preceding the beginning of the base period of the new claim.

(b) The 10-day period may be extended for good cause.

SEC. 301. Section 3654.1 of the Unemployment Insurance Code is amended and renumbered to read:

3654.2. Any employing unit who fails to furnish wage information requested by the Director of Benefit Payments pursuant to Section 3654.1 shall be subject to a penalty of ten dollars ($10) for each such report not submitted. The Director of Benefit Payments shall assess the penalty and the provisions of Part 1 (commencing with Section 100) of this division with respect to assessments, refunds, and collections shall apply Penalties collected under this section shall be deposited in the Unemployment Fund.

SEC. 302. Section 3654.2 of the Unemployment Insurance Code is amended and renumbered to read:

3654.3. If any employing unit fails to respond to a request for wage information within the period prescribed by Section 3654.1, the Director of Benefit Payments shall make a determination based upon available information.

SEC. 303. Section 3654.4 is added to the Unemployment Insurance Code, to read·

3654.4 The Department of Benefit Payments shall consider the facts submitted by an employing unit pursuant to Section 3654.1 and make a determination as to the exhaustee's eligibility for extended duration benefits under subdivision (e) of Section 3552 The Department of Benefit Payments shall promptly notify the exhaustee and any employing unit who prior to the determination has submitted any facts pursuant to Section 3654.1 of the determination and the reasons therefor. The exhaustee and any such

employing unit may appeal therefrom to a referee within 10 days from mailing or personal service of notice of the determination. The 10-day period may be extended for good cause. The Director of Benefit Payments shall be an interested party to any appeal

SEC 304. Section 3655 of the Unemployment Insurance Code is amended to read·

3655 The Department of Human Resources Development shall consider the facts submitted by an employer pursuant to Section 3654 and make a determination as to the exhaustee's eligibility for extended duration benefits. The Department of Human Resources Development shall promptly notify the exhaustee and any employer who prior to the determination has submitted any facts pursuant to Section 3654 of the determination and the reasons therefor. The exhaustee and any such employer may appeal therefrom to a referee within 10 days from mailing or personal service of notice of the determination. The 10-day period may be extended for good cause. The Director of the Department of Human Resources Development shall be an interested party to any appeal.

SEC. 305. Section 3655 of the Unemployment Insurance Code is amended to read:

3655. The Department of Employment Development shall consider the facts submitted by an employer pursuant to Section 3654 and make a determination as to the exhaustee's eligibility for extended duration benefits. The Department of Employment Development shall promptly notify the exhaustee and any employer who prior to the determination has submitted any facts pursuant to Section 3654 of the determination and the reasons therefor. The exhaustee and any such employer may appeal therefrom to a referee within 10 days from mailing or personal service of notice of the determination. The 10-day period may be extended for good cause. The Director of Employment Development shall be an interested party to any appeal.

SEC. 306 Section 3656 of the Unemployment Insurance Code is amended to read:

3656. Upon the filing of a valid primary claim by an exhaustee, the Department of Benefit Payments shall promptly make an extended duration award computation which shall set forth the maximum amount of extended duration benefits potentially payable during the extended duration period, the weekly benefit amount, and the expiration date of the extended duration period The Department of Benefit Payments shall promptly notify the exhaustee of the computation. He may, within 10 days after the mailing or personal service of the notice of computation, protest its accuracy. The Department of Benefit Payments shall consider any such protest and shall promptly notify the exhaustee of the recomputation or denial of recomputation. An appeal may be taken from a notice of denial of recomputation in the manner prescribed in Section 3655 The Director of Benefit Payments shall be an interested party to any appeal.

SEC. 307. Section 3701 of the Unemployment Insurance Code is amended to read.

3701 (a) Any employer who is entitled under Section 3654 to notice of the filing of a primary claim or additional claim and who, within 10 days after mailing of such notice, submits to the Department of Human Resources Development any facts within its possession disclosing whether the exhaustee left the most recent employment with such employer voluntarily and without good cause or was discharged from such employment for misconduct connected with his work, or whether the claimant was a student employed on a temporary basis and whose employment began within, and ended with his leaving to return to school at the close of, his vacation period, shall be entitled to a ruling as prescribed by this section. The period during which the employer may submit such facts may be extended by the Director of the Department of Human Resources Development for good cause.

(b) The Department of Human Resources Development shall consider such facts together with any information in its possession and promptly notify the employer of its ruling as to the cause of the termination of the exhaustee's most recent employment Any ruling may for good cause be reconsidered by the Department of Human Resources Development within 15 days after mailing or personal service of the notice of ruling. An appeal may be taken from a ruling or reconsidered ruling in the manner prescribed in Section 3655. The Director of the Department of Human Resources Development shall be an interested party to any appeal.

(c) Rulings under this section shall have the effect prescribed by Section 1032.

SEC. 308. Section 3701 of the Unemployment Insurance Code is amended to read:

3701. (a) Any employer who is entitled under Section 3654 to notice of the filing of a primary claim or additional claim and who, within 10 days after mailing of such notice, submits to the Department of Employment Development any facts within its possession disclosing whether the exhaustee left the most recent employment with such employer voluntarily and without good cause or was discharged from such employment for misconduct connected with his work, or whether the claimant was a student employed on a temporary basis and whose employment began within, and ended with his leaving to return to school at the close of, his vacation period, shall be entitled to a ruling as prescribed by this section. The period during which the employer may submit such facts may be extended by the Director of Employment Development for good cause

(b) The Department of Employment Development shall consider such facts together with any information in its possession and promptly notify the employer of its ruling as to the cause of the termination of the exhaustee's most recent employment. Any ruling may for good cause be reconsidered by the Department of Employment Development within 15 days after mailing or personal

service of the notice of ruling. An appeal may be taken from a ruling or reconsidered ruling in the manner prescribed in Section 3655. The Director of Employment Development shall be an interested party to any appeal.

(c) Rulings under this section shall have the effect prescribed by Section 1032.

SEC. 309. Section 3751 of the Unemployment Insurance Code is amended to read:

3751. The provisions of Article 4 (commencing with Section 1375) of Chapter 5 of Part 1 of, and of Article 5 (commencing with Section 2735) of Chapter 2 of Part 2 of, this division are modified in the following respects:

(a) In the absence of fraud, misrepresentation, or willful nondisclosure, the notice of overpayment of extended duration benefits shall be mailed or personally served by the Department of Human Resources Development not later than one year after the close of the extended duration period in which the overpayment was made.

(b) The Director of the Department of Human Resources Development may offset an overpayment of extended duration benefits, or federal-state extended benefits, or unemployment compensation benefits, or disability benefits against any of such four types of benefits to which the liable person may become entitled under this division. The Director of the Department of Human Resources Development may offset the amount of any such overpayments within any of the periods prescribed by subdivision (b) of Section 1379 or subdivision (b) of Section 2739, and further within the current extended duration period or current extended benefit period established under Part 4 (commencing with Section 4001) of this division or any extended benefit period or any extended duration period which begins during the three-year period next succeeding the date of the mailing or personal service of such notice of overpayment.

SEC. 310. Section 3751 of the Unemployment Insurance Code is amended to read:

3751. The provisions of Article 4 (commencing with Section 1375) of Chapter 5 of Part 1 of, and of Article 5 (commencing with Section 2735 of Chapter 2 of Part 2 of, this division are modified in the following respects:

(a) In the absence of fraud, misrepresentation, or willful nondisclosure, the notice of overpayment of extended duration benefits shall be mailed or personally served by the Department of Employment Development not later than one year after the close of the extended duration period in which the overpayment was made.

(b) The Director of Employment Development may offset an overpayment of extended duration benefits, or federal-state extended benefits, or unemployment compensation benefits, or disability benefits against any of such four types of benefits to which the liable person may become entitled under this division. The

Director of Employment Development may offset the amount of any such overpayments within any of the periods prescribed by subdivision (b) of Section 1379 or subdivision (b) of Section 2739, and further within the current extended duration period or current extended benefit period established under Part 4 (commencing with Section 4001) of this division or any extended benefit period or any extended duration period which begins during the three-year period next succeeding the date of the mailing or personal service of such notice of overpayment

SEC. 311. Section 4654 of the Unemployment Insurance Code is amended to read.

4654 The Department of Human Resources Development shall give a notice of the filing of an application or an additional claim to the employing unit by which the individual was last employed immediately preceding the filing of such application or claim. The employing unit so notified shall submit within 10 days after the mailing of such notice any facts then known which may affect the individual's eligibility for federal-state extended benefits. The 10-day period may be extended for good cause. If after such 10-day period the employing unit acquires knowledge of facts which may affect the eligibility of the individual and such facts could not reasonably have been known within the period, the employing unit shall within 10 days of acquiring such knowledge submit such facts to the Department of Human Resources Development.

SEC. 312. Section 4654 of the Unemployment Insurance Code is amended to read:

4654. The Department of Employment Development shall give a notice of the filing of an application or an additional claim to the employing unit by which the individual was last employed immediately preceding the filing of such application or claim. The employing unit so notified shall submit within 10 days after the mailing of such notice any facts then known which may affect the individual's eligibility for federal-state extended benefits. The 10-day period may be extended for good cause If after such 10-day period the employing unit acquires knowledge of facts which may affect the eligibility of the individual and such facts could not reasonably have been known within the period, the employing unit shall within 10 days of acquiring such knowledge submit such facts to the Department of Employment Development.

SEC. 313. Section 4655 of the Unemployment Insurance Code is amended to read:

4655. The Department of Human Resources Development shall consider the facts submitted by an employer pursuant to Section 4654 and make a determination as to the individual's eligibility for federal-state extended benefits. The Department of Human Resources Development shall promptly notify the individual and any employer who prior to the determination has submitted any facts pursuant to Section 4654 of the determination and the reasons therefor. The individual and any such employer may appeal

therefrom to a referee within 10 days from mailing or personal service of notice of the determination. The 10-day period may be extended for good cause. The Director of the Department of Human Resources Development shall be an interested party to any appeal.

SEC. 314. Section 4655 of the Unemployment Insurance Code is amended to read:

4655. The Department of Employment Development shall consider the facts submitted by an employer pursuant to Section 4654 and make a determination as to the individual's eligibility for federal-state extended benefits. The Department of Employment Development shall promptly notify the individual and any employer who prior to the determination has submitted any facts pursuant to Section 4654 of the determination and the reasons therefor. The individual and any such employer may appeal therefrom to a referee within 10 days from mailing or personal service of notice of the determination. The 10-day period may be extended for good cause The Director of Employment Development shall be an interested party to any appeal.

SEC 315 Section 4656 of the Unemployment Insurance Code is amended to read:

4656. Upon the filing of a valid application by an individual, the Department of Benefit Payments shall promptly make a federal-state extended benefit award computation which shall set forth the maximum amount of federal-state extended benefits potentially payable during the extended benefit period, and the weekly benefit amount. The Department of Benefit Payments shall promptly notify the individual of the computation. He may, within 10 days after the mailing or personal service of the notice of computation, protest its accuracy. The Department of Benefit Payments shall consider any such protest and make a determination as to the accuracy of the computation. The Department of Benefit Payments shall promptly notify the individual of the determination and he may appeal therefrom in the manner provided in Section 4655. The Director of Benefit Payments shall be an interested party to any appeal.

SEC. 316. Section 4701 of the Unemployment Insurance Code is amended to read:

4701. (a) Any employer who is entitled under Section 4654 to notice of the filing of an application or additional claim and who, within 10 days after mailing of such notice, submits to the Department of Human Resources Development any facts within its possession disclosing whether the individual left the most recent employment with such employer voluntarily and without good cause or was discharged from such employment for misconduct connected with his work shall be entitled to a ruling as prescribed by this section.

(b) The Department of Human Resources Development shall consider such facts together with any information in its possession and promptly issue to the employer its ruling as to the cause of the

termination of the individual's most recent employment. An appeal may be taken from a ruling in the manner provided in Section 4655. The Director of the Department of Human Resources Development shall be an interested party to any appeal

(c) Rulings under this section shall have the effect prescribed by Section 1032.

SEC. 317. Section 4701 of the Unemployment Insurance Code is amended to read:

4701. (a) Any employer who is entitled under Section 4654 to notice of the filing of an application or additional claim and who, within 10 days after mailing of such notice, submits to the Department of Employment Development any facts within its possession disclosing whether the individual left the most recent employment with such employer voluntarily and without good cause or was discharged from such employment for misconduct connected with his work shall be entitled to a ruling as prescribed by this section.

(b) The Department of Employment Development shall consider such facts together with any information in its possession and promptly issue to the employer its ruling as to the cause of the termination of the individual's most recent employment. An appeal may be taken from a ruling in the manner provided in Section 4655. The Director of Employment Development shall be an interested party to any appeal.

(c) Rulings under this section shall have the effect prescribed by Section 1032.

SEC. 318. Section 4751 of the Unemployment Insurance Code is amended to read:

4751. The provisions of Article 4 (commencing with Section 1375) of Chapter 5 of Part 1 of, and of Article 5 (commencing with Section 2735) of Chapter 2 of Part 2 of, this division are modified in the following respects:

(a) In the absence of fraud, misrepresentation, or willful nondisclosure, the notice of overpayment of federal-state extended benefits shall be mailed or personally served by the Department of Human Resources Development not later than one year after the close of the extended benefit period in which the overpayment was made.

(b) The Director of the Department of Human Resources Development may offset an overpayment of extended duration benefits, or federal-state extended benefits, or unemployment compensation benefits, or disability benefits against any of such four types of benefits to which the liable person may become entitled under this division. The Director of the Department of Human Resources Development may offset the amount of any such overpayments within any of the periods prescribed by subdivision (b) of Section 1379 or subdivision (b) of Section 2739, and further within the current extended duration period or current extended benefit period or any extended benefit period or extended duration

period which begins during the three-year period next succeeding the date of the mailing or personal service of such notice of overpayment.

SEC. 319. Section 4751 of the Unemployment Insurance Code is amended to read·

4751. The provisions of Article 4 (commencing with Section 1375) of Chapter 5 of Part 1 of, and of Article 5 (commencing with Section 2735) of Chapter 2 of Part 2 of, this division are modified in the following respects:

(a) In the absence of fraud, misrepresentation, or willful nondisclosure, the notice of overpayment of federal-state extended benefits shall be mailed or personally served by the Department of Employment Development not later than one year after the close of the extended benefit period in which the overpayment was made.

(b) The Director of Employment Development may offset an overpayment of extended duration benefits, or federal-state extended benefits, or unemployment compensation benefits, or disability benefits against any of such four types of benefits to which the liable person may become entitled under this division. The Director of Employment Development may offset the amount of any such overpayments within any of the periods prescribed by subdivision (b) of Section 1379 or subdivision (b) of Section 2739, and further within the current extended duration period or current extended benefit period or any extended benefit period or extended duration period which begins during the three-year period next succeeding the date of the mailing or personal service of such notice of overpayment.

SEC. 320. Section 5012 of the Unemployment Insurance Code is repealed.

SEC. 321. Section 5202 of the Unemployment Insurance Code is amended to read·

5202. The department, in cooperation with the Department of Benefit Payments, shall report to each regular session of the Legislature, not later than the fifth legislative day, on the effectiveness of the program established under this division. The department's reports shall detail any economic and other advantages to the people of California which have resulted from the program, including the effect upon state costs, increased productivity and improved social performance by persons under the program, taxes paid by such persons, and the payment of wages as opposed to cash grants.

SEC. 322. Section 5256 of the Unemployment Insurance Code is repealed.

SEC. 323. Section 20 of the Welfare and Institutions Code is repealed.

SEC. 324. Section 21 is added to the Welfare and Institutions Code, to read:

21. Whenever any reference is made in any provision of law to the "State Department of Social Welfare" or the "Department of

Social Welfare," it means the Department of Benefit Payments with respect to aid or the State Department of Health with respect to services. Whenever any reference is made in any provision of law to the "Director of Social Welfare" it means the Director of Benefit Payments with respect to aid or the Director of Health with respect to services.

SEC. 325. Section 727 of the Welfare and Institutions Code is amended to read:

727 When a minor is adjudged a dependent child of the court, on the ground that he is a person described by Section 600, the court may make any and all reasonable orders for the care, supervision, custody, conduct, maintenance, and support of such minor, including medical treatment, subject to further order of the court.

The court may order the care, custody, control and conduct of such minor to be under the supervision of the probation officer or may commit such minor to the care, custody and control of:

(a) Some reputable person of good moral character who consents to such commitment.

(b) Some association, society, or corporation embracing within its objects the purpose of caring for such minors, with the consent of such association, society, or corporation.

(c) The probation officer, to be boarded out or placed in some suitable family home or suitable private institution, subject to the requirements of Chapter 1 (commencing with Section 16000) of Part 4 of Division 9: provided, however, that pending action by the State Department of Health, the placement of a minor in a home certified as meeting minimum standards for boarding homes by the probation officer shall be legal for all purposes.

(d) Any other public agency organized to provide care for needy or neglected children

When a minor is adjudged a dependent child of the court, on the ground that he is a person described by subdivision (d) of Section 600 and the court orders that a parent or guardian shall retain custody of such minor subject to the supervision of the probation officer, the parent or guardian shall be required, as a condition of his continued custody of such minor, to participate in a counseling program to be provided by an appropriate agency designated by the court.

SEC. 326. Section 5174 of the Welfare and Institutions Code is amended to read:

5174 It is the intent of the Legislature (a) that facilities for 72-hour treatment and evaluation of inebriates be subject to state funding under Part 2 (commencing with Section 5600) of this division only if they primarily provide medical services and would normally be considered an integral part of a community health program; (b) that state reimbursement under Part 2 (commencing with Section 5600) for such 72-hour facilities and intensive treatment facilities under this article shall not be included as priority funding as are reimbursements for other county expenditures under this part for involuntary treatment services, but may be provided on the basis

of new and expanded services if funds for new and expanded services are available; that while facilities receiving funds from other sources may, if eligible for funding under this division, be designated as 72-hour facilities or intensive treatment facilities for the purposes of this article, funding of such facilities under this division shall not be substituted for such previous funding.

No 72-hour facility or intensive treatment facility for the purposes of this article shall be eligible for funding under Part 2 (commencing with Section 5600) of this division until approved by the Director of Health in accordance with standards established by the State Department of Health in regulations adopted pursuant to this part. To the maximum extent possible, each county shall utilize services provided for inebriates and persons impaired by chronic alcoholism by federal and other funds presently used for such services, including federal and other funds made available to the State Department of Rehabilitation and the State Department of Health. McAteer funds shall not be utilized for the purposes of the 72-hour involuntary holding program as outlined in this chapter.

SEC 328 Section 5604 of the Welfare and Institutions Code is amended to read

5604. Each community mental health service shall have an advisory board of 14 members appointed by the governing body. Three members of the advisory board shall be physicians and surgeons engaged in the private practice of medicine, one of whom, when available, shall be a specialist in psychiatry. One member shall be the chairman of the local governing body, and five members shall be persons representative of the public interest in mental health, mental retardation and alcoholism. The advisory board shall also contain a psychologist, a social worker, a nurse, a psychiatric technician, and a hospital administrator, preferably with psychiatric hospital experience. The term of each member of the board shall be for three years; provided, however, that of the members first appointed, five shall be appointed for one year, four for a term of two years, and four for a term of three years If, however, prior to the expiration of such term a member ceases to retain the status which qualified him for appointment on the board, his membership on the board shall terminate and there shall be a vacancy on the board.

If two local agencies jointly establish a community health service under Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code, the advisory board for such community mental health service shall consist of an additional two members, one of whom shall be the chairman of the second governing body, such that the chairmen of both local agencies are members, and the second of whom shall be an additional person representative of the public interest in mental health, mental retardation, and alcoholism

No member of the advisory board shall be a full-time or part-time county employee of the county mental health service, an employee of the State Department of Health, an employee of the Department

of Benefit Payments, or an employee of a Short-Doyle contract facility.

The chairman of a governing body may designate a member of that body to serve in his stead as a member of the advisory board.

If it is not possible to secure membership as specified from among persons who reside in the county, the governing body may substitute representatives of the public interest in mental health, mental retardation, and alcoholism who are not full-time or part-time employees of the county mental health service, the State Department of Health, the Department of Benefit Payments, or on the staff of a Short-Doyle contract facility.

SEC. 329. Section 5700.1 is added to the Welfare and Institutions Code, to read:

5700.1. The Department of Benefit Payments succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the State Department of Health with respect to the processing, audit, and certification for payment of claims for mental health expenditures made by counties and cities under this chapter. Moneys, funds, and appropriations available to the State Department of Health for the purposes of this section shall be made available to the Department of Benefit Payments by the Director of Health for the purposes of this section after such moneys, funds, and appropriations have been appropriated to or received by the State Department of Health.

SEC. 330. Section 5700.2 is added to the Welfare and Institutions Code, to read:

5700.2. The Department of Benefit Payments shall have the possession and control of all records, papers, equipment, and supplies held for the benefit or use of the Director of Health in the performance of his duties, powers, purposes, responsibilities, and jurisdiction that are vested in the Department of Benefit Payments by Section 5700.1.

SEC. 331. Section 5700.3 is added to the Welfare and Institutions Code, to read:

5700.3. All officers and employees of the Director of Health who on the operative date of this section are serving in the state civil service, other than as temporary employees, and engaged in the performance of a function vested in the Department of Benefit Payments by Section 5700.1 shall be transferred to the Department of Benefit Payments. The status, positions, and rights of such persons shall not be affected by the transfer and shall be retained by them as officers and employees of the Department of Benefit Payments pursuant to the State Civil Service Act, except as to positions exempt from civil service

SEC. 332. Section 5701 of the Welfare and Institutions Code is amended to read:

5701. There shall be a single state appropriation for services for mentally disordered persons. The single appropriation shall be made to the State Department of Health, subject to Section 5700.2, for

mental health services and shall consolidate appropriations previously made to the department for mental health services under the Short-Doyle Act, and for the operation of the state hospitals for the mentally disordered, and other direct services of the department.

SEC. 333. Section 5702 of the Welfare and Institutions Code is amended to read:

5702. The department shall continue to receive separate appropriations for central office functions, research and training functions, and state hospital services for the mentally retarded and the judicially committed. The Department of Benefit Payments shall receive separate appropriations for the performance of its functions under this chapter.

SEC. 334. Section 5702.1 of the Welfare and Institutions Code is amended to read:

5702.1. The Secretary of the Health and Welfare Agency, in the same manner and subject to the same conditions as other state agencies, shall submit a program budget annually to the Department of Finance, including not only expenditures proposed to be made under this division, but also expenditures proposed to be made under any related program or by any other state agency, designed to provide services incidental to the functions to which this division relates. The secretary may require state departments to contract with him for services to carry out the provisions of this division.

Notwithstanding any other provision of law, authorized services to eligible persons, as defined in this division, provided by all state agencies, including, but not limited to, the Departments of Education, Health, Rehabilitation and Benefit Payments shall, to the fullest extent permitted by federal law, by contract or otherwise, be made available upon request of the Director of Health, and the approval of the secretary, to the State Department of Health for services to eligible persons.

The secretary shall consult with the departments involved in developing the program budget

SEC. 336. Section 5712 of the Welfare and Institutions Code is amended to read:

5712. Expenditures incurred pursuant to this part, shall, in accordance with the regulations of the Director of Health, be subject to payment whether incurred by direct or joint operation of such facilities and services, by provisions therefor through contract, or by other arrangement pursuant to the provisions of this division. The Director of Benefit Payments may make investigations and audits of such expenditures as he may deem necessary.

SEC. 337. Section 5714 of the Welfare and Institutions Code, as amended by Chapter 696 of the Statutes of 1972, is amended to read:

5714. Of the funds allocated to each county in accordance with Sections 5704 to 5708, inclusive, the Department of Benefit Payments shall reimburse to each county 90 percent of the amount required by that county to carry out its local mental health activity in accordance

with the approved county Short-Doyle plan required by Chapter 2 (commencing with Section 5650) of this part So much of each county allocation as is required to care for patients in state hospitals shall be retained by the state and used to support such hospitals. During fiscal year 1969–70 such reimbursement shall be for three-month periods, commencing with the July, August, and September of that year. During fiscal year 1970–71, such reimbursement shall be for two-month periods commencing with the July–August period of that year. During fiscal year 1971–72, and thereafter, such reimbursement shall be for one-month periods

Claims for reimbursement shall be presented to the Department of Benefit Payments within 30 days after the close of the period for which such reimbursement is sought.

At the request of a local mental health director, the Department of Benefit Payments may allow the claim for any reimbursement period to be presented within 60 days after the close of the period for which reimbursement is sought if this department finds that the presenting of the claim within the 30 days after the close of such period would create a hardship on the county.

SEC. 338. Section 5714.1 of the Welfare and Institutions Code is amended to read:

5714.1 Claims for state reimbursement shall be made in such form and in such manner as the Director of Health shall determine. When certified by the Director of Benefit Payments, claims for state reimbursements shall be presented to the State Controller for payment The State Controller shall make such audit as he deems necessary, before or after disbursement, for the purpose of determining that such reimbursement is for expenditures made for the purposes and under the conditions authorized under this part.

Each claim for state reimbursement shall be payable from the appropriation made for the fiscal year in which the expenses upon which the claim is based are incurred, except that each claim for reimbursement for the last three-month period of the 1969–1970 fiscal year, for the last two-month period of the 1970–1971 fiscal year, and for the last one-month period of the 1971–1972 fiscal year, shall be payable from the appropriation made for the fiscal year next succeeding that in which the expenses upon which the claim is based are incurred.

SEC. 339. Section 5715 of the Welfare and Institutions Code is amended to read:

5715. Expenditures subject to payment shall include expenditures for the items specified in Section 5401; salaries of personnel; approved facilities and services provided through contract; operation, maintenance and service costs; depreciation of county facilities as established in the state's uniform accounting manual, disregarding depreciation on such a facility to the extent it was financed by state funds under this part; expenses incurred under this act by members of the Conference of Local Mental Health Directors for attendance at regular meetings of such conferences;

and such other expenditures as may be approved by the Director of Health. It shall not include expenditures for initial capital improvements; the purchase or construction of buildings except for such equipment items and remodeling expense as may be provided for in regulation of the State Department of Health; compensation to members of a local mental health advisory board (except actual and necessary expenses incurred in the performance of official duties); or expenditures for a purpose for which state reimbursement is claimed under any other provision of law

SEC. 340 Section 5718 of the Welfare and Institutions Code is amended to read.

5718. Charges shall be made for services rendered to each person under a county Short-Doyle plan in accordance with this section. Charges for the care and treatment of each such patient receiving service under a county Short-Doyle plan shall not exceed the actual cost thereof as determined by the Director of Health in accordance with standard accounting practices The director is not prohibited from including the amount of expenditures for capital outlay or the interest thereon, or both, in his determination of actual cost. The responsibility of a patient, his estate, or his responsible relatives to pay such charges and the powers of the director with respect thereto shall be determined in accordance with Article 4 (commencing with Section 7275) of Chapter 3 of Division 7

The director may delegate to each county all or part of the responsibility for determining the liability of patients rendered services under a county Short-Doyle plan other than in a state hospital, and of their estates or responsible relatives to pay such charges, and all or part of the responsibility for collecting such charges If such responsibility is delegated by the director, he shall establish and maintain the policies and procedures for making such determinations and collections, and each county to which the responsibility is delegated shall comply with such policy and procedures.

Each county shall furnish the Director of Health with such information as he shall require to enable him to maintain a cost-reporting system of the costs of mental health services in the county, except state hospitals, funded in whole or part by state funds. The Director of Health shall furnish the Director of Benefit Payments with such information obtained under this section as the Director of Benefit Payments shall require

Pending the development of a cost reporting system, the director shall prepare and adopt a uniform patient fee schedule to be used in all mental health agencies for services rendered to each patient. In preparing such uniform patient fee schedule, the director shall take into account the existing charges for state hospital services and those for Short-Doyle Act community mental health program services If the director determines that it is not practicable to devise a single uniform patient fee schedule applicable to both state hospital services and services of other mental health agencies, he may adopt

a separate fee schedule for state hospital services which differs from the uniform patient fee schedule applicable to other mental health agencies. Such patient fee schedules shall not be used after the development and implementation of the cost reporting system provided for in this section or after December 31, 1971, whichever occurs first.

SEC. 341. Section 5719.1 of the Welfare and Institutions Code is amended to read:

5719.1. Notwithstanding the provisions of Section 5705, the Department of Benefit Payments shall reimburse the net costs of conservatorship investigation, as defined by regulations of the State Department of Health, on a basis of 60 percent state funds and 40 percent county funds for conservatorship investigation services provided in fiscal year 1970–71, on a basis of 65 percent state funds and 35 percent county funds for conservatorship investigation services provided in fiscal year 1971–72, on a basis of 75 percent state funds and 25 percent county funds for conservatorship investigation services provided in fiscal year 1972–73, and on a basis of 90 percent state funds and 10 percent county funds for conservatorship investigation services provided in fiscal year 1973–74 and in each fiscal year thereafter.

SEC. 342. Section 5751 of the Welfare and Institutions Code, as added by Section 2 of Chapter 1292 of the Statutes of 1972, is amended to read:

5751. The Director of Health, after approval by the California Conference of Local Mental Health Directors, shall by regulation establish standards of education and experience for professional, administrative, and technical personnel employed in mental health services and for the organization and operation of mental health services. No regulations shall be adopted which prohibit a psychiatrist, psychologist or clinical social worker from employment in a local mental health program in any professional, administrative or technical positions in mental health services.

Regulations pertaining to the qualifications of directors of local mental health services shall be administered in accordance with Section 5607. The Director of Health may establish standards relating to the maintenance of records of service which shall be reported to him in a manner and at such times as he may specify. The Director of Benefit Payments may establish standards relating to the maintenance of records of finances and expenditures which shall be reported to him in a manner and at such times as he may specify. The Director of Benefit Payments shall furnish the Director of Health with such information obtained under this section as the Director of Health shall require.

Regulations pertaining to the position of director of local mental health services, where the local director is other than the local health officer or medical administrator of the county hospitals, shall require that the director be a psychiatrist, psychologist, clinical social worker or hospital administrator, who meets standards of education and

experience established by the Director of Health. Where the director is not a psychiatrist, the program shall have a psychiatrist licensed to practice medicine in this state and who shall provide to patients medical care and services as authorized by Section 2137 of the Business and Professions Code

The regulations shall be adopted in accordance with the Administrative Procedure Act, Chapter 4.5 (commencing with Section 11371) of Part 1 of Division 3 of the Government Code.

SEC. 343. Section 7354 of the Welfare and Institutions Code, as amended by Chapter 1298 of the Statutes of 1972, is amended to read:

7354. Any mentally retarded, developmentally disabled, or mentally disordered person may be granted care in a licensed institution or other suitable licensed or certified facility. The Department of Benefit Payments may pay for such care at a rate not exceeding the average cost of care of patients in the state hospitals as determined by the Director of Health Such payments shall be made from funds available to the Department of Benefit Payments for that purpose.

The Department of Benefit Payments may make payments for services for mentally retarded, developmentally disabled and mentally disordered patients in private facilities released or discharged from state hospitals on the basis of reimbursement for reasonable cost, using the same standards and rates consistent with those established by the State Department of Health for similar types of care. Such payments shall be made within the limitation of funds appropriated to the State Department of Health for that purpose.

No payments for care or services of a mentally disordered patient shall be made by the Department of Benefit Payments pursuant to this section unless such care or services are requested by the local director of the mental health services of the county of the patient's residence, unless provision for such care or services is made in the county Short-Doyle plan of the county under which the county shall reimburse the department for 10 percent of the amount expended by the department, exclusive of such portion of the cost as is provided by the federal government.

The provision for such 10-percent county share shall be inapplicable with respect to any county with a population of under 100,000 which has not elected to participate financially in providing services under Division 5 (commencing with Section 5000) in accordance with Section 5709.5. No payments for care or services of a mentally retarded or developmentally disabled person shall be made by the Department of Benefit Payments pursuant to this section, unless requested by the regional center having jurisdiction over the patient and provision for such care or services is made in the areawide mental retardation plan.

SEC. 344. Section 7356 of the Welfare and Institutions Code is amended to read:

7356 The charges for the care and keeping of persons on leave of absence from a state hospital where the State Department of

Health or the Department of Benefit Payments pays for such care shall be a liability of such person, his estate, and relatives, to the same extent that such liability exists for patients in state hospitals.

The State Department of Health shall collect or adjust such charges in accordance with Article 4 (commencing with Section 7275) of Chapter 3 of this division.

SEC. 345. Section 8200 of the Welfare and Institutions Code is amended to read

8200. If provision is made by law of the United States for the administration by public agencies of this state of federal appropriations for the welfare of the Indians in this state, such state agencies may administer the expenditure of such federal appropriations within the scope of their legal powers.

The State Department of Health shall administer the expenditure of all such federal appropriations for the care and hospitalization of, and for medical attention to, sick or injured Indians and for the control and prevention of communicable and infectious diseases and general sanitation among the Indians in this state

The State Department of Education shall administer the expenditure of such federal appropriations for the construction and maintenance of schools and the education of the Indians in this state.

The Department of Benefit Payments shall administer the expenditure of such federal appropriations for the relief of aged, infirm, and indigent Indians in this state.

Subject to such limitations as the law of the United States or the Secretary of the Interior lawfully imposes upon the administration of such funds, the state departments above mentioned may expend the same for the purposes within their respective jurisdictions which the respective heads of the departments deem best to conserve the interests and welfare of all the Indians residing within the state.

SEC. 346. Section 10020 of the Welfare and Institutions Code is amended to read.

10020. No person having private health care coverage shall be entitled to receive the same health care furnished or paid for by a publicly funded health care program. As used in this chapter, "publicly funded health care program" shall mean care or services rendered by a local government or any facility thereof, or health care services for which payment is made under the California Medical Assistance Program established by Chapter 7 (commencing with Section 14000) of Part 3 of this division by the Department of Benefit Payments, or by the State Department of Health or by its fiscal intermediary, or by a carrier or organization with which the Department of Benefit Payments or the State Department of Health has contracted to furnish such services or to pay providers who furnish such services As used in this chapter, "private health care coverage" means: (a) service benefit plans under which payment is made by a carrier under contracts with physicians, hospitals, or other providers of health services rendered to employees or annuitants or family members, or under which, under certain conditions, payment

is made by a carrier to the employee or annuitant or family member; (b) indemnity benefit plans under which a carrier agrees to pay certain sums of money, not in excess of actual expenses incurred, for health services; and (c) individual practice prepayment plans which offer health services in whole or in part on a prepaid basis, with professional services thereunder provided by individual physicians who agree, under such conditions as may be prescribed by the board, to accept the payments provided by the plans as full payment for covered services rendered by them.

If such person receives health care furnished or paid for by a publicly funded health care program, the carrier of his private health care coverage shall reimburse the publicly funded health care program the cost incurred in rendering such care to the extent of the benefits provided under the terms of the policy for the services rendered.

SEC. 347. Section 10053 of the Welfare and Institutions Code is amended to read:

10053. "Services" means those activities and functions performed by social work staff and related personnel of the State Department of Health and county departments with or in behalf of individuals or families, which are directed toward the improvement of the capabilities of such individuals or families maintaining or achieving a sound family life, rehabilitation, self-care, and economic independence

Services for children shall include the coordinated efforts of the State Departments of Health, Benefit Payments, and Education to insure that all children in receipt of aid under Aid to Families with Dependent Children are afforded the opportunity to participate and progress under an educational program which will lead to their functioning at full capacity upon reaching maturity The educational services aspect of public social services includes education for parents in food preparation and provision for nutritional supplements to the extent necessary and as authorized by Article 7 (commencing with Section 11901) of Chapter 4 of Division 9 of the Education Code

SEC. 348. Section 10053.2 of the Welfare and Institutions Code is amended to read:

10053.2. Family planning services shall be offered to all former, current or potential recipients of childbearing age, age 15 to 44, inclusive, and provided to those former, current or potential recipients wishing such services. Such services shall be offered and provided without regard to marital status, age, or parenthood. Notwithstanding any other provisions of law, the furnishing of these family planning services shall not require the consent of anyone other than the person who is to receive them. Within the meaning of this section, the term "potential recipients" shall mean all persons in a family where current social, economic and health conditions of the family indicate that the family would likely become a recipient of financial assistance within the period specified by federal law.

Family planning services shall include, but not be limited to:

(a) Medical contraceptive services such as diagnosis, treatment, supplies, and followup.

(b) Informational and educational services.

(c) Facilitating services such as transportation and child care services needed to attend clinic or other appointments.

Services under this section shall be provided by contracts between the county welfare department and the State Department of Health Such contracts shall include to the maximum extent possible, cooperative funding and other financial arrangements which permit maximum use of available federal funds. Information and referral services only shall be available to all other families and children.

SEC. 349. Section 10053.5 of the Welfare and Institutions Code, as amended by Chapter 1298 of the Statutes of 1972, is amended and renumbered to read:

10053.8. The State Department of Health shall directly or through the county department provide protective social services:

(a) For the care of mentally retarded and developmentally disabled patients released from state hospitals of the Department of Health, or to prevent the unnecessary admission of mentally retarded and developmentally disabled persons to hospitals at public expense or to facilitate the release of mentally retarded and developmentally disabled patients for whom such hospital care is no longer the appropriate treatment; provided that such services may be rendered only if requested by the regional center having jurisdiction over the mentally retarded or developmentally disabled patient and if provision for such services is made in the areawide mental retardation plan.

(b) For the care of mentally disordered patients released from state hospitals or to prevent the unnecessary admission of mentally disordered persons to hospitals at public expense or to facilitate the release of mentally disordered patients for whom such hospital care is no longer the appropriate treatment; provided that such services may be rendered only if requested by the local director of mental health and if provision for such services is made in the county Short-Doyle plan for the county.

The Department of Benefit Payments, to the extent funds are appropriated and available, shall pay for the cost of providing for care in a private home, certified by the State Department of Health, for mentally disordered, mentally retarded or developmentally disabled persons described in, and subject to the request and plan conditions of, subdivisions (a) and (b) above. The monthly rate for such private home care shall be set by the State Department of Health at an amount which will provide the best possible care at minimum cost and also insure:

(1) That the person will receive proper treatment and may be expected to show progress in achieving the maximum adjustment toward returning to community life; and

(2) That sufficient homes can be recruited to achieve the stated

objectives of this section.

For all such persons without public or private financial resources who are placed in private homes at state expense, if requested by the local director of mental health services in the case of mentally disordered persons, the Department of Benefit Payments may provide from local assistance budget funds, at a rate to be determined by the Secretary of the Health and Welfare Agency, moneys necessary to furnish clothing and to meet incidental living expenses.

Any funds expended for the care of persons in a private home certified by the State Department of Health, including costs of administration and staffing and including money necessary to furnish clothing and to meet incidental living expenses, at the request of the local director of a mental health service pursuant to this section shall be expended by the Department of Benefit Payments only if the State Department of Health and the local mental health service enter into a contract in accordance with the Short-Doyle Act (commencing with Section 5600) under which the county shall reimburse the Department of Benefit Payments for 10 percent of the amount expended by the department, exclusive of such portion of the cost as is provided by the federal government.

The provision for such 10-percent county share shall be inapplicable with respect to any county with a population of under 100,000 which has not elected to participate financially in providing services under Division 5 (commencing with Section 5000) in accordance with Section 5709.5.

The State Department of Health may provide services pursuant to this section directly or through contract with public or private entities.

The State Department of Health shall directly or through the county department provide protective social services, including the cost of care in a private home pursuant to this section or in a suitable facility as specified in Section 7354, for judicially committed patients released from a state hospital on leave of absence or parole, and payments therefor shall be made from funds available to the Department of Benefit Payments or the Department of Health for that purpose or for the support of patients in state hospitals.

SEC. 349.5. Section 10053.5 of the Welfare and Institutions Code, as amended by Chapter 142 of the Statutes of 1973, is amended and renumbered to read:

10053.8. The State Department of Health or through the county department may provide protective social services:

(a) For the care of mentally retarded and developmentally disabled patients released from state hospitals of the State Department of Health, or to prevent the unnecessary admission of mentally retarded and developmentally disabled persons to hospitals at public expense or to facilitate the release of mentally retarded and developmentally disabled patients for whom such hospital care is no longer the appropriate treatment; provided that such services may

be rendered only if requested by the regional center having jurisdiction over the mentally retarded or developmentally disabled patient and if provision for such services is made in the areawide mental retardation plan.

(b) For the care of mentally disordered patients released from state hospitals or to prevent the unnecessary admission of mentally disordered persons to hospitals at public expense or to facilitate the release of mentally disordered patients for whom such hospital care is no longer the appropriate treatment, provided that such services may be rendered only if requested by the local director of mental health and if provision for such services is made in the county Short-Doyle plan for the county.

The State Department of Benefit Payments, to the extent funds are appropriated and available, shall pay for the cost of providing for care in a private home, certified by the State Department of Health, for mentally disordered, mentally retarded or developmentally disabled persons described in, and subject to the request and plan conditions of, subdivisions (a) and (b) above. The monthly rate for such private home care shall be set by the State Department of Health at an amount which will provide the best possible care at minimum cost and also insure:

(1) That the person will receive proper treatment and may be expected to show progress in achieving the maximum adjustment toward returning to community life; and

(2) That sufficient homes can be recruited to achieve the stated objectives of this section.

For all such persons without public or private financial resources who are placed in private homes at state expense, if requested by the local director of mental health services in the case of mentally disordered persons, the State Department of Benefit Payments may provide from local assistance budget funds, at a rate to be determined by the Secretary of the Health and Welfare Agency, moneys necessary to furnish clothing and to meet incidental living expenses. No such moneys shall be provided by the State Department of Health for mentally retarded patients after July 1, 1971.

It is the legislative intent that the State Department of Health may make the fullest possible use of available resources in serving mentally retarded and developmentally disabled persons

Any funds expended for the care of persons in a private home certified by the State Department of Health, including costs of administration and staffing and including money necessary to furnish clothing and to meet incidental living expenses, at the request of the local director of a mental health service pursuant to this section shall be expended by the Department of Benefit Payments only if the State Department of Health and the local mental health service enter a contract in accordance with the Short-Doyle Act (commencing with Section 5600) under which the county shall reimburse the Department of Benefit Payments for 10 percent of the

amount expended by the State Department of Health, exclusive of such portion of the cost as is provided by the federal government.

The provision for such 10-percent county share shall be inapplicable with respect to any county with a population of under 100,000 which has not elected to participate financially in providing services under Division 5 (commencing with Section 5000) in accordance with Section 5709.5.

The State Department of Health may provide services pursuant to this section directly or through contract with public or private entities.

The State Department of Health, or through the county department may provide protective social services, including the cost of care in a private home pursuant to this section or in a suitable facility as specified in Section 7354, for judicially committed patients released from a state hospital on leave of absence or parole, and payments therefor shall be made from funds available to the Department of Benefit Payments or the State Department of Health for that purpose or for the support of patients in state hospitals.

In facilitating the release of mentally disordered patients or persons who have been mentally disordered patients to suitably licensed facilities, the State Department of Health shall provide the licensee with information concerning the previous conduct of the patients which would be relevant in determining the suitability of the particular facility for the patient and the suitability of placement of such patient in such facility The release of this information shall be consistent with the confidentiality guidelines under the Lanterman-Petris-Short Act and the Short-Doyle Act.

SEC. 350. Section 10053.5 is added to the Welfare and Institutions Code, to read:

10053.5. The Department of Benefit Payments succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the State Department of Health with respect to the processing, audit, and payment of claims for family planning services under this part. Moneys, funds, and appropriations available to the State Department of Health for the purposes of this section shall be made available to the Department of Benefit Payments by the Director of Health for the purposes of this section after such moneys, funds, and appropriations have been appropriated to or received by the State Department of Health.

SEC. 351. Section 10053 6 is added to the Welfare and Institutions Code, to read:

10053.6. The Department of Benefit Payments shall have the possession and control of all records, papers, equipment, and supplies held for the benefit or use of the Director of Health in the performance of his duties, powers, purposes, responsibilities, and jurisdiction that are vested in the Department of Benefit Payments by Section 10053.5

SEC. 352. Section 10053.7 is added to the Welfare and Institutions Code, to read:

10053.7. All officers and employees of the Director of Health who on the operative date of this section are serving in the state civil service, other than as temporary employees, and engaged in the performance of a function vested in the Department of Benefit Payments by Section 10053.5 shall be transferred to the Department of Benefit Payments. The status, positions, and rights of such persons shall not be affected by the transfer and shall be retained by them as officers and employees of the Department of Benefit Payments pursuant to the State Civil Service Act, except as to positions exempt from civil service.

SEC. 353. Section 10054 of the Welfare and Institutions Code is amended to read:

10054. "Department" means the Department of Benefit Payments.

SEC. 354. Section 10055 of the Welfare and Institutions Code is amended to read:

10055. "Director" means the Director of Benefit Payments.

SEC. 355. Section 10056 of the Welfare and Institutions Code is amended to read:

10056. "Board" means the State Social Benefits and Services Advisory Board. Whenever any reference is made in any provision of law to the "State Social Welfare Board", it shall mean the State Social Benefits and Services Advisory Board.

SEC. 356. Section 10062 of the Welfare and Institutions Code is amended to read:

10062. Notwithstanding any other provision of law, the State Department of Health and the Director of Health shall have those powers and duties conferred by state law upon the Department of Benefit Payments and its director as is necessary to carry out the purposes imposed on it by this chapter.

SEC. 357. The heading of Chapter 2 (commencing with Section 10550) of Part 2 of Division 9 of the Welfare and Institutions Code is amended to read

CHAPTER 2. DEPARTMENT OF BENEFIT PAYMENTS

SEC. 358. Section 10550 of the Welfare and Institutions Code is amended to read:

10550. There is in the Health and Welfare Agency a Department of Benefit Payments.

SEC. 359. Section 10551 of the Welfare and Institutions Code is amended to read:

10551. The department consists of the director, the State Social Benefits and Services Advisory Board, and such divisions, in addition to the Division for the Blind, or other administrative units as the director may find necessary for proper administration.

SEC. 359.5. Section 10552.5 is added to the Welfare and Institutions Code, to read:

10552.5. The director shall review and evaluate the systems

within the Health and Welfare Agency for the payment of benefits, insurance, and subvention moneys He shall determine the adequacy and effectiveness of the payment systems, whether the payment systems are consistent and compatible, and whether adequate fiscal accountability exists.

SEC. 360. Section 10557 of the Welfare and Institutions Code is amended to read:

10557 No person, while holding the office of director or member of the State Social Benefits and Services Advisory Board, shall be a trustee, manager, director, or other officer or employee of any agency performing any function supervised by the department or any institution which is subject to examination, inspection, or supervision by the department; nor shall any member of the State Social Benefits and Services Advisory Board hold any other office or employment in the department

SEC. 361. Section 10560 of the Welfare and Institutions Code is amended to read:

10560. The State Department of Health and each county department shall, to the extent feasible, train recipients of public assistance and potential recipients for private employment or for government service. Employment by the state or counties shall be subject to applicable civil service and merit system requirements.

The provisions of this section may be accomplished in conjunction with the provisions of a contract between the State Department of Health and the Department of Rehabilitation, Department of Education, or Department of Human Resources Development.

SEC. 362. Section 10560 of the Welfare and Institutions Code is amended to read:

10560. The State Department of Health and each county department shall, to the extent feasible, train recipients of public assistance and potential recipients for private employment or for government service. Employment by the state or counties shall be subject to applicable civil service and merit system requirements.

The provisions of this section may be accomplished in conjunction with the provisions of a contract between the State Department of Health and the State Department of Education, or Department of Employment Development, or Department of Rehabilitation.

SEC. 363. Section 10560.5 of the Welfare and Institutions Code is repealed.

SEC. 364. Section 10600 of the Welfare and Institutions Code is amended to read:

10600. It is hereby declared that provision for public social services in this code is a matter of statewide concern. The Department of Benefit Payments is hereby designated as the single state agency with full power to supervise every phase of the administration of aid and the State Department of Health is hereby designated as the single state agency with full power to supervise every phase of the administration of services for which grants-in-aid are received from the United States government or made by the

state in order to secure full compliance with the applicable provisions of state and federal laws.

SEC. 365. Section 10600.1 is added to the Welfare and Institutions Code, to read:

10600.1 The Department of Benefit Payments succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction exercised by the State Department of Social Welfare on the date immediately prior to the date this section becomes operative

SEC. 366 Section 10600.2 is added to the Welfare and Institutions Code, to read:

10600.2. The Department of Benefit Payments shall have the possession and control of all records, papers, officers, equipment, supplies, moneys, funds, appropriations, land, and other property real or personal held for the benefit or use of the Director of the State Department of Social Welfare in the performance of his duties, powers, purposes, responsibilities, and jurisdiction that are vested in the Department of Benefit Payments by Section 10600.1.

SEC. 367. Section 10600.3 is added to the Welfare and Institutions Code, to read:

10600.3. All officers and employees of the Director of the State Department of Social Welfare who on the operative date of this section are serving in the state civil service, other than as temporary employees, and engaged in the performance of a function vested in the Department of Benefit Payments by Section 10600.1 shall be transferred to the Department of Benefit Payments. The status, positions, and rights of such persons shall not be affected by the transfer and shall be retained by them as officers and employees of the Department of Benefit Payments pursuant to the State Civil Service Act, except as to positions exempt from civil service.

SEC 368. Section 10602.1 of the Welfare and Institutions Code is amended to read:

10602.1. The Department of Benefit Payments shall investigate, examine and make reports upon the public officers who are in any way responsible for the administration of public funds used for aid.

SEC. 369. Section 10603 of the Welfare and Institutions Code is amended to read:

10603 The Department of Benefit Payments shall advise public officers regarding the administration of aid by public agencies throughout the state, and shall supervise the administration of state aid to all persons receiving or eligible to receive state aid. It shall also supervise the expenditure of any funds for Indian relief which may be granted to the state by the federal government.

SEC. 370. Section 10605 of the Welfare and Institutions Code is amended to read:

10605. If the Director of Benefit Payments or the Director of Health determines that a county director is failing, in a substantial manner, to comply with any provision of this code or any regulation, over the administration of which either department has supervision, the responsible director shall put the county director on written

notice to that effect, and shall give a copy of the notice to the board of supervisors.

If within 60 days the county director fails to give reasonable assurance that he is complying and will continue to comply with the laws and regulations, the responsible director shall order the county to appear at a hearing, before him, with the State Benefit Payments Board, to show cause why the responsible department should not take action to secure compliance. The county shall be given at least 30 days' notice of such hearing The responsible director shall consider the case on the record established at the hearing, and the advice of the State Benefit Payments Board, and, within 30 days, shall render proposed findings and a proposed decision on the issues. The proposed findings and decision shall be submitted to the county, and the county shall have an opportunity to appear within 10 days at such time and place as may be fixed by the responsible director, for the purpose of presenting oral arguments respecting the proposed findings and decision. Thereupon the responsible director shall make his final findings and decision.

If the responsible director determines that there is a failure on the part of the county to comply with the provisions of this code or the established regulations, or if the State Personnel Board certifies to the responsible director that a county is not in conformity with established merit system standards under Part 2.5 (commencing with Section 19800) of Division 5 of Title 2 of the Government Code, and that administrative sanctions are necessary to secure compliance, the responsible department may invoke any of the following sanctions.

(a) Withhold part or all of state and federal funds from such county until the county shall make a showing to the responsible director of compliance; or

(b) Assume, temporarily, direct responsibility for the administration of any or all state-assisted aid programs in such county until the county shall provide reasonable assurance to the responsible director of its intention and ability to comply with such laws and regulations. During such period of state administrative responsibility for county programs, the responsible director or his authorized representative shall have all of the powers and responsibilities of the county director, with the exception that he shall not be subject to the authority of the board of supervisors; or

(c) Bring an action in mandamus or such other action in court as may be appropriate to compel compliance. Any such action shall be entitled to a preference in setting a date for a hearing.

Nothing in this section shall be construed as relieving the board of supervisors of the responsibility to provide funds necessary for the continued aid required by law.

Nothing contained in this section shall be construed as preventing a county from seeking judicial review of action taken by the responsible director pursuant to this section under Section 1094.5 of the Code of Civil Procedure or, except in cases arising under Sections

10962 and 10963, from seeking injunctive relief when deemed appropriate.

SEC. 371. Section 10608 of the Welfare and Institutions Code is amended to read:

10608. Copies of all laws relating to any form of public social service for which state aid is granted to counties, and over the administration of which the Department of Benefit Payments or the State Department of Health has supervision, and of all bulletins and rules and regulations of the department, shall be made available to the public and for public inspection during regular office hours at each county office administering such aid and in each local or regional office of these departments.

SEC. 372. Section 10617 of the Welfare and Institutions Code is amended to read:

10617. In fixing rates for out-of-home care in nonmedical facilities authorized to provide care for recipients of public assistance, the State Department of Benefit Payments shall establish a rate plan providing a differential in rate allowances related to the differences in the degree of care required by recipients. The rate structure shall reflect differences in accordance with the specific types of services that are rendered by the facility in providing care for recipients.

In establishing the rate structure, the State Department of Benefit Payments shall strive to improve and increase the range of services provided by out-of-home facilities in order that recipients may receive the type of care they require at a reasonable cost.

In order to keep people in their own homes whenever possible, the State Department of Health shall develop an expanded range of home-care services that will make it possible for people to remain in their own homes or homes of their own choosing with safety. The State Department of Health shall give particular attention to the training of homemakers to be employed directly by county departments.

In developing plans for the recruitment and training of homemakers, the State Department of Health shall give priority to the training and employment of recipients of public assistance. Emphasis shall be given to arranging hours of work and training so that mothers can participate in the program.

SEC. 373. Section 10650 of the Welfare and Institutions Code is amended to read:

10650. It is hereby declared that the solution and prevention of individuals and families who could otherwise be productive and self-supporting members of society from becoming or remaining public assistance recipients is a matter of statewide concern The Secretary of the Health and Welfare Agency shall have full power to direct, supervise, and coordinate all services provided by the state departments of the Health and Welfare Agency which relate to this matter, as necessary to achieve the purposes of this chapter.

SEC. 374. Section 10652 of the Welfare and Institutions Code is amended to read:

10652. The State Department of Health and the State Department of Rehabilitation, acting jointly, shall select public assistance recipients who qualify under either federal or state vocational rehabilitation laws, or both, as being in need of, and being able to benefit from, rehabilitation services pursuant to this chapter.

The two departments shall enter into a statewide agreement for the purpose of implementing the provisions of this section.

Any agreement entered into by the two departments pursuant to this section shall include plans which provide for the most effective use of all federal funds available to the two departments. Such plans may include budgetary transfers, subject to authorization of the Director of Finance, when such transfer will result in increased funds available for vocational rehabilitation services for public assistance recipients, and for former and potential recipients.

All increased funds made available as a result of the implementation of agreements and plans made pursuant to this section, shall be used exclusively to provide vocational rehabilitation service for current, former, or potential public assistance recipients.

SEC. 376. Section 10653 of the Welfare and Institutions Code is amended to read·

10653. The county department shall be responsible for the initial selection of public assistance recipients who are to participate in training, vocational educational programs, or other employment preparation programs that are developed pursuant to the provisions of this chapter. The county department shall have primary responsibility for providing those services which will prepare recipients for the specific vocational training and employment placement services offered by the State Departments of Human Resources Development, Education, Rehabilitation, and any other state or federal agencies offering specialized programs to upgrade the capacity of recipients and potential recipients to improve their capacity for self-support or self-direction. The services provided by the county department shall be geared to complement those services offered by state and federal agencies to the end that recipients of public assistance receive and participate in such programs to the fullest extent of their capacity.

SEC. 377. Section 10653 of the Welfare and Institutions Code is amended to read:

10653. The county department shall be responsible for the initial selection of public assistance recipients who are to participate in training, vocational educational programs, or other employment preparation programs that are developed pursuant to the provisions of this chapter. The county department shall have primary responsibility for providing those services which will prepare recipients for the specific vocational training and employment placement services offered by the State Departments of Employment Development, Rehabilitation, Education, and any other state or federal agencies offering specialized programs to upgrade the capacity of recipients and potential recipients to

improve their capacity for self-support or self-direction. The services provided by the county department shall be geared to complement those services offered by state and federal agencies to the end that recipients of public assistance receive and participate in such programs to the fullest extent of their capacity.

SEC. 378. Section 10654 of the Welfare and Institutions Code is amended to read:

10654. The Division of Vocational Education of the Department of Education shall have primary responsibility for the education and training of public assistance recipients. The Secretary of the Health and Welfare Agency shall through the Department of Human Resources Development work with the State Department of Education to develop vocational education programs which will meet the particular requirements and needs of recipients of public assistance whenever it is determined that such special programs will substantially improve such recipients' capacity to achieve self-support or self-direction. The Department of Human Resources Development shall determine the kinds, quality, and number of persons requiring such education.

SEC. 379. Section 10654 of the Welfare and Institutions Code is amended to read:

10654. The Division of Vocational Education of the State Department of Education shall have primary responsibility for the education and training of public assistance recipients. The Secretary of the Health and Welfare Agency shall through the Department of Employment Development work with the State Department of Education to develop vocational education programs which will meet the particular requirements and needs of recipients of public assistance whenever it is determined that such special programs will substantially improve such recipients' capacity to achieve self-support or self-direction. The Department of Employment Development shall determine the kinds, quality, and number of persons requiring such education.

SEC. 380. Section 10655 of the Welfare and Institutions Code is amended to read:

10655. The Department of Human Resources Development shall have primary responsibility for placement and other employment services for public assistance recipients; provided, however, that a county department may refer a public assistance recipient to a private employment agency at the same time the recipient is referred to the Department of Human Resources Development. For the purposes of this section, a county department is authorized to enter into contracts with any private employment agencies under such terms and conditions and for such rates as the county department deems reasonable; provided, that once a public assistance recipient has been placed in employment by such an agency, a county department may not contract again with a private employment agency for placement of that recipient within six months of the original date of placement.

No referral or contract authorized under this section shall result in the recipient's paying any fee, part of wages or other charges to the county department or private employment agency for such services

SEC. 381. Section 10655 of the Welfare and Institutions Code is amended to read:

10655 The Department of Employment Development shall have primary responsibility for placement and other employment services for public assistance recipients; provided, however, that a county department may refer a public assistance recipient to a private employment agency at the same time the recipient is referred to the Department of Employment Development. For the purposes of this section, a county department is authorized to enter into contracts with any private employment agencies under such terms and conditions and for such rates as the county department deems reasonable; provided, that once a public assistance recipient has been placed in employment by such an agency, a county department may not contract again with a private employment agency for placement of that recipient within six months of the original date of placement.

No referral or contract authorized under this section shall result in the recipient's paying any fee, part of wages or other charges to the county department or private employment agency for such services.

SEC. 382. The heading of Chapter 3 (commencing with Section 10700) of Part 2 of Division 9 of the Welfare and Institutions Code is amended to read:

## CHAPTER 3. STATE SOCIAL BENEFITS AND SERVICES ADVISORY BOARD

SEC. 383 Section 10700 of the Welfare and Institutions Code is amended to read:

10700. The State Social Benefits and Services Advisory Board consists of seven members. Each member of the board shall be appointed by the Governor with the advice and consent of the Senate, and shall serve at the pleasure of the Governor. It shall be the duty of the Governor to fill all vacancies on the board within 60 days.

The members of the board shall be selected for their interest and leadership in programs within the jurisdiction of the Department of Benefit Payments without regard to political or religious affiliations or profession or occupation.

SEC. 384. Section 10705 of the Welfare and Institutions Code is amended to read:

10705. The board shall:

(a) Study statewide problems related to programs within the jurisdiction of the Department of Benefit Payments, as well as the needs of recipients and beneficiaries of such programs and determine how best to resolve such problems in a balanced manner considering the fiscal capabilities of both the state and the counties.

(b) Submit reports to the director, the Governor, and the Legislature, with suggestions and recommendations for

administrative, executive, and legislative action to meet the problems of recipients and beneficiaries and to improve the administration of public benefit payment programs.

(c) Advise the director on all matters referred by him to the board for recommendation.

SEC. 385. Section 10809.5 of the Welfare and Institutions Code is amended to read:

10809.5. Each county welfare department shall submit to the Department of Finance each month a copy of the monthly report of caseloads and expenditures submitted by the counties to the Department of Benefit Payments on the 237 report series entitled "Caseload Movement and Expenditure Report," relating to the following categories of assistance:

(1) Aid to the aged

(2) Aid to the blind and potentially self-supporting blind

(3) Aid to the disabled

(4) Aid to families with dependent children—unemployed persons

(5) Aid to families with dependent children—family groups

(6) Aid to families with dependent children—boarding homes and institutions

(7) General home relief

The report shall be submitted to the Department of Finance at the same time that the report is submitted to the Department of Benefit Payments. The Department of Finance, upon receipt of the respective county reports, shall make the data contained therein immediately available to the Joint Legislative Budget Committee. In addition, this data shall be incorporated into and made an integral part of the budget data system.

SEC. 386. Section 10810 of the Welfare and Institutions Code is amended to read:

10810. Subject to the approval of the Department of Benefit Payments and the State Department of Health, each county department is authorized to sponsor and conduct programs for the recruitment, training, and utilization of volunteers to assist county department employees in the performance of office duties and to aid in performing services in the counties including but not limited to the following:

(a) Friendly visiting of the indigent aged;

(b) Finding homes for foster children;

(c) Escorting and transporting recipients to clinics and other destinations;

(d) Aiding in cation of improved housing;

(e) Teaching homemaking skills and aiding in budgeting and care of the household;

(f) Providing tutoring and other educational aid.

Volunteers shall not duplicate services performed by county department employees.

The county department shall maintain the confidentiality of

records of recipients

SEC. 387. Section 10850 of the Welfare and Institutions Code is amended to read.

10850 Except as otherwise provided in this section, all applications and records concerning any individual made or kept by any public officer or agency in connection with the administration of any provision of this code relating to any form of public social services for which grants-in-aid are received by this state from the United States government shall be confidential, and shall not be open to examination for any purpose not directly connected with the administration of such public social service; provided, however, that any agency having custody of such records may make the disbursement records available to the district attorney upon his request. The information thus obtained shall be made available to the district attorney for the official conduct of his office and shall not be used for any other purpose.

Except as otherwise provided in this section, no person shall publish or disclose or permit or cause to be published or disclosed any list of persons receiving public social services. Any county welfare department in this state may release lists of applicants for, or recipients of, public social services, to any other county welfare department or the Department of Benefit Payments or the State Department of Health, and such lists or any other records shall be released when requested by any county welfare department or the Department of Benefit Payments or the State Department of Health. Such lists or other records shall only be used for purposes directly connected with the administration of public social services. Except for such purposes, no person shall publish, disclose, or use or permit or cause to be published, disclosed, or used any confidential information pertaining to an applicant or recipient. However, this section shall not prohibit the furnishing of such information to other public agencies to the extent required for verifying eligibility or for other purposes directly connected with the administration of public social services. Any person knowingly and intentionally violating the provisions of this paragraph is guilty of a misdemeanor.

The Department of Benefit Payments shall inform the Department of Motor Vehicles of the names, birth dates, and addresses of all applicants or recipients of aid to the blind. The Department of Motor Vehicles, upon receipt of such information, shall inform the Department of Benefit Payments of any such applicant or recipient of aid to the blind who holds a valid California driver's license

The department may make rules and regulations governing the custody, use and preservation of all records, papers, files and communications pertaining to the administration of the laws relating to public social services. The rules and regulations shall be binding on all departments, officials and employees of the state, or of any political subdivision of the state and may provide for giving information to or exchanging information with agencies, public or

private, which are engaged in planning, providing or securing social services for or in behalf of recipients or applicants; and for making case records available for research purposes, provided, that such research will not result in the disclosure of the identity of applicants for or recipients of public social services

Any person, including every public officer and employee, who knowingly secures or possesses, other than in the course of official duty, an official list or a list compiled from official sources, published or disclosed in violation of this section, of persons who have applied for or who have been granted any form of public social services for which state or federal funds are made available to the counties is guilty of a misdemeanor.

SEC. 388. Section 10906 of the Welfare and Institutions Code is amended to read:

10906. Employees of the Department of Benefit Payments or the State Department of Health who are engaged in the administration of public social services are authorized (1) to attend courses of training provided by institutions of higher learning, (2) to attend special courses of study or seminars of short duration conducted by experts on a temporary basis for the purpose, (3) to accept fellowships or traineeships at institutions of higher learning with such stipends as are permitted by regulations of the federal government.

Any leave of absence granted to any employee of these departments, as authorized by this section, shall be subject to the approval of the State Personnel Board

SEC. 389. Section 11013 of the Welfare and Institutions Code is amended to read:

11013 (a) The department may require issuance of an identification card to recipients of aid.

The identification card shall contain the following information:

(1) Name and address of the recipient.

(2) Social security number.

(3) Color photograph and identifying characteristics.

(b) The department shall determine the need for including additional information and instructions on the identification card.

SEC. 390. Section 11180 of the Welfare and Institutions Code is amended to read:

11180. It is the object and purpose of this article to establish a uniform and simplified method of computing the grant of assistance for aged, blind, and disabled persons who qualify for aid under Chapters 3, 4, 5 and 6 of this part to the end that the infirm and handicapped receive equitable and appropriate treatment in a manner which will offer such recipients an easily computed grant of assistance where the probability of changes in grant is reduced to a minimum.

The Department of Benefit Payments shall develop methods and plans which will carry out the purpose and objectives as stated in this section to the maximum extent possible.

SEC 391 Section 11181 of the Welfare and Institutions Code is amended to read

11181 The Department of Benefit Payments shall take appropriate action to simplify the construction of the standard of assistance and thereby reduce the administrative costs of computing the amount of grant recipients are entitled to receive.

To the maximum extent possible and practical, the department may, in carrying out the provisions of this article, treat items of special need heretofore authorized under Sections 12151, 12651, 13101, and 13700, as items of common need to be incorporated into the appropriate basic allowance schedules when they are, in fact, items recognized as essential to normal modern living by generally accepted community standards, or as items constituting specialized social services or adjuncts thereto under the social service provisions of the appropriate titles of the Social Security Act

When such special items are treated as social services, the state and counties shall share the nonfederal cost of such services as provided in the appropriate sections of Article 5 (commencing with Section 15200) of Chapter 9, Part 3 of Division 9 Every consideration shall be given by the department to reinvesting savings of state and county funds achieved by this method to improve aid grants in the affected categories.

SEC. 392 Section 11183 of the Welfare and Institutions Code is amended to read·

11183 The Department of Benefit Payments shall file an annual report to the Legislature on the progress made in simplifying the standard of assistance. Whenever it is consistent with interim committee hearings the department shall make verbal reports to the appropriate legislative policy committee.

SEC. 393. Section 11205 of the Welfare and Institutions Code is amended to read:

11205. It is the object and purpose of this chapter to provide aid for children whose dependency is caused by circumstances defined in Sections 11250 and 11251, to keep children in their own homes wherever possible, and to provide the best substitute for their own homes for those children who must be given foster care.

Those engaged in the administration of aid under this chapter are responsible to the community for its effective, humane, and economical administration

It is the intent of the Legislature that the children shall be given every opportunity to progress in the educational system and that their capacity for such shall not be impaired by nutritional deficiencies. The employment and self-maintenance of parents of needy children shall be encouraged to the maximum extent and this chapter shall be administered in such a way that needy children and their parents will be encouraged and inspired to assist in their own maintenance. The Department of Benefit Payments and the State Department of Health shall take all steps necessary to implement this section.

SEC. 394. Section 11250.5 is added to the Welfare and Institutions Code, to read:

11250.5. (a) Except for individuals provided for in Section 11251 and as provided in subdivision (b), every individual, as a condition for eligibility for aid under this chapter, shall register with the Department of Human Resources Development for manpower services, training, and employment.

(b) The following individuals are not required to register with the Department of Human Resources Development:

(1) An individual under 16;

(2) A child attending school full time;

(3) An individual who is ill, incapacitated or of advanced age;

(4) An individual so remote from a work incentive project that his effective participation is precluded;

(5) An individual whose presence in the home is required because of illness or incapacity of another member of the household;

(6) A mother or other relative of a child under the age of six who is caring for the child;

(7) The mother or other female caretaker of a child if the father or another adult male relative meets the following requirements:

(i) He is in the home;

(ii) He is not excluded by paragraph (1), (2), (3), (4), or (5) of this subdivision; and

(iii) He has not failed to register as required by this section or has not been found pursuant to Chapter 4 (commencing with Section 5300) of Division 2 of the Unemployment Insurance Code or to Section 11308.7 to have refused without good cause to participate under a work incentive program to accept employment.

SEC. 395. Section 11250.5 is added to the Welfare and Institutions Code, to read:

11250.5. (a) Except for individuals provided for in Section 11251 and as provided in subdivision (b), every individual, as a condition for eligibility for aid under this chapter, shall register with the Department of Employment Development for manpower services, training, and employment.

(b) The following individuals are not required to register with the Department of Employment Development:

(1) An individual under 16;

(2) A child attending school full time;

(3) An individual who is ill, incapacitated or of advanced age;

(4) An individual so remote from a work incentive project that his effective participation is precluded;

(5) An individual whose presence in the home is required because of illness or incapacity of another member of the household;

(6) A mother or other relative of a child under the age of six who is caring for the child;

(7) The mother or other female caretaker of a child if the father or another adult male relative meets the following requirements:

(i) He is in the home;

(ii) He is not excluded by paragraph (1), (2), (3), (4), or (5) of this subdivision; and

(iii) He has not failed to register as required by this section or has not been found pursuant to Chapter 4 (commencing with Section 5300) of Division 2 of the Unemployment Insurance Code or to Section 11308.7 to have refused without good cause to participate under a work incentive program to accept employment.

SEC. 396. Section 11300 of the Welfare and Institutions Code is amended to read:

11300. A separate administrative unit in accordance with the provisions of Section 402(a) (19) (G) of the Social Security Act shall certify individuals who have registered under Section 11250.5 for employment or training in accordance with criteria for certification established by the State Department of Health pursuant to subdivision (19) (G) of Section 402(a) of the Social Security Act as amended. In developing the criteria for certification the State Department of Health shall consult with the Departments of Human Resources Development and Benefit Payments.

SEC. 397. Section 11300 of the Welfare and Institutions Code is amended to read:

11300. A separate administrative unit in accordance with the provisions of Section 402(a) (19) (g) of the Social Security Act shall certify individuals who have registered under Section 11250.5 for employment or training in accordance with criteria for certification established by the State Department of Health pursuant to subdivision (19) (G) of Section 402(a) of the Social Security Act as amended. In developing the criteria for certification the State Department of Health shall consult with the Departments of Employment Development and Benefit Payments.

SEC. 398. Section 11301 of the Welfare and Institutions Code is amended to read:

11301. The State Department of Health shall identify the kinds of information regarding persons registered pursuant to Section 11250.5 which are required for the efficient administration of work incentive programs, and develop methods and procedures which will assure the prompt and orderly exchange of such information between the State Department of Health and the Department of Human Resources Development. Such methods and procedures shall, when promulgated by the State Department of Health, be binding upon the county departments.

SEC. 399. Section 11301 of the Welfare and Institutions Code is amended to read:

11301. The State Department of Health shall identify the kinds of information regarding persons registered pursuant to Section 11250.5 which are required for the efficient administration of work incentive programs, and develop methods and procedures which will assure the prompt and orderly exchange of such information between the State Department of Health and the Department of Employment Development. Such methods and procedures shall, when

promulgated by the State Department of Health, be binding upon the county departments

SEC 400. Section 11306 of the Welfare and Institutions Code is amended to read:

11306. In formulating the minimum basic standards of adequate care pursuant to Section 11452, the Department of Benefit Payments shall establish an assistance payment plan and methods of grant computation that are designed to work in harmony with the employability plan developed by the Department of Human Resources Development in accordance with the work incentive program administered by that department pursuant to Division 2 (commencing with Section 5000) of the Unemployment Insurance Code. It is the intent of the Legislature that income and resources expected to be available to the recipient during the period the employability plan is in effect shall be estimated by the county department at the time the recipient is accepted as a participant under the work incentive program and at six-month intervals thereafter.

SEC 401. Section 11306 of the Welfare and Institutions Code is amended to read:

11306. In formulating the minimum basic standards of adequate care pursuant to Section 11452, the Department of Benefit Payments shall establish an assistance payment plan and methods of grant computation that are designed to work in harmony with the employability plan developed by the Department of Employment Development in accordance with the work incentive program administered by that department pursuant to Division 2 (commencing with Section 5000) of the Unemployment Insurance Code. It is the intent of the Legislature that income and resources expected to be available to the recipient during the period the employability plan is in effect shall be estimated by the county department at the time the recipient is accepted as a participant under the work incentive program and at six-month intervals thereafter.

SEC. 402. Section 11307 of the Welfare and Institutions Code is amended to read:

11307. The State Department of Health shall provide special safeguards in the referral of a mother with preschool age children for participation in work incentive programs to assure that such referral shall be in the best interests of the mother and her family, and that adequate child care will be provided in her absence.

SEC. 402.5. Section 11307 of the Welfare and Institutions Code is amended to read:

11307. The State Department of Health shall provide special safeguards in the certification of a mother with pre-school-age children for participation in work incentive programs to assure that such participation shall be in the best interest of the mother and her family, and that adequate child care will be provided in her absence.

SEC. 403. Section 11308.7 of the Welfare and Institutions Code is

amended to read:

11308.7. If the county department determines under Section 11308.6 that a person had good cause for failure to report or refusal to enroll or refusal of employment, the county department shall notify the person. If the county department determines under Section 11308.6 that a person did not have good cause for failure to enroll or refusal to enroll or refusal of employment, the county department shall so notify him by mail or personal service within five days of the determination, stating the reasons for the determination. The notice to the person shall set forth the possible effect of the determination on the person's payments under Chapter 2 (commencing with Section 11200) of Part 3, Division 9, and shall inform him of his right to a fair hearing. He may, within 10 days after the mailing or personal service of the determination, file a request for a hearing with the Department of Benefit Payments in accordance with the provisions of Chapter 7 (commencing with Section 10950) of Part 2, Division 9. The 10-day period may be extended for good cause. A request for a hearing need not be formal, but it shall be in writing

SEC. 404. Section 11308.8 of the Welfare and Institutions Code is amended to read:

11308.8. Upon notification of the Department of Benefit Payments pursuant to Chapter 7 (commencing with Section 10950) of Part 2, Division 9, that a person referred to the Department of Human Resources Development under Section 11300 has without good cause failed to report for enrollment in or refused to enroll in a work incentive program or refused to accept employment, the county department shall discontinue cash aid payments, and shall continue aid under a controlled payment plan in accordance with federal law and the regulations of the department. The allowance for such person's needs shall not be included under a controlled payment plan, except for the first 60 days if during such time he accepts counseling or other services provided by the county department aimed at persuading him to follow the prescribed program.

SEC. 405. Secton 11308.8 of the Welfare and Institutions Code is amended to read·

11308.8. Upon notification of the Department of Benefit Payments pursuant to Chapter 7 (commencing with Section 10950) of Part 2, Division 9, that a person referred to the Department of Employment Development under Section 11300 has without good cause failed to report for enrollment in or refused to enroll in a work incentive program or refused to accept employment, the county department shall discontinue cash aid payments, and shall continue aid under a controlled payment plan in accordance with federal law and the regulations of the department The allowance for such person's needs shall not be included under a controlled payment plan, except for the first 60 days if during such time he accepts counseling or other services provided by the county department

aimed at persuading him to follow the prescribed program.

SEC. 406. Section 11325 of the Welfare and Institutions Code is amended to read:

11325. Assisting recipients of aid to become self-supporting through implementation of the work incentive programs established in accordance with subdivision (19) (A) of Section 402(a) of the Social Security Act, as amended, as well as through such additional or supplemental work programs permitted by federal law is a matter of public concern.

To the extent permitted by federal law, it is the intention of the Legislature that this article operate as a demonstration program. The Director of the Department of Human Resources Development shall develop a plan for the phased implementation of community work experience programs As this plan is implemented, he shall designate specific geographic areas within which community work experience programs shall be established. Such geographic areas shall consist of a county or portion of a county, as the director may designate.

The Director of the Department of Human Resources Development shall develop community work experience programs through contracts with any public entity or nonprofit agency or organization, subject to the conditions and standards set forth below.

All public entities shall cooperate in the development and implementation of community work experience programs for welfare applicants and recipients in accordance with criteria and standards established by the State Department of Health and Human Resources Development, provided that any program undertaken by a public agency shall be done with the consent of that agency.

For the purpose of this article, a "community work experience program" is a program to provide work experience and training for individuals who are not otherwise able to obtain employment or who are not actively participating in training or education programs, in order that such participants may move into regular employment.

Community work experience programs shall provide for development of employability through actual work experience and training; and shall be designed to enable individuals employed under community work experience programs to move promptly into regular public or private employment or into training or public service employment programs to improve their employability in regular public or private employment. The facilities of the Department of Human Resources Development shall be utilized to find employment opportunities for recipients under this program.

Community work experience programs under this article shall be confined to projects which serve a useful public purpose such as in the fields of health, social service, environmental protection, education, urban and rural development and redevelopment, welfare, recreation, public facilities, and public safety. To the extent possible, the prior training, experience and skills of a recipient shall be utilized in making appropriate work experience assignments.

The Director of the Department of Human Resources

Development shall designate the procedures for inclusion of recipients of public assistance within community work experience programs, to include the geographic area within which such programs shall be established. To the extent permitted by federal law, recipients of public assistance referred by the Department of Human Resources Development to a community work experience program shall, as a condition of receiving public assistance, participate in such program, except where good cause exists for failure to accept and continue to participate in such program.

No person, who is a recipient of aid under this chapter under the age of seventeen (17) years, or is the mother of a child the age of six (6) years or under in the home, or who is otherwise employed or actively participating in training programs, education programs, or public service employment programs, or is incapacitated, shall be required to participate in community work experience programs. No mother of a child over the age of six (6) years in the home shall be required to participate in such community work experience programs unless suitable child care is available.

A community work experience program established under this section shall provide:

(1) Appropriate standards for health, safety, and other conditions applicable to the performance of work, including workmen's compensation insurance.

(2) That the program does not result in displacement of persons currently employed, or the filling of established unfilled position vacancies.

(3) That the program does not apply to jobs covered by a collective bargaining agreement.

(4) Reasonable conditions of work, taking into account the geographic region, the residence of the participants, and the proficiency of the participants.

(5) That participants will not be required, without their consent, to travel an unreasonable distance from their homes or remain away from their homes overnight.

(6) That participants will not be required to work in excess of 80 hours in any calendar month, nor in excess of eight hours during any calendar day in order to provide time to seek regular employment, provided, however, that in no case will any participant be required to participate in work experience programs for a period of time which would result in a total number of hours per month, which, if compared to the amount of the grant, in relation to the state or federal minimum wage, whichever is higher, would result in a ratio that would be less than such minimum wage. Nothing in this section shall be construed as requiring or permitting the payment of aid in exchange, or as compensation, for work performed.

(7) That participation shall not result in any cost to a participant, provision shall be made for transportation and all other costs reasonably necessary to and directly related to participation in the program. Nothing contained herein shall entitle any participant to a

salary or to any other work or training expense provided under any other provision of law by reason of his or her participation.

(8) A recipient shall not be placed in a community work experience program under this section unless all available positions within the geographic area served by a community work experience program have been filled under work incentive programs established pursuant to Chapter 3 (commencing with Section 5200) of Division 2 of the Unemployment Insurance Code or under any other job development program established pursuant to state law. To the extent feasible, work incentive program positions shall be administered to maximize utilization of that program prior to placement of recipients in community work experience programs

No individual shall be required to participate in a community work experience program if:

(1) The position offered is vacant due directly to a strike, lockout, or other labor dispute.

(2) As a condition of accepting the work or continuing in the work, the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization

(3) Acceptance would be an unreasonable act because of hardship imposed on the person or his family due to illness or remoteness

SEC. 407. Section 11325 of the Welfare and Institutions Code is amended to read

11325. Assisting recipients of aid to become self-supporting through implementation of the work incentive programs established in accordance with subdivision (19) (A) of Section 402(a) of the Social Security Act, as amended, as well as through such additional or supplemental work programs permitted by federal law is a matter of public concern.

To the extent permitted by federal law, it is the intention of the Legislature that this article operate as a demonstration program The Director of Employment Development shall develop a plan for the phased implementation of community work experience programs As this plan is implemented, he shall designate specific geographic areas within which community work experience programs shall be established. Such geographic areas shall consist of a county or portion of a county, as the director may designate.

The Director of Employment Development shall develop community work experience programs through contracts with any public entity or nonprofit agency or organization, subject to the conditions and standards set forth below.

All public entities shall cooperate in the development and implementation of community work experience programs for welfare applicants and recipients in accordance with criteria and standards established by the State Department of Health and Department of Employment Development, provided that any program undertaken by a public agency shall be done with the consent of that agency.

For the purpose of this article, a "community work experience program" is a program to provide work experience and training for individuals who are not otherwise able to obtain employment or who are not actively participating in training or education programs, in order that such participants may move into regular employment.

Community work experience programs shall provide for development of employability through actual work experience and training, and shall be designed to enable individuals employed under community work experience programs to move promptly into regular public or private employment or into training or public service employment programs to improve their employability in regular public or private employment The facilities of the Department of Employment Development shall be utilized to find employment opportunities for recipients under this program.

Community work experience programs under this article shall be confined to projects which serve a useful public purpose such as in the fields of health, social service, environmental protection, education, urban and rural development and redevelopment, welfare, recreation, public facilities, and public safety. To the extent possible, the prior training, experience and skills of a recipient shall be utilized in making appropriate work experience assignments

The Director of Employment Development shall designate the procedures for inclusion of recipients of public assistance within community work experience programs, to include the geographic area within which such programs shall be established. To the extent permitted by federal law, recipients of public assistance referred by the Department of Employment Development to a community work experience program shall, as a condition of receiving public assistance, participate in such program, except where good cause exists for failure to accept and continue to participate in such program.

No person, who is a recipient of aid under this chapter under the age of seventeen (17) years, or is the mother of a child the age of six (6) years or under in the home, or who is otherwise employed or actively participating in training programs, education programs, or public service employment programs, or is incapacitated, shall be required to participate in community work experience programs. No mother of a child over the age of six (6) years in the home shall be required to participate in such community work experience programs unless suitable child care is available

A community work experience program established under this section shall provide:

(1) Appropriate standards for health, safety, and other conditions applicable to the performance of work, including workmen's compensation insurance

(2) That the program does not result in displacement of persons currently employed, or the filling of established unfilled position vacancies

(3) That the program does not apply to jobs covered by a

collective bargaining agreement.

(4) Reasonable conditions of work, taking into account the geographic region, the residence of the participants, and the proficiency of the participants.

(5) That participants will not be required, without their consent, to travel an unreasonable distance from their homes or remain away from their homes overnight.

(6) That participants will not be required to work in excess of 80 hours in any calendar month, nor in excess of eight hours during any calendar day in order to provide time to seek regular employment, provided, however, that in no case will any participant be required to participate in work experience programs for a period of time which would result in a total number of hours per month, which, if compared to the amount of the grant, in relation to the state or federal minimum wage, whichever is higher, would result in a ratio that would be less than such minimum wage. Nothing in this section shall be construed as requiring or permitting the payment of aid in exchange, or as compensation, for work performed.

(7) That participation shall not result in any cost to a participant, provision shall be made for transportation and all other costs reasonably necessary to and directly related to participation in the program. Nothing contained herein shall entitle any participant to a salary or to any other work or training expense provided under any other provision of law by reason of his or her participation.

(8) A recipient shall not be placed in a community work experience program under this section unless all available positions within the geographic area served by a community work experience program have been filled under work incentive programs established pursuant to Chapter 3 (commencing with Section 5200) of Division 2 of the Unemployment Insurance Code or under any other job development program established pursuant to state law. To the extent feasible, work incentive program positions shall be administered to maximize utilization of that program prior to placement of recipients in community work experience programs.

No individual shall be required to participate in a community work experience program if:

(1) The position offered is vacant due directly to a strike, lockout, or other labor dispute.

(2) As a condition of accepting the work or continuing in the work, the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization.

(3) Acceptance would be an unreasonable act because of hardship imposed on the person or his family due to illness or remoteness.

SEC. 408. Section 11403 of the Welfare and Institutions Code is amended to read:

11403. An institution maintaining a needy child may make application to the department for aid for the child. Upon receipt of documents and facts establishing the eligibility of a needy child

under this chapter, the Director of Benefit Payments shall award aid to such child to be paid to the institution in an amount not to exceed 67.5 percent of eighty-five dollars ($85) per month, or so much thereof as is necessary for the adequate care of the child.

The maximum amount of aid payable under the previous paragraph shall be increased to one hundred dollars ($100) per month in assistance in those cases and during such times as the United States government contributes.

SEC. 409. Section 12205 of the Welfare and Institutions Code is amended to read:

12205. If, on the death of a recipient of aid under this chapter, it is found that he was possessed of property or income in excess of the amount prescribed by law for a recipient of aid to the aged, and that he has not disclosed the same to the board of supervisors, it shall be presumed that he was possessed of such property or income since the date of his first application for aid, and double the amount of the aid paid him in excess of that to which he was legally entitled may be recovered by the Department of Benefit Payments as a preferred claim from his estate and upon recovery shall be repaid to the county, to the state, and to the United States government in accordance with the provisions of Section 12010.

Collections based solely on this presumption shall not exceed the market value of the excess property.

SEC. 410. Section 13500 of the Welfare and Institutions Code is amended to read:

13500. It is the object and purpose of this chapter to provide persons whose dependency results from disability defined by Section 13501 with assistance and services which will encourage them to make greater efforts to achieve self-care and self-support and to enlarge their opportunities for independence.

In supervising the administration of this chapter, the department shall encourage the rehabilitation or employment of the recipient if it appears that with proper care and training such person may become more self-sufficient.

The department and the Department of Rehabilitation shall jointly develop plans for the orderly processing of cases referred to the Department of Rehabilitation for a determination of feasibility and planning for vocational rehabilitation.

The department and the Department of Human Resources Development shall jointly develop plans for the orderly processing of cases referred to the Department of Human Resources Development.

The policy shall be followed of granting aid to the recipient in his own home or in some other suitable home of his own choosing, in preference to placing him in an institution.

Aid granted under the provisions of this chapter shall be known as aid to the disabled.

SEC. 411. Section 13500 of the Welfare and Institutions Code is amended to read:

13500. It is the object and purpose of this chapter to provide persons whose dependency results from disability defined by Section 13501 with assistance and services which will encourage them to make greater efforts to achieve self-care and self-support and to enlarge their opportunities for independence.

In supervising the administration of this chapter, the department shall encourage the rehabilitation or employment of the recipient if it appears that with proper care and training such person may become more self-sufficient.

The department and the Department of Rehabilitation shall jointly develop plans for the orderly processing of cases referred to the Department of Rehabilitation, including plans for a determination of feasibility and planning for vocational rehabilitation.

The department and the Department of Employment Development shall jointly develop plans for the orderly processing of cases referred to the Department of Employment Development.

The policy shall be followed of granting aid to the recipient in his own home or in some other suitable home of his own choosing, in preference to placing him in an institution.

Aid granted under the provisions of this chapter shall be known as aid to the disabled.

SEC. 412. Section 13933 of the Welfare and Institutions Code is amended to read:

13933. Recipients of public assistance as described by Section 13900 who require care in a nonmedical protective living arrangement shall be granted aid in accordance with regulations, and rate schedules established by the State Department of Benefit Payments as an integral part of their regulations issued for use by county welfare departments in the administration of public assistance programs.

Payments to recipients to cover cost of care as set forth in rate schedules made pursuant to this section shall not be considered expenditures under Chapters 3, 4, 5 and 6 of this part and shall be limited to the amounts and controls set forth in the Budget Act.

SEC. 413 Section 14024 of the Welfare and Institutions Code is amended to read:

14024. When health care services are provided to a person under this chapter who at the time the service is provided has any other contractual or legal entitlement to such services, the Director of Benefit Payments shall have the right to recover from the person, corporation, or partnership who owes such entitlement, the amount which would have been paid to the person entitled thereto, or to a third party in his behalf, or the value of the service actually provided, if the person entitled thereto was entitled to services. The Attorney General may, to recover under this section, institute and prosecute legal proceedings against the person, corporation, or partnership owing such entitlement in the appropriate court in the name of the Director of Benefit Payments

SEC. 415. Section 14101.5 is added to the Welfare and Institutions Code, to read.

14101.5. The department and the Department of Benefit Payments shall provide to the other any information necessary for the performance of such department's duties under this chapter.

SEC. 416 Section 14102 is added to the Welfare and Institutions Code, to read:

14102 The Department of Benefit Payments succeeds to and is vested with the duties, purposes, responsibilities, and jurisdiction heretofore exercised by the State Department of Health with respect to the management and administration of the Health Care Deposit Fund designated in Section 14157, and the recovery of any amount due, owing or collectible as the result of payments made under the California Medical Assistance Program, including amounts collectible under Sections 10020, 10022, 14009, 14014, 14024, or 14117

Transfer to the Department of Benefit Payments of the above functions shall not impair any contract between the State Department of Health and any third party and such transfer shall neither create nor vest any right or obligation in either party. In no case shall the substitution of the Department of Benefit Payments for the State Department of Health be considered a breach of contract or failure of performance, nor shall it disturb the legal relationships of the parties.

SEC. 417. Section 14103 is added to the Welfare and Institutions Code, to read·

14103. The Department of Benefit Payments shall have the possession and control of all records, papers, equipment, supplies, moneys, funds, and appropriations held for the benefit or use of the Director of Health in the performance of his duties, powers, purposes, responsibilities, and jurisdiction that are vested in the Department of Benefit Payments by Section 14102.

SEC. 418. Section 14103.1 is added to the Welfare and Institutions Code, to read:

14103.1. All officers and employees of the Director of Health who on the operative date of this section are serving in the state civil service, other than as temporary employees, and engaged in the performance of a function vested in the Department of Benefit Payments by Section 14102 shall be transferred to the Department of Benefit Payments The status, positions, and rights of such persons shall not be affected by the transfer and shall be retained by them as officers and employees of the Department of Benefit Payments pursuant to the State Civil Service Act, except as to positions exempt from civil service.

SEC. 419. Section 14105 of the Welfare and Institutions Code, as amended by Chapter 1366 of the Statutes of 1972, is amended to read:

14105. The director shall prescribe the policies to be followed in the administration of this chapter, may limit the rates of payment for health care services, and shall adopt such rules and regulations as are necessary for carrying out, not inconsistent with, the provisions

thereof.

Such policies and regulations shall include rates for payment for services not rendered under a contract pursuant to Chapter 8 (commencing with Section 14200) of this part. Standards for costs shall be based on payments of the reasonable cost for such services. Amounts paid for services provided to Medi-Cal beneficiaries shall be audited by the Department of Benefit Payments in the manner and form prescribed by it. The Department of Benefit Payments shall maintain adequate controls to insure responsibility and accountability for the expenditure of federal and state funds. Cost reports and other data submitted by providers to a state agency for the purpose of determining reasonable costs for services or establishing rates of payment shall be considered true and correct unless audited or reviewed by the Department of Benefit Payments within eighteen (18) months after July 1, 1969, the close of the period covered by the report, or after the date of submission of the original or amended report by the provider, whichever is later; provided, however, that cost reports and other data for cost reporting periods beginning on January 1, 1972, and thereafter shall be considered true and correct unless audited or reviewed within three years after the close of the period covered by the report, or after the date of submission of the original or amended report by the provider, whichever is later.

Nothing in this section shall be construed to limit the correction of cost reports or rates of payment when inaccuracies are determined to be the result of intent to defraud, or when a delay in the completion of an audit is the result of willful acts by the provider or inability to reach agreement on the terms of final settlement.

Insofar as practical, consistent with the efficient and economical administration of this part, the department shall afford recipients of public assistance free choice of arrangements under which they shall receive health care benefits.

If, in the judgment of the director, the actions taken by the director under subdivision (c) of Section 14120 will not be sufficient to operate the Medi-Cal program within the limits of appropriated funds, he may limit the scope and kinds of health care services, except for minimum coverage as defined in Section 14056, available to persons who are not eligible under Sections 14005.1, 14005.2 and 14005.3. When and if necessary, such action shall be taken by the director with the advice of the Health Care Commission and in ways consistent with the requirements of the Federal Social Security Act. This paragraph shall not be operative until July 1, 1972.

SEC. 419.5. Section 14105 of the Welfare and Institutions Code, as added by Chapter 934 of the Statutes of 1972, is repealed.

SEC. 421. Section 14110 of the Welfare and Institutions Code is amended to read:

14110. No payment for care or services shall be made under Medi-Cal to a medical or health care facility unless it has been certified by the department for participation, and:

(a) It is licensed by the State Department of Health; or

(b) It is licensed by a comparable agency in another state; or

(c) It is exempt from licensure; or

(d) It is operated by the Regents of the University of California; or

(e) It meets the utilization review plan criteria for certification or is certified as an institutional provider of services under Title XVIII of the Federal Social Security Act and regulations issued thereunder.

Nothing in this section shall preclude payments for care for aged patients in medical facilities or institutions operated or licensed by the State Department of Health or by the Department of Rehabilitation.

SEC. 421.5. Section 14110 of the Welfare and Institutions Code as amended by Chapter 142 of the Statutes of 1973 is amended to read:

14110. No payment for care or services shall be made under Medi-Cal to a medical or health care facility unless it has been certified by the department for participation, and:

(a) It is licensed by the State Department of Health; or

(b) It is licensed by a comparable agency in another state; or

(c) It is exempt from licensure, or

(d) It is operated by the Regents of the University of California.

(e) It meets the criteria for certification as an institutional provider of services under Title XVIII of the Federal Social Security Act and regulations issued thereunder. Such regulations shall be adopted by the director by reference.

Nothing in this section shall preclude payments for care for aged patients in medical facilities or institutions operated or licensed by the State Department of Health or by the State Department of Rehabilitation,.

SEC. 423. Section 14117 of the Welfare and Institutions Code is amended to read:

14117. (a) As used in this section, "director" means the Director of Benefit Payments.

(b) When benefits are provided or will be provided to a beneficiary under this chapter because of an injury for which another person is civilly liable, the director shall have a right to recover from such person the reasonable value of the benefits so provided. The Attorney General, or counsel for the fiscal intermediary under the California Medical Assistance Program with the permission of the Attorney General, or a county through its civil legal adviser, may, to enforce such right, institute and prosecute legal proceedings against the third person who is liable for the injury in the appropriate court, either in the name of the director or in the name of the injured person, his guardian, personal representative, estate, or survivors. In enforcing such right the director may commence and prosecute actions, file liens, or intervene in court proceedings all in the same manner, with the same rights and authority as to notice, settlement and other matters, and to the same extent provided in Chapter 5 (commencing with Section 3850), Part 1, Division 4 of the Labor

Code for an employer or workmen's compensation insurer where payments have been made or a liability incurred by an employer or an insurer under the workmen's compensation laws. In the event that the injured party beneficiary, his guardian, personal representative, estate or survivors or any of them brings an action for damages against the third person who is liable for the injury, notice of institution of legal proceedings, notice of settlement and all other notices required under Chapter 5 (commencing with Section 3850), Part 1, Division 4 of the Labor Code shall be given to the director in Sacramento except in cases where the director specifies that notice shall be given to the Attorney General

(c) The director may (1) compromise, or settle and execute a release of, any such claim, or (2) waive any such claim, in whole or in part, for the convenience of the director, or if the director determines that collection would result in undue hardship upon the person who suffered the injury.

(d) No action taken in behalf of the director pursuant to this section or any judgment rendered in such action shall be a bar to any action upon the claim or cause of action of the injured person, his guardian, personal representative, estate, dependents, or survivors against the third person who is liable for the injury, or shall operate to deny to the injured person the recovery for that portion of his damage not covered hereunder If a legal proceeding is instituted by the director pursuant to this section notice shall be given to the beneficiary, his guardian, personal representative, estate or survivors or any of them who shall have the right to intervene in the proceeding as where an employer institutes a legal action under Chapter 5 (commencing with Section 3850), Part 1, Division 4 of the Labor Code and shall otherwise have the rights of an employee under Chapter 5 (commencing with Section 3850), Part 1, Division 4 of the Labor Code. Where an action is brought by the director it shall be commenced within the period prescribed in Section 338 of the Code of Civil Procedure.

SEC. 424. Section 14120 of the Welfare and Institutions Code is amended to read:

14120 (a) At the beginning of each fiscal year, for the current fiscal year, the director shall establish a monthly schedule of anticipated total payments and anticipated payments for categories of services, according to the categories established in the Governor's Budget. The schedule will be revised quarterly.

(b) The Director of Benefit Payments shall report actual total payments and payments for categories of services, as set forth in subdivision (a), monthly to the Director of Health, the Director of Finance and to the Joint Legislative Budget Committee.

(c) At any time during the fiscal year, if the director or the Director of Benefit Payments has reason to believe that the total cost of the program will exceed available funds, the director may, first modify the method or amount of payment for services provided that no amount shall be reduced more than 10 percent and no

modification will conflict with federal law. If such modification is not sufficient to bring the program within available funds, the director may postpone elective services in the basic schedule of benefits. Such postponement of elective services shall be accomplished by changing the standards for approval of requests for prior authorizations. Such changes shall be designed to insure that those recipients most in need of elective services receive them first within the funds available, but that no particular service is completely eliminated.

(d) At any time during the fiscal year, if the total amounts paid since the beginning of the fiscal year exceed by 10 percent the amounts scheduled, the director shall immediately institute the action set forth in subdivision (c) above.

(e) At any time during the fiscal year, if the total amounts paid for any category of service exceeds by 10 percent the amounts scheduled (other than services for which the method or amount of payment is prescribed by the Secretary of Health, Education, and Welfare pursuant to Title XIX of the Federal Social Security Act), the director shall modify the method or amount of payment for such category of service to assure that the total amount paid for such category of service in the fiscal year shall be less than 10 percent in excess of the total amount scheduled provided the total cost of the program to the State General Fund will not exceed appropriated state general funds

(f) Before any of the above actions are taken by the director, he shall consult with representatives of concerned provider groups.

(g) The Department of Benefit Payments shall provide the Director of Health with any information in its possession necessary for the administration of this section.

SEC. 425 Section 14124.1 of the Welfare and Institutions Code is amended to read.

14124.1 Each provider of health care services rendered to any beneficiary under this chapter shall keep and maintain records of each such service rendered, the beneficiary to whom rendered, the date, and such additional information as the department or the Department of Benefit Payments may by regulation require. Records herein required to be kept and maintained shall be retained by the provider for a period of three years from the date the service was rendered.

SEC. 426. Section 14124 2 of the Welfare and Institutions Code is amended to read:

14124.2. The department or the Department of Benefit Payments during normal working hours may make any examination of the books and records of any provider pertaining to services rendered to any beneficiary under this chapter, and may visit and inspect the premises or facilities of any provider it may deem necessary to carry out the provisions of this chapter and regulations adopted thereunder.

SEC. 434. Section 14157 of the Welfare and Institutions Code is amended to read·

14157. There is hereby established a Health Care Deposit Fund from which expenditures of state, county and federal funds for health care and administration under this chapter shall be made upon order of the Controller in accordance with certifications made by the Director of Benefit Payments.

The Controller shall deposit in this fund all federal funds as received under the provisions of Title XIX of the Social Security Act and all county funds received under this chapter.

All money in the Health Care Deposit Fund is hereby appropriated, for expenditure for the purposes specified in this chapter.

SEC. 428. Section 14161 of the Welfare and Institutions Code is amended to read:

14161. Carriers and providers of Medi-Cal benefits shall be required to utilize uniform accounting and cost-reporting systems as shall be developed and adopted by the Department of Benefit Payments. If any other provision of law provides for uniform accounting and cost-reporting systems for hospitals, the department shall adopt such systems.

Carriers and providers of Medi-Cal benefits shall provide cost information to the Department of Benefit Payments and the State Department of Health as is necessary in order to conduct studies to determine payment for services provided under this chapter.

Failure to comply with the provisions of this section shall be cause for suspension from participation under this chapter.

The State Department of Health shall conduct such studies as necessary to determine payments for services provided under this chapter. The results of or progress reports concerning such studies shall be submitted to the Legislature by January 31 of each year.

The State Department of Health shall submit an annual report to the Governor and the Legislature by January 31 of each year setting forth a comprehensive description of its activities and the operation and administration of the Medi-Cal program including, but not limited to, a fiscal accounting of expenditures, an evaluation of the relative cost and effectiveness of the various plans in accomplishing the desired goals, results of demonstration or pilot programs, and its recommendations as to legislation and other action as is necessary for carrying out the purposes of this chapter.

SEC. 429. Section 14318 of the Welfare and Institutions Code, as added by Chapter 1366 of the Statutes of 1972, is amended to read:

14318. The contract shall provide the specific sums which the state shall pay the prepaid health plan each month for each beneficiary currently enrolled in the prepaid health plan.

SEC. 430. Section 15153.5 of the Welfare and Institutions Code is amended to read:

15153.5. Notwithstanding any provision of this article to the contrary, state and federal funds normally due counties for aid payments in behalf of appropriate participants under work incentive programs administered by the Department of Human Resources

Development, and the families of such participants, shall be transferred by the Controller to the Manpower Development Fund established pursuant to Section 5400 of the Unemployment Insurance Code. In addition, an amount of money not in excess of the county share of such aid payments shall be determined and deducted from advances of state and federal funds due counties pursuant to Section 15153.

The Department of Benefit Payments and the Department of Human Resources Development, subject to the approval of the Director of Finance and the Controller, shall establish procedures and methods for the maintenance of information and accounts and the preparation of reports essential to meet federal requirements, and to provide the Controller with financial statements to support the required transfer of funds.

SEC. 431. Section 15153.5 of the Welfare and Institutions Code is amended to read:

15153.5. Notwithstanding any provision of this article to the contrary, state and federal funds normally due counties for aid payments in behalf of appropriate participants under work incentive programs administered by the Department of Employment Development, and the families of such participants, shall be transferred by the Controller to the Department of Employment Development for use in administering the work incentive program. In addition, an amount of money not in excess of the county share of such aid payments shall be determined and deducted from advances of state and federal funds due counties pursuant to Section 15153.

The Department of Benefit Payments and the Department of Employment Development, subject to the approval of the Director of Finance and the Controller, shall establish procedures and methods for the maintenance of information and accounts and the preparation of reports essential to meet federal requirements, and to provide the Controller with financial statements to support the required transfer of funds.

SEC. 435. Section 16575 of the Welfare and Institutions Code is amended to read:

16575. Whenever the term "department" occurs in this part it shall mean the State Department of Health. Whenever the term "director" occurs in this part, it shall mean the Director of Health.

SEC. 435.5. Section 18200.1 of the Welfare and Institutions Code is amended to read:

18200.1. For the purposes of this chapter "department" means State Department of Health and "director" means Director of Health with respect to projects relating to services. For the purposes of this chapter "department" means Department of Benefit Payments and "director" means Director of Benefit Payments with respect to projects relating to aid.

SEC. 436. Section 18205 of the Welfare and Institutions Code is repealed.

SEC. 437. Section 18454 of the Welfare and Institutions Code is amended to read:

18454. "Department" means the Department of Benefit Payments.

SEC. 438. If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

SEC. 439. Upon receipt of a formal ruling from the Secretary of Labor, the Secretary of Health, Education, and Welfare, or the head of any federal agency that any provision of this act cannot be given effect without causing the state's plan to be out of conformity with federal requirements or would result in decertification of provisions of the Unemployment Insurance Code and notification of intention to withdraw federal funds from the state, such provision shall become inoperative to the extent that it is not in conformity with federal requirements.

SEC. 440. It is the intent of the Legislature that if this bill and Assembly Bill No. 1103 are chaptered and Senate Bill No. 601 or Assembly Bill No. 1103 is chaptered before this bill, changes which are proposed by both bills which are chaptered shall be given effect and incorporated in the form set forth in the following sections of this bill: 6, 8, 12, 22, 70, 72, 74, 76, 78, 79, 80, 84, 86, 89, 93, 96, 99, 102, 105, 109, 113, 115, 117, 119, 121, 124, 127, 130, 133, 135, 137, 139, 141, 148, 150, 152, 154, 157, 160, 162, 164, 168, 170, 172, 174, 176, 178, 180, 182, 187, 189, 191, 193, 196, 201, 209, 213.5, 215, 217, 219, 221, 223, 227, 229, 231, 232.5, 234, 236, 237.5, 243, 248, 250, 252, 254, 256, 258, 260, 268, 271, 273, 275, 277, 279, 281, 283, 285, 286.5, 289, 292, 296, 297.5, 299, 305, 308, 310, 312, 314, 317, 319, 362, 377, 379, 381, 395, 397, 399, 401, 405, 407, 411, and 431. Therefore, if either Senate Bill No. 601 or Assembly Bill No. 1103 is chaptered before this bill the sections of this bill above specified (commencing with Section 6) which incorporate changes proposed by both bills shall be operative, and the following sections of this bill shall not be operative: 5, 7, 11, 21, 71, 73, 75, 77, 83, 85, 88, 92, 95, 98, 101, 104, 108, 112, 114, 116, 118, 120, 123, 126, 129, 132, 134, 136, 138, 140, 147, 149, 151, 153, 156, 159, 161, 163, 167, 169, 171, 173, 175, 177, 179, 181, 186, 188, 190, 192, 195, 200, 208, 213, 214, 216, 218, 220, 222, 226, 228, 230, 232, 233, 235, 237, 242, 247, 249, 251, 253, 255, 257, 259, 267, 270, 272, 274, 276, 278, 280, 282, 284, 286, 288, 291, 295, 297, 298, 304, 307, 309, 311, 313, 316, 318, 361, 376, 378, 380, 394, 396, 398, 400, 404, 406, 410, and 430. If Senate Bill No. 601 and Assembly Bill No. 1103 are not chaptered or if either Senate Bill No. 601 or Assembly Bill No. 1103 is chaptered after this bill, the sections of this bill first above specified (commencing with Section 6) shall not be operative and the sections of this bill next above specified (commencing with Section 5) shall be operative.

SEC. 441. It is the intent of the Legislature that if this bill and Senate Bill No. 601 or Assembly Bill No 1103 or Senate Bill No. 391

or two or more such bills are chaptered and amend Section 11552 of the Government Code, and this bill is chaptered last, that amendments proposed by each of the bills which are chaptered be given effect as follows:

(a) If this bill and either Senate Bill No. 601 or Assembly Bill No 1103 are both chaptered and amend Section 11552 of the Government Code, but Senate Bill No. 391 is not chaptered or as chaptered does not amend that section, and this bill is chaptered after Senate Bill No. 601 or Assembly Bill No. 1103, the amendments proposed by both bills shall be given effect and incorporated in Section 11552 in the form set forth in Section 15 of this act. Therefore, if Senate Bill No. 601 or Assembly Bill No. 1103 is chaptered before this bill and both bills amend Section 11552, and Senate Bill No. 391 is not chaptered or as chaptered does not amend that section, Section 15 of this act shall be operative and Sections 14, 16 and 17 of this act shall not become operative.

(b) If this bill and Senate Bill No. 391 are both chaptered and amend Section 11552 of the Government Code, but Senate Bill No. 601 and Assembly Bill No. 1103 are not chaptered or either such bill as chaptered does not amend that section, and this bill is chaptered after Senate Bill No. 391, the amendments proposed by both bills shall be given effect and incorporated in Section 11552 in the form set forth in Section 16 of this act. Therefore, if Senate Bill No. 391 is chaptered before this bill and both bills amend Section 11552, and Senate Bill No. 601 and Assembly Bill No. 1103 are not chaptered or either such bill as chaptered does not amend that section, Section 16 of this act shall be operative and Sections 14, 15 and 17 of this act shall not become operative.

(c) If this bill and either Senate Bill No. 601 or Assembly Bill No. 1103 and Senate Bill No. 391 are all chaptered, and all three bills amend Section 11552 of the Government Code, and this bill is chaptered after either Senate Bill No. 601 or Assembly Bill No. 1103 and Senate Bill No. 391, the amendments proposed by all three bills shall be given effect and incorporated in Section 11552 in the form set forth in Section 17 of this act. Therefore, if either Senate Bill No. 601 or Assembly Bill No. 1103 and Senate Bill No. 391 are both chaptered before this bill and all three bills amend Section 11552 of the Government Code, Section 17 of this act shall be operative and Sections 14, 15 and 16 of this act shall not become operative.

SEC. 442. It is the intent of the Legislature, if this bill and Senate Bill No. 391 are both chaptered and amend Section 11556 of the Government Code, and this bill is chaptered after Senate Bill No. 391, that Section 11556 of the Government Code, as amended by Section 6 of Senate Bill No. 391 be further amended on the operative date of this act in the form set forth in Section 19 of this act to incorporate the changes in Section 11556 proposed by this bill. Therefore, Section 19 of this act shall become operative only if Senate Bill No. 391 is chaptered before this bill and amends Section 11556 and in such case Section 19 of this act shall become operative on the operative date

of this act and Section 18 of this act shall not become operative.

SEC. 443. It is the intent of the Legislature, if this bill and Senate Bill No. 391 are both chaptered, and amend Section 13020 of the Penal Code, and this bill is chaptered after Senate Bill No. 391, that Section 13020 of the Penal Code, as amended by Section 119 of Senate Bill No. 391 be further amended on the operative date of this act in the form set forth in Section 66 of this act to incorporate the changes in Section 13020 proposed by this bill. Therefore, Section 66 of this act shall become operative only if Senate Bill No. 391 is chaptered before this bill and amends Section 13020, and in such case Section 66 of this act shall become operative on the operative date of this act and Section 65 of this act shall not become operative.

SEC. 444. It is the intent of the Legislature that if this bill and Assembly Bill No. 1551 or Assembly Bill No. 1103 or Senate Bill No. 601 are chaptered, and this bill is chaptered last, that amendments proposed by each of the bills which are chaptered be given effect as follows:

(a) If this bill and either Assembly Bill No. 1103 or Senate Bill No. 601 are both chaptered but Assembly Bill No. 1551 is not chaptered or as chaptered does not amend Section 2113 of the Unemployment Insurance Code, and this bill is chaptered after Assembly Bill No. 1103 or Senate Bill No 601, the amendments proposed by both bills shall be given effect and incorporated in Section 2113 in the form set forth in Section 203 of this act. Therefore, if either Assembly Bill No. 1103 or Senate Bill No. 601 is chaptered before this bill, and Assembly Bill No. 1551 is not chaptered or as chaptered does not amend Section 2113, Section 203 of this act shall be operative and Sections 202, 204, and 205 of this act shall not become operative.

(b) If this bill and Assembly Bill No. 1551 are both chaptered and amend Section 2113 of the Unemployment Insurance Code, but Assembly Bill No. 1103 and Senate Bill No. 601 are not chaptered, and this bill is chaptered after Assembly Bill No. 1551, the amendments proposed by both bills shall be given effect and incorporated in Section 2113 in the form set forth in Section 204 of this act. Therefore, if Assembly Bill No. 1551 is chaptered before this bill and both bills amend Section 2113, and Assembly Bill No. 1103 and Senate Bill No. 601 are not chaptered, Section 204 of this act shall be operative and Sections 202, 203, 205 of this act shall not become operative.

(c) If this bill and Assembly Bill No. 1551 and either Assembly Bill No. 1103 or Senate Bill No. 601 are all chaptered, and Assembly Bill No. 1551 amends Section 2113 of the Unemployment Insurance Code, and this bill is chaptered after Assembly Bill No. 1551 and Assembly Bill No. 1103 or Senate Bill No. 601, the amendments proposed by all three chaptered bills shall be given effect and incorporated in Section 2113 in the form set forth in Section 205 of this act. Therefore, if Assembly Bill No. 1551 and either Assembly Bill No. 1103 or Senate Bill No. 601 are both chaptered before this bill and Assembly Bill No. 1551 amends Section 2113 of the Unemployment Insurance Code, Section 205 of this act shall be operative and

Sections 202, 203, and 204 of this act shall not become operative.

SEC. 445. It is the intent of the Legislature, if this bill and Assembly Bill No. 255 are both chaptered and amend Section 2602 of the Unemployment Insurance Code, and this bill is chaptered after Assembly Bill No. 255, that Section 2602 of the Unemployment Insurance Code as amended by Assembly Bill No. 255 be further amended on the operative date of this act in the form set forth in Section 207 of this act to incorporate the changes in Section 2602 proposed by this bill. Therefore, Section 207 of this act shall become operative only if Assembly Bill No. 255 is chaptered before this bill and amends Section 2602 and in such case Section 207 of this act shall become operative on the operative date of this act and Section 206 of this act shall not become operative.

SEC. 446. It is the intent of the Legislature, if this bill and Assembly Bill No. 255 are both chaptered and amend Section 2606 of the Unemployment Insurance Code, and this bill is chaptered after Assembly Bill No. 255, that Section 2606 of the Unemployment Insurance Code as amended by Assembly Bill No. 255 be further amended on the operative date of this act in the form set forth in Section 211 of this act to incorporate the changes in Section 2606 proposed by this bill. Therefore, Section 211 of this act shall become operative only if Assembly Bill No. 255 is chaptered before this bill and amends Section 2606 and in such case Section 211 of this act shall become operative on the operative date of this act and Section 210 of this act shall not become operative.

SEC. 447. It is the intent of the Legislature, if this bill and Senate Bill No. 1054 are both chaptered and amend Section 11307 of the Welfare and Institutions Code, and this bill is chaptered after Senate Bill No. 1054, that Section 11307 of the Welfare and Institutions Code as amended by Senate Bill No. 1054 be further amended on the operative date of this act in the form set forth in Section 402.5 of this act to incorporate the changes in Section 11307 proposed by this bill. Therefore, Section 402.5 of this act shall become operative only if Senate Bill No. 1054 is chaptered before this bill and amends Section 11307 and in such case Section 402.5 of this act shall become operative on the operative date of this act and Section 402 of this act shall not become operative.

SEC. 448. The provisions of this act shall become operative on July 1, 1974, except that the Secretary of the Health and Welfare Agency may on or after January 1, 1974 implement part or all of the transfers of duties, purposes, responsibilities, and jurisdiction provided by this act.

SEC. 449. It is the intent of the Legislature, if this bill and Assembly Bill No. 1726 are both chaptered and amend Section 14110 of the Welfare and Institutions Code, and this bill is chaptered after Assembly Bill No. 1726, that the amendments to Section 14110 proposed by both bills be given effect and incorporated in Section 14110 in the form set forth in Section 421.5 of this act. Therefore, Section 421 5 of this act shall become operative only if this bill and

Assembly Bill No 1726 are both chaptered, both amend Section 14110, and Assembly Bill No. 1726 is chaptered before this bill, in which case Section 421 of this act shall not become operative.

SEC. 450. It is the intent of the Legislature, if this bill and Senate Bill No. 1171 are both chaptered and amend or amend and renumber Section 10053 5 of the Welfare and Institutions Code, and this bill is chaptered after Senate Bill No. 1171, that Section 10053.5 of the Welfare and Institutions Code, as amended by Section 1 of Senate Bill No. 1171 be further amended on the operative date of this act in the form set forth in Section 349 5 of this act to incorporate the changes in Section 10053.5 proposed by this bill. Therefore, Section 349.5 of this act shall become operative only if Senate Bill No. 1171 is chaptered before this bill and amends Section 10053.5, and in such case Section 349 5 of this act shall become operative on the operative date of this act and Section 349 of this act shall not become operative.

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## CHAPTER 1213

*An act to amend Sections 10053 2, 10053.3, 14053, and 14132 of, and to add Section 14005.15 to, and Chapter 8 (commencing with Section 14500) to Part 3 of Division 9 of, the Welfare and Institutions Code, relating to public social services and making an appropriation therefor.*

[Approved by Governor October 2, 1973 Filed with Secretary of State October 2, 1973 ]

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

SECTION 1 The purposes of this act are:

(a) To improve and expand the offering, arranging and furnishing of family planning services and supplies to individuals of childbearing age (as provided by Public Law 92-603) who desire these services and supplies.

(b) To designate the Department of Health as the primary provider of family planning services in California in accordance with the provision of Public Law 92-603 (HR-1).

(c) To provide for consultation and social services in conjunction with family planning activities under the Department of Health.

SEC. 2. Section 10053.2 of the Welfare and Institutions Code is amended to read:

10053.2. Family planning services shall be offered to all former, current or potential recipients of childbearing age (as provided by Public Law 92-603) and provided to all such eligible individuals who voluntarily request such services. Such services shall be offered and provided without regard to marital status, age, or parenthood. Notwithstanding any other provisions of law, the furnishing of these family planning services shall not require the consent of anyone

other than the person who is to receive them. Within the meaning of this section, the term "former, current or potential recipient" shall mean all persons eligible for Medi-Cal benefits under Chapter 7 (commencing with Section 14000) of Part 3 of this division and all persons eligible for social services for which federal reimbursement is available under the Social Security Act, except that the term "potential recipients" shall in all cases include all persons in a family where current social, economic and health conditions of the family indicate that the family would likely become a recipient of financial assistance within the next five years

Family planning services shall include, but not be limited to:

(a) Medical treatment and procedures defined as family planning services under the published Medi-Cal scope of benefits.

(b) Medical contraceptive services such as diagnosis, treatment, supplies, and followup.

(c) Informational and educational services.

(d) Facilitating services such as transportation and child care services needed to attend clinic or other appointments.

To the extent the services under this section are not available under the Medi-Cal program, they shall be provided by contracts between authorized public or private agencies offering family planning services and the State Department of Health. Such contracts shall include to the maximum extent possible, cooperative funding and other financial arrangements which permit maximum use of available federal funds. Information and referral services only shall be available to all other families and children.

SEC. 3. Section 10053.3 of the Welfare and Institutions Code is amended to read:

10053.3 The county welfare departments shall develop and submit to the Health and Welfare Agency a quarterly statistical report on the operation of Section 10053.2 to document the effectiveness of this program. Such report shall include, but not be limited to:

(a) A description of the procedures used to inform former, current, and potential recipients of childbearing age of their eligibility for and the availability of family planning services.

(b) The number of current recipients of childbearing age offered family planning services during the quarter.

(c) The number of referrals to family planning clinics by the county welfare departments

The Department of Health shall prepare a report setting forth such information by counties and submit its report to the Legislature no later than 60 days after the end of each quarter. Such report shall also include, but not be limited to the following:

(a) The number of visits to family planning clinics and Medi-Cal providers, the medical contraceptive and other services provided at those visits, categorized according to former, current, or potential recipients.

(b) The number of live births per 1,000 current female recipients

of childbearing age during the quarter.

(c) The number of live births per 1,000 females of childbearing age resident in the county during the quarter.

SEC. 4. Section 14005.15 is added to the Welfare and Institutions Code, to read:

14005.15. Notwithstanding the provisions of Section 14005, Medi-Cal beneficiaries shall obtain family planning services through the Medi-Cal program to the extent they are available through such program.

SEC. 5. Section 14053 of the Welfare and Institutions Code is amended to read:

14053. "Health care services" means:

1. Inpatient hospital services (other than services in a medical institution for tuberculosis or mental diseases except to the extent permitted by federal law) in and by a medical institution or facility operated by, or licensed by, the United States, one of the several states, a political subdivision of a state, the State Department of Health, or exempt from such licensure pursuant to subdivision (c) of Section 1415 of the Health and Safety Code.

2. Outpatient hospital services.

3. Laboratory and X-ray services.

4. Skilled nursing home services (other than services in a medical institution for tuberculosis or mental diseases except to the extent permitted by federal law), as defined for the purpose of securing federal approval of a plan under Title XIX of the Federal Social Security Act, to persons 21 years of age or older, or to persons under 21 years of age to the extent permitted by federal law.

5. Physicians' services, whether furnished in the office, the patient's home, a hospital, or a skilled nursing home, or elsewhere.

6. Medical care, or any other type of remedial care recognized under the laws of this state, furnished by licensed practitioners within the scope of their practice as defined by the laws of this state. Other remedial care shall include, without being limited to, treatment by prayer or healing by spiritual means in the practice of any church or religious denomination insofar as these can be encompassed by federal participation under an approved plan.

7. Home health care services.

8. Private duty nursing services.

9. Outpatient clinic services.

10. Dental services.

11. Physical therapy and related services.

12. Prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in the diseases of the eye or by an optometrist, whichever the individual may select.

13. Other diagnostic, screening, preventive, or rehabilitative services.

14. Intermediate care facility services (other than such services in an institution for tuberculosis or mental diseases except to the extent permitted by federal law) for individuals who are determined, in

accordance with Title XIX of the Federal Social Security Act, to be in need of such care.

15. Inpatient hospital services and skilled nursing home services for any individual 65 years of age or over in an institution for tuberculosis or mental diseases.

16. Family planning services.

Such term shall not include, except to the extent permitted by federal law,

a. Any care or services for any individual who is an inmate of a public institution (except as a patient in a medical institution); or

b. Any care or services for any individual who has not attained 65 years of age and who is a patient in an institution for tuberculosis or mental diseases.

SEC. 6. Section 14132 of the Welfare and Institutions Code, as amended by Chapter 31 of the Statutes of the 1973–74 Regular Session, is amended to read:

14132. The following is the basic schedule of benefits under this chapter:

(a) Outpatient services are covered as follows:

Physician, hospital outpatient, optometric, chiropractic, psychology, podiatric, occupational therapy, physical therapy, speech therapy, audiology, and services of persons rendering treatment by prayer or healing by spiritual means in the practice of any church or religious denomination insofar as these can be encompassed by federal participation under an approved plan.

The extent of such coverage is limited to a maximum total of two services from among the above in any month, and not to exceed twenty-four (24) services from among the above during any period of twelve (12) consecutive months; provided however that only as to physician outpatient services, any visits unused during the month immediately preceding the current month may be used in the current month, subject to the limitation that physician and other services from among the above shall not be covered in excess of twenty-four (24) among all such services during any period of twelve (12) consecutive months. As to hospital outpatient services, the above limitation on extent of coverage shall not apply to the services set forth in subdivisions (e), (f), (g), (h), (*l*), and (m) when rendered as part of a hospital outpatient visit.

(b) Hospital inpatient care, including physician services, is covered to a maximum of sixty-five (65) days in a period of twelve (12) consecutive months, subject to utilization controls.

(c) Nursing home care, including physician services and prescription drugs, subject to the Medi-Cal Drug Formulary, are covered to the extent of a full year of service in any period of twelve (12) consecutive months, subject to utilization controls. Other covered services listed in subdivision (a) of this section shall be subject to outpatient service controls described in subdivision (a) of this section.

(d) Purchase of prescription drugs is covered, but not to exceed

two prescriptions purchased during any one month, as prescribed, subject to the Medi-Cal Drug Formulary.

(e) Hospital outpatient dialysis services and home hemodialysis services, including physician services, medical supplies, drugs and equipment required for dialysis, are covered, subject to utilization controls

(f) Anesthesiologist's services when provided as part of an outpatient medical procedure, outpatient laboratory services, and X-ray services are covered to the extent prescribed.

(g) Blood and blood derivatives are covered.

(h) Emergency and essential diagnostic and restorative dental services, except for orthodontic, fixed bridgework, and partial dentures that are not necessary for balance of a complete artificial denture, are covered, subject to utilization controls. Notwithstanding the foregoing, the director may by regulation provide for certain fixed artificial dentures necessary for obtaining employment or for medical conditions which preclude the use of removable dental prostheses.

(i) Medical transportation is covered, subject to utilization controls.

(j) Home health care services are covered, subject to utilization controls.

(k) Prosthetic and orthotic devices and eyeglasses are covered, subject to utilization controls.

(*l*) Hearing aids are covered, subject to utilization controls.

(m) Durable medical equipment and medical supplies are covered, subject to utilization controls.

(n) Physical therapy services, occupational therapy services, speech therapy services and audiology services provided in rehabilitation centers approved by the department are covered, subject to utilization controls and approval by the department of extended treatment plans.

(o) Intermediate care facility services, including physician services and prescription drugs, subject to the Medi-Cal Drug Formulary, are covered to the extent of a full year of service in any period of twelve (12) consecutive months, subject to utilization controls.

(p) Family planning services are covered.

SEC. 7. Chapter 8 (commencing with Section 14500) is added to Part 3 of Division 9 of the Welfare and Institutions Code, to read:

## CHAPTER 8. FAMILY PLANNING

14500. An Office of Family Planning shall be established within the Department of Health. The Office of Family Planning shall be under the control of an executive officer who shall be known as the Coordinator of the Office of Family Planning. The coordinator shall be appointed by the Director of the Department of Health and shall be a physician with training and experience in family planning.

14501. The Office of Family Planning shall have the following functions, powers and duties:

(a) To make available to citizens of the state of childbearing age comprehensive medical knowledge, assistance and services relating to the planning of families.

(b) To consult with state and local agencies which provide or administer family planning services and to participate in the formulation of regulations and other policy decisions governing the provision or administration of family planning services pursuant to state law or regulation.

(c) To establish goals and priorities for all state agencies providing or administering family planning services.

(d) To coordinate all family planning services and related programs conducted or administered by state agencies with the federal government so as to maximize the availability of such services by utilizing all available federal funds.

(e) To conduct a survey of all of the existing facilities within the state having to do with family planning and infertility and the rendering of advice and assistance on birth control techniques and information;

(f) To evaluate all existing programs and to establish in each county a viable program for the dispensation of family planning, infertility and birth control information and techniques;

(g) To develop and administer scientific investigation into problems of infertility and existing and new family planning and birth control techniques;

(h) To survey, evaluate, and establish programs of professional education and training for physicians, nurses, medical and nursing students, and other health care practitioners in rendering advice on family planning, infertility and birth control techniques and information;

(i) To enter into contracts and agreements with individuals, colleges, universities, associations, corporations, municipalities and other units of government as may be deemed necessary and advisable to carry out the general intent and purposes of this article which may provide for payment by the state within the limit of funds available for material, equipment and services; and

(j) To submit an annual report to the Legislature including, but not limited to, the subjects specified above.

SEC. 8. It is the intent of the Legislature that all persons eligible for family planning services under the Federal Economic Opportunity Act, Title IV-A of the Social Security Act, and Title X of the U.S. Public Health Service Act as of the effective date of this act shall continue to be provided services notwithstanding changes in federal regulations.

SEC. 9. There is hereby appropriated from the General Fund in the State Treasury the sum of four million seven hundred seventy thousand dollars ($4,770,000) to the Department of Health for expenditure during the 1973–74 fiscal year for the purposes of this act

which shall be available without regard to the availability or allocation of matching federal funds.

SEC. 10. No appropriation is made by this act, nor is any obligation created thereby under Section 2164.3 of the Revenue and Taxation Code, for the reimbursement of any local agency for any costs that may be incurred by it in carrying on any program or performing any service required to be carried on or performed by it by this act.

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## CHAPTER 1214

*An act to amend Sections 19870, 19872, 19875, and 19876 of, and to add Sections 18056.3, 19871.5, and 19878.7 to, the Health and Safety Code, relating to energy insulation.*

[Approved by Governor October 2, 1973. Filed with Secretary of State October 2, 1973.]

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

SECTION 1. Section 18056.3 is added to the Health and Safety Code, to read:

18056.3. No mobilehome manufactured in violation of the provisions of Chapter 11 (commencing with Section 19870) of Part 3 of Division 13 or regulations adopted pursuant thereto shall be issued the department's insignia of approval.

SEC. 2. Section 19870 of the Health and Safety Code, as added by Chapter 1136 of the Statutes of 1972, is amended to read:

19870. As used in this chapter:

(a) "Energy insulation" means the protection from heat loss or heat gain to conserve the fuel resources used to heat or cool residential and commercial buildings and mobilehomes.

(b) "Mobilehome" means any vehicle designed and equipped to contain not more than two dwelling units to be used without a permanent foundation.

SEC. 3. Section 19871.5 is added to the Health and Safety Code, to read:

19871.5. As soon as possible after July 1, 1974, the Commission of Housing and Community Development shall adopt such rules and regulations establishing minimum standards of energy insulation for new mobilehomes as the commission determines are reasonably necessary to conserve fuel resources. Such standards shall be at least as stringent as any federal statute or regulation establishing standards for energy insulation in mobilehomes in existence on, or enacted after, the effective date of this section. In adopting energy-insulation standards for mobilehomes, the commission shall give utmost consideration to the conservation of energy resources.

SEC. 4. Section 19872 of the Health and Safety Code, as added by

Chapter 1136 of the Statutes of 1972, is amended to read:

19872. The Director of Housing and Community Development shall appoint an advisory committee to assist the commission in the establishment of energy insulation regulations. The advisory committee shall consist of two architects in private practice, two scientists having professional and technical experience in the field of energy conservation or use, one general building contractor, as defined in Section 7057 of the Business and Professions Code, two specialty contractors classified in Chapter 8 (commencing with Section 700) of Title 16 of the California Administrative Code, two representatives of the mobilehome manufacturing industry, two registered mechanical engineers, three representatives from a city, county, or city and county, the Secretary of the Human Relations Agency, the State Architect, and the Secretary of the Resources Agency. Members of the advisory committee shall serve without compensation, but each member shall be reimbursed for his necessary traveling and other expenses incurred in the performance of his duties.

SEC. 5 Section 19875 of the Health and Safety Code, as added by Chapter 1136 of the Statutes of 1972, is amended to read:

19875. Except as otherwise provided in this section, the provisions of this chapter and the rules and regulations adopted pursuant to this chapter shall be enforced within its jurisdiction by the building department of every city, county, or city and county. No certificate of occupancy or similar certification that a newly constructed hotel, motel, apartment house, home, or other residential dwelling is habitable shall be issued by such a building department unless the structure at least satisfies the minimum energy insulation standards established pursuant to this chapter.

With respect to mobilehomes, the Department of Housing and Community Development shall enforce the provisions of this chapter and rules and regulations adopted pursuant to this chapter in the manner specified in Part 2 (commencing with Section 18000).

SEC 6. Section 19876 of the Health and Safety Code, as added by Chapter 1136 of the Statutes of 1972, is amended to read:

19876. The provisions of this chapter shall apply only to new hotels, motels, apartment houses, homes, and other residential dwellings on which actual site preparation and construction has not commenced prior to the effective date of rules and regulations adopted pursuant to this chapter. The provisions of this chapter shall apply only to mobilehomes the manufacture of which has not commenced prior to the effective date of rules and regulations relating to mobilehomes adopted pursuant to this chapter. Nothing in this chapter shall prohibit the enforcement of existing energy insulation standards, adopted prior to the effective date of this chapter, as to new hotels, motels, apartment houses, homes, and other residential dwellings on which actual site preparation and construction has commenced prior to the effective date of rules and regulations adopted pursuant to this chapter.

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SEC 7. Section 19878.7 is added to the Health and Safety Code, to read:

19878 7. If Senate Bill No. 283 of the 1973–74 Regular Session is enacted and creates a State Energy Resources Conservation and Development Commission, all functions of the Director of Housing and Community Development, the Department of Housing and Community Development, and the Commission of Housing and Community Development provided for by this chapter shall be assumed by such State Energy Resources Conservation and Development Commission. In such event, the advisory committee established by Section 19872 shall assist such State Energy Resources Conservation and Development Commission with the development of energy conservation standards for all commercial, industrial, and residential buildings.

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## CHAPTER 1215

*An act to add Article 5.5 (commencing with Section 9115) to Chapter 1.5 of Division 2 of Title 2 of the Government Code, relating to the State Capitol and legislative buildings.*

[Became law without Governor's signature October 3, 1973 Filed with Secretary of State October 3, 1973.]

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

SECTION 1. Article 5.5 (commencing with Section 9115) is added to Chapter 1.5 of Division 2 of Title 2 of the Government Code, to read:

### Article 5.5. Legislative Building

9115. The legislative building is the building to be constructed in the area bounded by 15th, L, 17th, and N Streets in the City of Sacramento, and includes all additions and annexes thereto hereafter constructed.

9116. Acquisition of land or other real property for the legislative building shall be performed by the State Public Works Board pursuant to the Property Acquisition Law, but the staff for such acquisition shall be provided by the Department of Transportation. The Department of Transportation shall construct the building in accordance with plans provided by the Legislature, through the Joint Rules Committee thereof.

The construction of the project shall be under the jurisdiction of the Department of Transportation and shall be performed pursuant to the State Contract Act and to statutes applicable to the Department of Transportation in performing construction for state highway purposes. The department may employ such assistance as

it deems necessary for the proper discharge of its duties in carrying out the project. Contracts for such assistance shall not be subject to approval pursuant to Section 14101 or 14780 of the Government Code or to Section 18 of the Budget Act of 1973, but shall be reported to the Joint Rules Committee. Contracts for construction of the project may provide for the payment of extra compensation to the contractor, as a bonus for completion prior to the specified time, and such provision, if used, shall be included in the specifications and shall clearly set forth the basis for such payment.

9117. The legislative building is intended primarily for the use of the legislative department and, except as otherwise provided in this article, shall be devoted exclusively to such use.

9118. The legislative building is under the jurisdiction of the Legislature

9119. All space in the legislative building and all annexes and additions thereto shall be allocated from time to time by the Joint Rules Committee in accordance with its determination of the needs of the Legislature and the two houses thereof. The committee shall allocate such space as it determines to be necessary for facilities and agencies dealing with the Legislature as a whole, including but not limited to press quarters, billrooms, telephone rooms, and offices for the Legislative Counsel and for committees created by the two houses jointly. The committee shall allocate to the Senate and Assembly, respectively, the space it determines to be needed by such houses and their committees and the officers, employees, and attachés thereof. The space thus allocated to the Senate and to the Assembly shall be allotted from time to time by the Senate Rules Committee and the Assembly Rules Committee, respectively.

9120. The determination of the Joint Rules Committee as to the needs of the Legislature shall be subject to change only by action of that committee or by concurrent resolution.

9121. The Department of General Services shall provide such maintenance and operation services in connection with the legislative building as may be requested by the Legislature.

9122. Notwithstanding the provisions of Sections 9115 to 9121, inclusive, no action with respect to the construction provided by this act shall commence until the Joint Rules Committee has done the following:

(a) Obtained from independent space programming experts a reevaluation of the space needs upon which the proposal for the legislative building is based. Such reevaluation shall also include a comparative analysis of:

(1) The proposal to provide additional space for the Legislature by constructing the legislative building.

(2) The proposal to provide additional space for the Legislature by expanding the East Wing and reconstructing the West Wing, of the State Capitol or by any other alternative proposal to provide for the space needs of the Legislature that are presented to the committee.

(b) Held open and public hearings after due notice thereof for the purpose of determining which proposal is more feasible with respect to the needs of the Legislature.

(c) Determined and made available to the public the design concept for construction found to be most feasible for a period of not less than 30 days prior to approval.

(d) Approved the design concept for construction at an open and public meeting, after notice. The meeting shall not be held while the Legislature or either house thereof is in recess.

(e) Obtained approval of any decision to construct the legislative building by concurrent resolution adopted by the Senate and the Assembly after due notice of consideration thereof has been published.

9123. If the Joint Rules Committee does not approve the proposal for construction of the legislative building and determines that the proposal to expand the East Wing of the Capitol is more feasible, such expansion, upon approval of the Joint Rules Committee, shall proceed in accordance with the provisions of this article, to the extent applicable.

SEC. 2. Notwithstanding any provision of law restoration or rehabilitation of the west wing of the State Capitol shall be undertaken only as hereafter provided by statute, so as to insure future use of the building in a manner befitting its historical significance. Before such statute is enacted, the Joint Rules Committee shall cause a study to be conducted and report its recommendations thereon to the Legislature. The study shall include, but shall not be limited to:

(a) The feasibility of making the building safe for full occupancy and use through total reconstruction.

(b) The feasibility of making the building safe for occupancy and use without total reconstruction.

(c) The feasibility of making the building a state museum as a repository of official documents and artifacts of historical significance.

(d) The feasibility of making the building an historical living museum and office building.

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## CHAPTER 1216

*An act to repeal Section 19524 of the Revenue and Taxation Code, to amend Sections 10551, 10559, 10800, 10950, 11006, 11006.1, 11006.3, 11006.5, 11008, 11008.8, 11008.9, 11009.1, 11010, 11012, 11018, 11020, 11050, 11052.5, 11061, 11062, 11150, 11155, 11203, 14005.1, 14008, 14109, 15151, 15201, and 15204.1 of, to add Sections 10813.1, 11005.5, 11063 to, Chapter 3 (commencing with Section 12000) and*

*Chapter 4 (commencing with Section 12500) to Part 3 of Division 9 of, Sections 13004, 13058, 13059, 13060, 13061, 13062, 13063, 13064, 13065, 13066, 13067, 13068, 13103 to, Article 4 (commencing with Section 13150), Article 5 (commencing with Section 13200), Article 6 (commencing with Section 13250), and Article 7 (commencing with Section 13300) to Chapter 5 of Part 3 of Division 9 of, Chapter 6.5 (commencing with Section 13900) to Part 3 of Division 9 of, Sections 15151.5, and 15156 to, and Chapter 10 (commencing with Section 18900) to Part 6 of Division 9 of, and to repeal Sections 11011, 11056.1, 11058, 11059, 11060 of, Article 5 (commencing with Section 11170) and Article 6 (commencing with Section 11180) of Chapter 1 of Part 3 of Division 9 of, Chapter 3 (commencing with Section 12000), Chapter 4 (commencing with Section 12500), and Chapter 6 (commencing with Section 13500) of Part 3 of Division 9 of, Chapter 6.5 (commencing with Section 13900) of Part 3 of Division 9 of, Sections 15202, and 15204 of, and Chapter 10 (commencing with Section 18900) of Part 6 of Division 9 of, the Welfare and Institutions Code, to repeal Section 1 of Chapter 1084 of the Statutes of 1970, Section 599 of Chapter 1593 of the Statutes of 1971, and to amend Section 42.5 of Chapter 578 of the Statutes of 1971, and Section 2 of Chapter 1022 of the Statutes of 1972, relating to Public Social Services, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor December 5, 1973. Filed with Secretary of State December 5, 1973.]

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

SECTION 1. Section 19524 of the Revenue and Taxation Code is repealed.

SEC. 2. Section 10551 of the Welfare and Institutions Code is amended to read:

10551. The department consists of the director, the State Social Welfare Board, and such divisions or other administrative units as the director may find necessary for proper administration.

This section shall remain in effect only until the operative date of Chapter 1212 of the Statutes of 1973 as provided in Section 448 of that chapter, and as of that date is repealed.

SEC. 3. Section 10551 of the Welfare and Institutions Code as amended by Chapter 1212 of the Statutes of 1973 is amended to read:

10551. The department consists of the director, the State Social Benefits and Services Advisory Board, and such divisions or other administrative units as the director may find necessary for proper administration.

This section shall become operative on the operative date of Chapter 1212 of the Statutes of 1973 as provided in Section 448 of that chapter.

SEC. 4. Section 10559 of the Welfare and Institutions Code is amended to read:

10559. There is in the Department of Health a division or office devoted to carrying out the provisions of this division pertaining to social services to the blind. The division or office shall be headed by a chief, who is a trained social worker experienced in work for the blind. The duties of both the division and the chief shall be confined to carrying out the provisions of this division and the chief shall be confined to carrying out the provisions of this division pertaining to social services to the blind. Blindness shall not be grounds to disqualify a person from holding the position of chief of the office or division. The division or office shall not be made a part of any other division, office, or subdivision of the Department of Health. The chief of the division or office shall be directly responsible to the Director of Health.

The Director of Health through the division or office may provide consultative services to county personnel administering social services to the blind which shall include, but not be limited to, information concerning the various aspects of blindness and its problems and implications, the rehabilitative potential of the blind, public and private services available, employment opportunities for blind persons, and concepts in counseling blind persons.

SEC. 5. Section 10800 of the Welfare and Institutions Code is amended to read:

10800. Subject to the provisions of Section 11050 and Chapter 3 (commencing with Section 12000) of Part 3, the administration of public social services in each of the several counties of the state is hereby declared to be a county function and responsibility and therefore rests upon the boards of supervisors in the respective counties pursuant to the applicable laws, and in the case of public social services for which federal or state funds are provided, subject to the regulations of the department.

For the purpose of providing for and carrying out this function and responsibility, the board of supervisors of each county, or other agency as may be otherwise provided by county charter, shall establish a county department, unless otherwise provided by the county charter. Except as provided herein, the county department shall be the county agency for the administration of public social services and for the promotion of public understanding of the public social services provided under this code and the problems with which they deal.

SEC. 6. Section 10813.1 is added to the Welfare and Institutions Code, to read:

10813.1. Each county shall submit to the Department of Health by December 1, 1974, a comprehensive plan for the financing and delivery of social services for fiscal year 1975–76 to meet the purposes of Section 10053. Such plan shall specify a priority of services for adults and for families and children and shall be updated and resubmitted annually prior to December 1st of each year

SEC. 7. Section 10950 of the Welfare and Institutions Code is amended to read:

10950. If any applicant for or recipient of public social services is dissatisfied with any action of the county department relating to his application for or receipt of aid or services, or if his application is not acted upon with reasonable promptness, or if any person who desires to apply for such aid or services is refused the opportunity to submit a signed application therefor, and is dissatisfied with such refusal, he shall, in person or through an authorized representative, without the necessity of filing a claim with the board of supervisors, upon filing a request with the department, be accorded an opportunity for a fair hearing.

As used in this chapter, "recipient" means an applicant for or recipient of aid or services except aid or services exclusively financed by county funds or aid under Chapter 3 (commencing with Section 12000) of Part 3 of this division.

SEC. 8. Section 11005.5 is added to the Welfare and Institutions Code, to read:

11005.5. All money paid to a recipient or recipient group as aid is intended to help the recipient meet his individual needs or, in the case of a recipient group, the needs of the recipient group, and is not for the benefit of any other person. Aid granted under this part or Part A of Title XVI of the Social Security Act to a recipient or recipient group and the income or resources of such recipient or recipient group shall not be considered in determining eligibility for or the amount of aid of any other recipient or recipient group.

SEC. 9. Section 11006 of the Welfare and Institutions Code is amended to read:

11006. Except as basic needs are provided pursuant to a life care agreement governed by Chapter 4 (commencing with Section 16300) of Part 4, to the extent permitted by federal law the director shall formulate and promulgate regulations which establish criteria for evaluation of allowances provided to recipients of public assistance under the following circumstances:

1. Applicants or recipients who reside in a facility operated by an organization that provides for any or all of the basic needs of the individual.

2. Applicants or recipients who reside under a living arrangement paid for and controlled by an organization.

SEC. 10. Section 11006.1 of the Welfare and Institutions Code is amended to read:

11006.1. Notwithstanding any other provision of law, each grant of aid under Chapter 5 (commencing with Section 13000) shall be increased in the amount of two dollars ($2), as a basic need of the recipient. Grant increases provided pursuant to this section are specifically intended to assure that the tax shift provisions of the Property Tax Relief Act of 1972 will not work a hardship on welfare recipients. Such grant increases shall not replace, but are in addition to any other grant, including any cost-of-living adjustment or any

grant for special needs for which recipients affected by this section are or may become eligible.

SEC 11. Section 11006.3 of the Welfare and Institutions Code is amended to read:

11006.3. This section shall be applicable only to recipients of aid to the potentially self-supporting blind.

When payment is made monthly all public assistance warrants shall be placed in the mail in time to be received by the recipient not later than the first day of the following month except that when such day is not both a postal delivery day and a banking day, the warrants shall be placed in the mail in order to be delivered on the last day of the preceding month that is both a postal delivery day and a banking day. All payments of public assistance shall be made monthly in advance by the county and shall be paid as of the first day of each month, except that warrants delivered prior to that day pursuant to this section shall be made payable as of such prior day.

SEC. 12. Section 11006.5 of the Welfare and Institutions Code is amended to read:

11006.5. This section shall be applicable only to those aid recipients under Chapter 3 (commencing with Section 12000) and Chapter 4 (commencing with Section 12500) of this part.

Alternate methods of providing assistance may be used for recipients of aid who are found to be unable to manage the cash grant to their own best advantage. Such payment may only be used when it is determined by the county director that the recipient has, by reason of his physical or mental condition, such inability to manage funds that making cash payments to him would be contrary to his welfare.

Aid under this section may be paid to a guardian or conservator on behalf of the recipient. If no guardian or conservator is available, aid shall be paid, in whole or in part, to some other individual who is interested in or concerned with the welfare of the recipient. In the absence of superseding federal law, the department shall make regulations for the payment of aid under this section and for the selection of such substitute payee.

SEC. 13. Section 11008 of the Welfare and Institutions Code is amended to read:

11008. In order that recipients of public assistance may become self-supporting and productive members of their communities, it is essential that they be permitted to earn money without a proportionate deduction in their aid grants. It is the intention of the Legislature to promote this objective and the department, in implementing public assistance laws, is directed to do so in the light of this objective.

To the extent required by federal law, earned income of a recipient of aid under any public assistance program for which federal funds are available shall not be considered income or resources of the recipient, and shall not be deducted from the amount of aid to which the recipient would otherwise be entitled,

provided that any exemption which was permitted by federal law on August 1, 1971 and was authorized and applied in California shall continue to be required as long as permitted by federal law In computing the amount of income determined to be available to support a recipient, the value of currently used resources shall be included, except as provided in Section 11018.

Nothing in the amendments to this section made by the Legislature at its 1971 Regular Session shall be construed to give any person benefits based on a claim filed subsequent to August 1, 1971, relating to benefits not authorized and applied on August 1, 1971.

This section does not apply to recipients under Chapter 3 (commencing with Section 12000) of this part.

SEC. 14. Section 11008.8 of the Welfare and Institutions Code, as added by Chapter 1022 of the Statutes of 1972, is amended to read:

11008.8. It is the intent of the Legislature that any reduction in the state and county costs of public assistance payments to recipients of aid under Chapter 5 (commencing with Section 13000) of this part, which result from increased social security benefits voted by Congress shall be applied to increasing the monthly grants to all recipients of aid under that chapter.

Notwithstanding any other provision of law, on and after October 1, 1972, the maximum or average grants contained in Sections 13100 and 13101 and the need standard of recipients contained in departmental regulations on July 1, 1972, that were established pursuant to such sections shall be increased in the amount of twelve dollars ($12). Such increases shall be reflected in the grants that are payable on October 1, 1972. Such increases shall not replace, but are in addition to any other grant, including any cost-of-living adjustment or any grant for special needs for which recipients affected by this section are or may become eligible.

There is hereby appropriated from the general fund in every county an amount sufficient to pay the total nonfederal costs of the increase in aid grants provided in this section.

SEC. 15. Section 11008.9 of the Welfare and Institutions Code is amended to read:

11008.9. Loans or grants provided for in Section 25527.3 of the Education Code are deemed to be for educational purposes and to the extent permitted by federal law, shall not be used or considered in determining the need of any applicant or recipient or as part of the amounts used to determine the eligibility of any applicant or recipient for public assistance programs.

This section shall not apply to recipients under Chapter 3 (commencing with Section 12000) of this part.

SEC. 16. Section 11009.1 of the Welfare and Institutions Code is amended to read:

11009.1. The value of free board and lodging supplied to a recipient during a temporary absence from his home of not more than one month, shall be considered an inconsequential resource and shall not be deducted from the amount of aid to which the recipient

is otherwise entitled.

After an absence of one month, free board and lodging shall be considered income to the extent the value exceeds the continuing cost to the recipient of maintaining the home to which he expects to return

This section shall not apply to recipients under Chapter 3 (commencing with Section 12000) of this part.

SEC. 17. Section 11010 of the Welfare and Institutions Code is amended to read:

11010. Except as otherwise provided in Section 12152 in determining the amount of aid grants payable under a public assistance program, no consideration shall be given to voluntary contributions or grants from other public sources, private agencies, friends or relatives when such contributions or grants meet the following conditions:

1. The service to be provided is designated by the department and is not covered by an assistance allowance under the particular program, and

2. The contribution or grant would not be available for expenditure by or in behalf of the recipient unless it is used in accordance with the conditions imposed by the donor.

SEC. 18. Section 11011 of the Welfare and Institutions Code is repealed.

SEC. 19. Section 11012 of the Welfare and Institutions Code is amended to read:

11012. To encourage the spouse of an applicant or recipient to retain or seek employment in order to be self-supporting, taxpaying, and to avoid becoming a recipient of public aid, the net earnings of the spouse, up to the amount of two hundred dollars ($200) per month, after deduction for the expenses incurred in connection with such earnings, shall not be considered community property in computing how much of said earnings should be allocated to the applicant or recipient as income to him Where the spouse is engaged in seasonal employment, the estimated annual earnings of the spouse shall be prorated on a monthly basis

This section shall apply only to the aid to the potentially self-supporting blind program.

This section shall not be interpreted so as to repeal Section 13066.

SEC. 20 Section 11018 of the Welfare and Institutions Code is amended to read:

11018. Notwithstanding Section 11008, in computing the amount of income available to support a recipient, the first sixty dollars ($60) per quarter of any casual income or income from inconsequential resources which is received infrequently or irregularly shall be exempt

This section does not apply to recipients under Chapter 3 (commencing with Section 12000) of this part.

SEC. 21. Section 11020 of the Welfare and Institutions Code is amended to read:

11020 Where a recipient under a categorical aid program has received aid in good faith but in fact owned excess property, he shall be considered to have been ineligible for aid during the period for which any excess property would have supported him at the rate of the aid granted to him. In such case the recipient or his estate shall repay the aid he received during such period of ineligibility.

With respect to recipients under Chapter 3 (commencing with Section 12000) of this part, overpayments shall be collected by the federal government pursuant to federal law

SEC 22. Section 11050 of the Welfare and Institutions Code is amended to read·

11050. Except as provided in Chapter 3 (commencing with Section 12000) of this part and Section 11403 of this code, applications for public social services or public assistance by any person, or in behalf of any person, shall be made to the county department in the county in which the applicant is living. The application may be made in writing or reduced to writing upon the standard form prescribed in regulations of the department and a copy shall be furnished to each applicant at the time of the application

The state is responsible for maintaining uniformity in the public social service programs provided for in Part 3 (commencing with Section 11000) of this division, and in order to promote and insure such uniformity, the department shall be responsible for the control of administering the payment of grants for all aid programs.

The department may contract with any county for the performance of eligibility and grant determinations for applicants or recipients within the jurisdiction of the contracting county, or for applicants or recipients within the jurisdiction of another county which has not contracted with the department to perform such functions or whose contract with the department has been terminated or in the absence of such contract the department may act in the place of the county and assume direct responsibility for the administration of such eligibility and grant determinations

The department shall have the right to terminate any such contract immediately if the contracting county fails to carry out its contractual obligations.

SEC 23. Section 11052.5 of the Welfare and Institutions Code is amended to read·

11052 5. No applicant shall be granted public assistance under Chapters 2 (commencing with Section 11200) and 5 (commencing with Section 13000) of this part until he is first personally interviewed by the office of the county department or state staff for patients in state hospitals. Such personal interview shall be conducted promptly following the application for assistance If an applicant is incapable of acting in his own behalf, the county department shall verify this fact by personal contact with the applicant before aid is authorized. As used in this section, the term public assistance does not include health care as provided by Chapter 7 (commencing with Section 14000) of this part.

The interview conducted pursuant to this section shall occur within seven days after the time of application unless there are extenuating circumstances which justify further delay.

SEC. 24. Section 11056.1 of the Welfare and Institutions Code is repealed.

SEC. 25 Section 11058 of the Welfare and Institutions Code is repealed.

SEC. 26. Section 11059 of the Welfare and Institutions Code is repealed.

SEC. 27. Section 11060 of the Welfare and Institutions Code is repealed.

SEC. 28 Section 11061 of the Welfare and Institutions Code is amended to read:

11061. The board of supervisors of each county shall file with the department a record of the action of such county in granting or refusing to grant aid to the potentially self-supporting blind to each applicant for such aid.

SEC. 29 Section 11062 of the Welfare and Institutions Code is amended to read:

11062. The sworn statements, affidavits or affirmations of each applicant or recipient of aid under Chapter 5 of this part, shall be presumed to be true, except with respect to degree of blindness. This section shall not be interpreted to preclude a full and complete investigation by the agency administering aid to the blind.

SEC. 30. Section 11063 is added to the Welfare and Institutions Code, to read:

The provisions of this article do not apply to recipients under Chapter 3 (commencing with Section 12000) of this part, unless otherwise expressly indicated.

SEC. 31. Section 11150 of the Welfare and Institutions Code is amended to read:

11150. It is the intent of this article to set forth the amount of personal or real property, or both, which an applicant for or recipient of public assistance may retain and remain eligible to receive public assistance provided he meets the other eligibility requirements for the category of public assistance for which he is an applicant or recipient.

In the formulation of any regulations pursuant to this article and in the administration thereof, consideration shall be given to the ability and circumstances of the applicant or recipient in order that undue hardship is not imposed upon any applicant or recipient in making plans to comply with the provisions of this article. No applicant or recipient shall be considered ineligible for retaining property where disposition would alter or impair reasonable access to or the normal use of his home.

This article does not apply to aid to families with dependent children or Chapter 3 (commencing with Section 12000) of this part, unless otherwise expressly indicated.

SEC. 32. Section 11155 of the Welfare and Institutions Code is

amended to read:

11155. In addition to the personal property permitted by other provisions of this part, an applicant or recipient, including an applicant for or recipient of aid to families with dependent children may retain items of personal property, other than cash, securities, instruments or other evidences of indebtedness, of a market value, less encumbrances, not to exceed one thousand dollars ($1,000), and in addition property falling within the following categories:

1. The entire value of wedding and engagement rings, heirlooms and clothing.

2. The reasonable value of household furnishings and, in addition, other property used to provide, equip and maintain a household for the applicant or recipient up to a market value, less encumbrances, of three hundred dollars ($300) for each item.

3. Equipment and material of reasonable value, including motor vehicles, which are necessary to implement an employment, rehabilitation or self-care plan necessary for employment of the applicant or recipient.

4. Any property right which is essential to land use or which is not available for the use of or expenditure by or in behalf of the applicant or recipient to meet a current or future need of the applicant or recipient.

In addition to all of the foregoing the director may at his discretion exempt other items of personal property not exempted under this section.

SEC. 33. Article 5 (commencing with Section 11170) of Chapter 1 of Part 3 of Division 9 of the Welfare and Institutions Code is repealed.

SEC. 34. Article 6 (commencing with Section 11180) of Chapter 1 of Part 3 of Division 9 of the Welfare and Institutions Code is repealed.

SEC. 35. Section 11203 of the Welfare and Institutions Code is amended to read:

11203. During such times as the federal government provides funds for the care of a needy relative with whom a needy child or needy children are living, aid to the child or children for any month includes aid to meet the needs of such relative, if money payments are made with respect to the child or children for that month, and if the relative is not receiving aid under Chapters 3 (commencing with Section 12000) or 5 (commencing with Section 13000) of this part or Part A of Title XVI of the Social Security Act for that month.

SEC. 36. Chapter 3 (commencing with Section 12000) of Part 3 of Division 9 of the Welfare and Institutions Code is repealed.

SEC. 37. Chapter 3 (commencing with Section 12000) is added to Part 3 of Division 9 of the Welfare and Institutions Code, to read:

## CHAPTER 3. STATE SUPPLEMENTARY PROGRAM FOR AGED, BLIND AND DISABLED

## Article 1 General Provisions

12000. This chapter shall be known and may be cited as The Burton-Moscone-Bagley Citizens' Income Security Act for Aged, Blind and Disabled Californians

12001. It is the intent of this chapter to implement a state supplementation program pursuant to Title XVI of the Social Security Act and a program for state services to the aged, blind or disabled to meet the requirements of Title VI of the Social Security Act

12002. It is the object and purpose of this chapter to provide persons whose need results from age, blindness or disability with assistance and services which will encourage them to make greater efforts to achieve self-care and self-maintenance, whenever feasible, and to enlarge their opportunities for independence.

12003 For the purposes of this chapter, neither the residence nor domicile of the husband or wife shall be deemed the residence or domicile of the other, but each may have a separate residence or domicile dependent upon proof of the fact and not on legal presumption.

For the purposes of this chapter, a minor child shall be deemed to have resided in the state during any period in which such child has been physically present in the state.

12004. The provisions of this chapter shall be liberally construed in favor of aged, blind and disabled recipients.

## Article 2. Definitions

12050. For the purposes of this chapter:

(a) The term "aged, blind or disabled individual" means an individual who is 65 years or older, or is blind, or is disabled

(b) "Aged" means an individual who is 65 years of age or older.

(c) An individual shall be considered "blind" as defined in Section 1614 of Part A of Title XVI of the Social Security Act.

(d) An individual shall be considered disabled as defined in Section 1614(a) of Part A of Title XVI of the Social Security Act.

12051. "Income" means both earned and unearned income as defined on October 30, 1972 in Part A of Title XVI of the Social Security Act, except as otherwise specifically provided.

12052 "Resources" means resources as defined on October 30, 1972 in Part A of Title XVI of the Social Security Act, except as otherwise specifically provided.

12053. An applicant's share of his spouse's community property income is defined as the income which is community property subject to the direction and control of the applicant, except for the earnings of his or her spouse.

12054. "Secretary" means the Secretary of the Department of Health, Education and Welfare.

Article 3. Administration

12100. The department shall enter into an agreement with the secretary providing for administration by the secretary of the provisions of this chapter. The agreement shall provide at least the following:

(a) That the secretary shall, on behalf of the state, make supplementary payments to an applicant or recipient under this chapter at such times and in such installments as may be agreed upon.

(b) That the state shall pay to the secretary an amount equal to expenditures made by the secretary as such supplemental payments less amounts payable by the federal government pursuant to Section 401 of Title IV of the Social Security Act Amendments of 1972

(c) That the department may enter into an agreement to administer on behalf of the secretary and at the secretary's expense all or such parts of the program under Title XVI of the Social Security Act during such portion of the fiscal year ending June 30, 1975, as may be provided in the agreement. In the event of such agreement, the department shall supervise the counties' administration of all or such parts of the program under such agreement

(d) The application of such procedural and other general provisions as are necessary and proper to achieve efficient and effective administration of the provisions of Title XVI of the Social Security Act and of this chapter, including a provision authorizing the secretary to conduct fair hearings in accordance with rules promulgated by him in cases concerning aid under this chapter.

(e) That the checks issued by the secretary containing the state supplemental payment shall clearly indicate by a separate notice accompanying the check or on the face of the check the fact that state funds are a part of the payment or the amount of check representing state funds.

(f) That to the extent permitted by law, the state shall audit the expenditures made by the secretary under such an agreement.

(g) That the state exercises its option to increase the payment level under Section 401(b)(1) of Title IV of the Social Security Act Amendments of 1972 by an amount equal to the sum of (A) and (B) of Section 401(b)(1) of that title

12101. No applicant for or recipient of aid under this chapter shall be required to pay any part of the cost of a medical examination to determine blindness or disability as required by the department in connection with his application for or continued receipt of aid under this chapter.

12102 Notwithstanding any other provisions of law, no agreement entered into for state administration of the state supplementary payment program on behalf of the secretary or as agent of the federal government or otherwise, shall provide for any difference in administration of or eligibility for the state supplementary program than if such program were directly

administered by the secretary pursuant to this chapter.

12103. No authority is given under this chapter or Chapter 4 (commencing with Section 12500) or Chapter 6.5 (commencing with Section 13900) for any agreement with the secretary or any rules and regulations of the department which contain any provision requiring any form of liens or estate recovery, period of residency or citizenship for recipients under such chapters and no such liens or estate recovery, period of residency or citizenship for such recipients shall be imposed.

## Article 4. Eligibility

12150. Persons who are receiving federal supplemental security income benefits, or who but for their income, are eligible to receive such benefits under Title XVI of the Social Security Act, or who are made eligible for supplemental benefits by other provisions of this chapter are entitled to receive state supplementation pursuant to this chapter.

12151. Persons who for the month of December 1973 were recipients of aid or who had applied for and met all the eligibility conditions for aid under Chapter 3 (commencing with Section 12000), 4 (commencing with Section 12500), or 6 (commencing with Section 13500), of this part shall be eligible for benefits under this chapter during the period that they continue to meet the more liberal of the eligibility requirements in effect in December 1973 or after January 1, 1974.

12152. In determining eligibility of any individual for the state supplementary payment administered by the federal government, in addition to any other income or resources disregarded by the secretary, the following additional amounts of income or resources of the individual shall be disregarded:

(a) Funds for readers, or educational scholarships, or both, which are not available to meet basic needs and which have been awarded by a high school, college, or university or a vocational or technical training institution to any recipient of aid to the aged, blind or disabled under this chapter due to his blindness while he is regularly attending any public school in this state, the University of California, or any other institution of higher learning in this state, shall not be deemed property, income, or resource of the recipient for any purpose and no deduction therefor shall be made from the recipient's amount of aid.

(b) The value and the occupancy value of the home owned by the aged, blind or disabled individual or in combination with any other person if it serves to provide him with a home. In the event that this subdivision is in conflict with federal regulations pertaining to the value of such home, federal law shall supersede this subdivision with the respect to the value of such home. Persons who would otherwise be eligible under this chapter except for the value of their home, shall nevertheless be entitled to grants under this chapter at the

same level as are established for persons whose home is within the federal home value limits. Payments for such persons shall, if federal law permits, be administered by the secretary. If federal law does not so permit such grants shall be paid by the counties and the costs, including administrative costs shall be deducted from the individual counties contribution required under Section 12400.

(c) Additional payments made from any source to a vendor in order to meet the needs of recipients as determined by the county welfare department.

(d) Any other exclusions provided for in Chapter 4 (commencing with Section 12500) and Chapter 6.5 (commencing with Section 13900).

12153. To the extent permitted by federal law, any recipient who meets the eligibility criteria of more than one classification of recipient described under this chapter as aged, blind or disabled, shall be permitted to select his classification of coverage.

## Article 5. Payment of Aid

12200. An aged, blind or disabled applicant or recipient shall be paid an amount of aid which when added to his federal benefit received under Part A of Title XVI of the Social Security Act and other nonexempt income resources, equals the following:

(a) For a blind applicant or recipient, the sum of two hundred sixty-five dollars ($265) per month.

(b) For a married couple, both qualifying for benefits under this chapter, and at least one of whom is blind, the sum of five hundred dollars ($500) per month. This sum may be reduced to four hundred eighty-five dollars ($485) until June 30, 1974, or such time as the secretary can pay the higher amount, whichever is sooner.

(c) For an aged or disabled applicant or recipient, the sum of two hundred thirty-five dollars ($235) per month.

(d) For a married couple both qualifying for benefits under this chapter as aged or disabled, the sum of four hundred forty dollars ($440).

(e) For an aged or disabled applicant or recipient under subdivision (c) or for a married couple under subdivision (d) whose living arrangement prevents preparation of his or their meals at home shall be entitled to an allowance of twenty-five dollars ($25) for an individual and fifty dollars ($50) for a married couple in addition to any other amount he is entitled to under this chapter.

(f) For a disabled minor under 18 living with a parent or guardian or relative by blood or marriage, an amount equal to the state adjusted payment level determined pursuant to Section 401 of Title IV of the Social Security Act amendments to 1972, per month.

(g) For a recipient in a nonmedical out-of-home care facility, the sum established pursuant to Section 13922 per month

(h) For the personal and incidental needs of a person receiving care in a medical facility under the Medi-Cal Act, the sum of

twenty-five dollars ($25) per month

12201. After deducting the federal benefit paid under Part A of Title XVI of the Social Security Act, the amount of the grant as set forth in subdivisions (a), (b), (c), (d), (e), (f), and (g) of Section 12200 plus any adjustments made pursuant to Section 12203 shall be adjusted annually by the department to reflect any increases or decreases in the cost of living occurring after July 1, 1973, provided, however, that no such adjustment shall result in the computation of a figure that would have been less than that amount arrived at by using the cost-of-living provisions as contained in the individual adult categorical aid programs in December, 1973. The average of the separate indices of the cost of living for Los Angeles and San Francisco, as published by the United States Bureau of Labor Statistics, shall be used as the basis for determining the changes in the cost of living

In giving effect to the cost-of-living provisions of this section, the department shall use the same month for computation of the percentage change in the cost of living after July 1, 1973 The same month shall be used annually thereafter. The product of any percentage increase or decrease in the average index and the amounts to which each recipient under this chapter is entitled shall be adjusted by the dollar amount of any cost-of-living change currently in effect pursuant to the provisions of this section. If the resultant amount, when adjusted to the nearest dollar, is one dollar ($1) or more, it shall be added to or subtracted from the schedule set forth in subdivision (a), (b), (c), (d), (e), and (f) and (g) of Section 12200 and, the resultant sum shall constitute the new schedules under subdivisions (a), (b), (c), (d), (e), and (f) and (g) of Section 12200 and shall be filed with the Secretary of State. The first payment shall be made on July 1, 1975.

12202. The policy shall be followed of granting aid to the recipient in his own home or in some other suitable home of his own choosing in preference to placing him in an institution.

12203. If, when, and during such times as the United States government authorizes after October 1972, an increase in the adjusted payment level, for whatever reason, above the adjusted payment level under the appropriate approved plan of this state as in effect for January 1972 under Section 401 of Title IV of the Social Security Act Amendments of 1972, the maximum grants of aid provided in Section 12200 shall be increased by an amount equal to 50 percent of such increase in the adjusted payment level, or any higher amount of such increase in the adjusted payment level as is required by federal law. The increase to the grants provided by this section shall be in addition to any increases provided pursuant to Section 12201 or any other provisions of law.

An increase in the adjusted payment level provided in this section includes, but is not limited to, increases, if any, as a result of Public Law 93-86 and increases as a result of the adjusted payment level being based upon the appropriate approved plan of this state as in

effect for any date on and after January 1, 1972.

12204 State supplementary payments under Section 1616 of the Social Security Act shall include payment to recipients as required by Section 212 of Public Law 93-66 In the event that such payment to any such recipient is less than the amount he would otherwise be entitled to receive under this chapter or Chapter 4 (commencing with Section 12500) of this part such recipient shall be entitled to receive the greater amount.

## Article 6. Services

12250 The intent of this article and Article 7 (commencing with Section 12300) of this chapter is to maintain a state system of a broad range of social services, including rehabilitation services, to assist aged, blind or disabled persons under this chapter attain or retain the capabilities of maintaining or achieving self-care, economic independence, personal well-being, rehabilitation or a sound family life. Such services may be provided to former or potential recipients of aid.

12251. As used in this article, the term "social services" includes, but is not limited to, chore services, day care services for adults, educational services, employment services, family planning, foster care services for adults, health-related services, home-delivered or congregate meals, homemaker services, home management and other functional educational services, housing improvement services, legal services, information and referrals services, outreach services, protective services, special services for the blind and transportation services, as such services are defined in order to secure maximum federal financial participation.

12252. The Department of Health shall prepare and submit to the secretary a state plan for social services to the aged, blind and disabled that meets the requirements of the Social Security Act, the purposes of this article, and that will, together with the state plan for services to needy families, fully utilize and distribute the total federal allocation of funds for social services under the public assistance programs for any fiscal year pursuant to Section 15156. Such a plan shall include all the services listed in Section 12251

12253. The Department of Health and the Department of Rehabilitation shall jointly develop plans for the orderly processing of cases referred to the Department of Rehabilitation for a determination of feasibility and planning for vocational rehabilitation.

To the extent permitted by federal law the Department of Rehabilitation shall provide vocational rehabilitation services approved under the Vocational Rehabilitation Act to every individual referred pursuant to Section 1615 of Part A of Title XVI of the Social Security Act. The Department of Rehabilitation may contract with individual counties to provide such services.

Vocational rehabilitation services provided under this section shall

be financed, to the extent possible, under Section 1615(b) of Part A of Title XVI of the Social Security Act and shall be limited to the amounts appropriated for such purpose.

## Article 7. In-Home Supportive Services

12300. The purpose of this article is to provide a range of supportive services for those current, former or potential recipients of public assistance who can remain in their own homes or an abode of their own choosing when such services are provided.

Supportive services include, but are not limited to, attendant care, chore and housekeeping services, homemaker services, consultation and assistance of a protective service worker, volunteer visiting services and other nonmedical services which make it possible for the recipient to live in comfort and safety under an independent living arrangement.

12301. The intent of the Legislature in enacting this article is to provide supplemental or additional services to the social and rehabilitative services in Article 6 (commencing with Section 12250) of this chapter.

12301.5. The Department of Health may secure to the extent feasible such in-home supportive and other health services for persons eligible under this article to which they are entitled under the Medi-Cal Act.

12302. Each county welfare department shall develop and submit a plan to the State Department of Health that provides for the delivery services to meet the objectives and conditions of this article with regard to in-home supportive services.

In order to implement such a plan, an individual county may hire homemakers and other in-home supportive personnel in accordance with established county civil service requirements or merit system requirements for those counties not having civil service, or may contract with a city, county, or city and county agency, a local health district, a voluntary nonprofit agency, a proprietary agency, or an individual or make direct payment to a recipient for the purchase of services pursuant to Sections 12303 and 12304.

12303. A contract pursuant to Section 12302 shall include the following provisions:

(a) The cost of the service shall not exceed by more than 10 percent the allowable cost of the service as determined by the State Department of Health.

(b) The provider agency shall agree to give preference to the training and employment of recipients of public assistance or other low-income persons who would qualify for public assistance in the absence of such employment.

(c) The cost of the purchase of such service will qualify, where possible, for the maximum federal reimbursement.

Except as provided for in Section 12304, no one individual recipient shall receive services under this article, the total cost of

which exceeds a cost of three hundred fifty dollars ($350) in any month.

The provisions of this section shall not restrict the right of a chartered county from providing a civil service classification for homemakers or attendant care workers or other in-home supportive service personnel.

12304. (a) Any aged, blind, or disabled individual eligible for assistance under this chapter or Chapter 4 (commencing with Section 12500) who is severely impaired and in need of in-home supportive care, as determined by the county welfare department, shall be given the option of hiring his own provider of such services, if such recipient is capable of handling his own financial and legal affairs. For this purpose such individual shall be entitled to receive a cash payment not to exceed one hundred dollars ($100), which is in addition to his grant, if any, and that amount which he may receive under Section 12303, plus adjustments reflecting cost-of-living changes subsequent to January 1, 1974, as determined under Section 12201. Recipients eligible under this section shall receive all payments to which they are entitled in advance.

(b) The county welfare department shall inform in writing any individual who is potentially eligible for services under this section of his right to such additional in-home supportive care.

(c) For purposes of this section, a "severely impaired" recipient is one who requires in-home supportive care of at least 20 hours per week to carry out any or all of the following:

(1) Routine bodily functions, such as bowel and bladder care;

(2) Dressing;

(3) Preparation and consumption of food; or

(4) Moving into and out of bed.

(d) Funding for the in-home supportive services under this article shall qualify, where possible, for the maximum federal reimbursement. In the event that such services are determined to be ineligible for federal financial participation, or to the extent that federal funds prove inadequate, the state shall provide funding for services under this section.

(e) Any aged, blind, or disabled individual who would be eligible for assistance under this chapter or under Chapter 4 (commencing with Section 12500), except for his excess income, is eligible to receive a payment under this article to purchase in-home supportive services if his income is insufficient to provide for the cost of such care, and he is otherwise qualified under this article.

12305. Any aged, blind, or disabled individual who would be eligible for assistance under this chapter or Chapter 4 (commencing with Section 12500), except for his excess income, and who receives services under this article, shall be eligible for Medi-Cal benefits as a categorically needy recipient under Section 14005.1, provided that his nonexempt income in excess of the sum in the applicable subdivision of Section 12200 is used toward the purchase of such services.

12306. As regards in-home supportive services, the state shall pay the matching funds required for federal social services funds from the state's General Fund.

## Article 8. Relatives' Responsibility

12350. If an adult child living within this state fails to contribute to the support of his parent as required by Section 12351, the state may proceed against such child. Upon request to do so, the attorney general may maintain an action in the superior court of the county of residence of the responsible relative, to recover that portion of the aid granted as it is determined that the child is liable to pay, and to secure an order requiring payment of any sums which may become due in the future.

The granting of or continued receipt of aid shall not be held to be contingent upon any court action or order or the child's compliance with provisions of Section 12351.

Any adult child held to be liable to make a contribution for the full or partial support of his parent pursuant to the provisions of Section 12351 of this code may appeal to the department for modification of the required contributions. Such appeal shall be handled in the same manner as specified in Chapter 7 (commencing with Section 10950) of Part 2 of this division for appeals filed by an applicant or recipient

In the event the amount of earnings, as reported by the relative, is disputed, and it is found necessary to contact the relative's employer, the state shall give prior notice of its intention to do so to the relative.

12351. The ability of an adult child to contribute to the support of a parent shall be determined in accordance with this section.

The director may establish the amount an adult child shall be required to contribute toward the support of a parent in receipt of aid under this chapter which shall not exceed the amount specified by the Relatives' Contribution Scale. Regulations of the department shall prescribe the criteria, methods of investigation and test check procedures relating to the determination of the maximum amount any adult child may be held liable to contribute toward the support of a parent to the end that the required contribution does not impose an undue hardship upon the adult child and administrative time and effort are not expended on nonproductive investigative activities.

For purposes of this chapter, income of an adult child defined as the sum of the income constituting the separate property of the adult child, the income (excluding earnings which is community property subject to the direction and control of the adult child, and the earnings of the adult child but not of his or her spouse.

In computing net income, a flat 25-percent allowance shall be permitted for the cost of personal income taxes, disability insurance taxes and social security taxes, expenses necessary to produce the income, including the cost of transportation to and from work, meals eaten at work, and union dues, and the cost of tools, equipment and

uniforms.

A responsible relative who is self-employed shall also be allowed to deduct the expenses necessary for obtaining the income.

The department, in establishing criteria and regulations for the administration of this section, shall provide for consideration of contributions made in kind.

Relatives' Contribution Scale

| A Net monthly income | B Number of persons dependent upon income | | | | | |
|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 or more |
| | C Maximum required monthly contributions | | | | | |
| $400 or under... | $0 | $0 | $0 | $0 | $0 | $0 |
| 401– 450..... | 5 | 0 | 0 | 0 | 0 | 0 |
| 451– 500..... | 10 | 0 | 0 | 0 | 0 | 0 |
| 501– 550..... | 15 | 0 | 0 | 0 | 0 | 0 |
| 551– 600..... ... | 20 | 0 | 0 | 0 | 0 | 0 |
| 601– 650..... . | 25 | 5 | 0 | 0 | 0 | 0 |
| 651– 700..... | 30 | 10 | 0 | 0 | 0 | 0 |
| 701– 750..... | 35 | 15 | 0 | 0 | 0 | 0 |
| 751– 800.... ..... | 40 | 20 | 0 | 0 | 0 | 0 |
| 801– 850..... | 45 | 25 | 5 | 0 | 0 | 0 |
| 851– 900..... | 50 | 35 | 10 | 0 | 0 | 0 |
| 901– 950..... | 55 | 35 | 15 | 0 | 0 | 0 |
| 951–1,000... ..... | 60 | 40 | 20 | 0 | 0 | 0 |
| 1,001–1,025..... | 65 | 45 | 25 | 5 | 0 | 0 |
| 1,026–1,050..... | 70 | 50 | 30 | 10 | 0 | 0 |
| 1,051–1,075..... | 75 | 55 | 35 | 15 | 0 | 0 |
| 1,076–1,100..... | 80 | 60 | 45 | 20 | 0 | 0 |
| 1,101–1,125..... | 85 | 65 | 45 | 25 | 5 | 0 |
| 1,126–1,150..... | 90 | 70 | 50 | 30 | 10 | 0 |

The maximum required monthly contribution of responsible relatives in one family where the net monthly income is over one thousand one hundred fifty dollars ($1,150) shall be the amount computed by entering the column of maximum required monthly contribution appropriate to number of persons dependent upon income as shown in the relatives' contribution scale for a net monthly income of one thousand one hundred twenty-six dollars ($1,126) to one thousand one hundred fifty dollars ($1,150) and then adding to the required monthly contribution thus ascertained an additional sum of five dollars ($5) contribution for each and every bracket of twenty-five dollars ($25) net income over and above one thousand one hundred fifty dollars ($1,150), the same as if the relatives' contribution scale were extended by brackets of twenty-five dollars ($25) net income in column A with corresponding step-by-step increases of five dollars ($5) monthly contribution in each column under B and C.

Notwithstanding any other provision of this code to the contrary, the provisions of this section and the regulations of the department adopted pursuant thereto shall be the basis for determining the extent of liability of an adult child to contribute to the support of, or defray the cost of any medical care or hospital care and other services rendered to a recipient pursuant to any provision of this code if he is a recipient of aid under this chapter at the time such medical care or hospital care or other services are rendered.

12352. Relatives' contributions under Section 12351 shall be paid to the department and considered as unearned income to the recipient; provided, however, that out of such contributions the recipient shall receive from the state an amount equal to any exemption of income allowed under this chapter to the extent that such exemption has not already been allowed on the recipient's income. The state shall transmit to the recipient that part of the responsible relative's contribution which is exempt unearned income under this chapter.

12353. Notwithstanding the provisions of Section 12351, a flat 50-percent allowance shall be permitted for the cost of personal income taxes, disability insurance taxes and social security taxes, expenses necessary to produce the income, including the cost of transportation to and from work, meals eaten at work, and union dues, and the cost of tools, equipment and uniforms, when a responsible relative reaches age 60.

12354. Where there is more than one adult child in a family, the maximum liability of each such child shall not exceed the amount that is determined by dividing the grant paid to the parent by the total number of adult children of that parent; provided, however, that the liability of any adult child shall not exceed the amount of contribution established according to the relatives' contribution scale.

In any event, the maximum amount which may be collected from a responsible relative under this article shall be the actual state supplementary payment paid to the responsible relative's parent pursuant to Section 12200.

12355. Notwithstanding any provision of Section 12351, no grant of aid shall be withheld pending investigation of the financial condition of responsible relatives, if the applicant has established the fact that he is not receiving support from such relatives.

12356. Written statements of information required from responsible relatives of applicants need not be under oath, but shall contain a written declaration that they are made under the penalties of perjury, and any person so signing such statements who willfully states therein as true any material matter which he knows to be false, is subject to the penalties prescribed for perjury in the Penal Code.

12357. If the superior court of a county makes an order under the authority of Section 206.5 of the Civil Code, such an order shall be deemed to have a retroactive effect and to free the relative from the duty of paying, either to the applicant, recipient, or state, any sum

for which he would otherwise have been liable prior to the making of the order, and which yet remains unpaid on the day the order is made.

Nothing in this section shall be construed to give to any responsible relative any right whatever to recover from an applicant, recipient, or state any sum already actually and properly paid by the relative to the applicant, recipient, or state prior to the date upon which the superior court makes its order under Section 206.7 or 206.5 of the Civil Code.

12358. The obligation of a relative to contribute to the support of an applicant for or recipient of aid under this chapter shall be enforced by civil action and not by criminal prosecution. No relative shall be held criminally responsible for a refusal or failure to contribute or to submit or return any form required of him under this chapter.

12359. No officer or employee of the state shall make any demand upon any person, other than a legally responsible relative, of any applicant for or recipient of aid under this chapter, to contribute a stated amount to the support of the applicant or recipient each month, or to agree so to contribute, or shall threaten any such person with any legal action against him by or on behalf of the state, or with any penalty whatsoever, unless he agrees so to contribute.

12360. Notwithstanding any other provisions of this code the state may require the county to administer the provisions of this article pursuant to the regulations of the department until June 30, 1974. The state shall pay the total cost of county administration under this section.

## Article 9. County Contribution

12400. (a) For the 1974–75 fiscal year, the county share toward the cost of state supplementary aid provided under this chapter shall be the amount specified for the particular county in the following table:

| | |
|---|---|
| Alameda | 7,025,338 |
| Alpine | 4,947 |
| Amador | 38,704 |
| Butte | 6,670,251 |
| Calaveras | 77,181 |
| Colusa | 49,813 |
| Contra Costa | 3,476,380 |
| Del Norte | 114,534 |
| El Dorado | 250,723 |
| Fresno | 2,904,906 |
| Glenn | 68,691 |
| Humboldt | 720,054 |
| Imperial | 470,331 |
| Inyo | 72,676 |

| | |
|---|---|
| Kern | 2,185,196 |
| Kings | 388,717 |
| Lake | 200,967 |
| Lassen | 74,308 |
| Los Angeles | 46,323,058 |
| Madera | 461,328 |
| Marin | 579,850 |
| Mariposa | 29,298 |
| Mendocino | 353,434 |
| Merced | 707,640 |
| Modoc | 43,587 |
| Mono | 12,975 |
| Monterey | 923,764 |
| Napa | 415,106 |
| Nevada | 179,187 |
| Orange | 3,060,075 |
| Placer | 367,389 |
| Plumas | 73,565 |
| Riverside | 2,669,507 |
| Sacramento | 4,872,097 |
| San Benito | 73,296 |
| San Bernardino | 3,090,547 |
| San Diego | 5,367,654 |
| San Francisco | 9,468,300 |
| San Joaquin | 2,617,685 |
| San Luis Obispo | 539,061 |
| San Mateo | 2,258,583 |
| Santa Barbara | 1,077,275 |
| Santa Clara | 4,656,892 |
| Santa Cruz | 755,346 |
| Shasta | 588,992 |
| Sierra | 9,556 |
| Siskiyou | 180,859 |
| Solano | 691,459 |
| Sonoma | 1,118,960 |
| Stanislaus | 1,523,171 |
| Sutter | 213,560 |
| Tehama | 179,320 |
| Trinity | 36,021 |
| Tulare | 1,606,935 |
| Tuolumne | 113,202 |
| Ventura | 1,188,797 |
| Yolo | 462,791 |
| Yuba | 316,161 |
| | $118,000,000 |

For the fiscal year 1973–74, each county's share shall be 45 percent of the amount specified in the above table for the particular county.

Beginning with the fiscal year 1975–76, the amount payable by each county in each subsequent year shall be determined by multiplying the 1974–75 base-year amount by the ratio of the county's modified assessed value in the subsequent year to the county's modified assessed value in the base year.

(b) The term "modified assessed value" means the total of (1) the taxable assessed value of state-assessed property and the exempt assessed value of partially or totally exempt state-assessed property on which tax losses are reimbursed by the state and (2) the product of the factor prescribed in Section 17261 of the Education Code times the sum of (i) the taxable assessed value of county-assessed property and (ii) the exempt assessed value of partially or totally exempt county-assessed property on which tax losses are reimbursed by the state.

The State Controller shall determine the amount payable by each particular county in subsequent fiscal years under this section.

(c) The counties' share toward the cost of care and administration provided under this chapter shall be paid to the state monthly.

## CHAPTER 4. EMERGENCY PAYMENTS AND SPECIAL CIRCUMSTANCES FOR AGED, BLIND AND DISABLED

### Article 1. General Provisions

12500. The purpose of this chapter is to provide payment to meet the needs of recipients under Chapter 3 (commencing with Section 12000) of this part under emergency or special circumstances in the event that the federal government makes no provision for such payment or in the event that such payment from the federal government is lost, stolen or likely to be delayed beyond five days.

12501. To the extent permitted by federal law, payments made pursuant to this chapter for special circumstances shall be excluded in determining the income of an individual for the purposes of the federal supplemental security income program and the state supplementary payment program administered by the Secretary of Health, Education and Welfare and shall be considered as assistance based on need and furnished by the state as described in Section 1616(a) of Title XVI of the Social Security Act.

### Article 2. Emergency Payments

12525. If the regular monthly check of a recipient under Chapter 3 (commencing with Section 12000) of this part is not received and the recipient does not receive a replacement of such check by the federal government within four days of the date the recipient has reported such fact to the federal authorities, the county shall immediately loan the recipient the amount of his last monthly payment up to the amount of two hundred dollars ($200) until his federal check is received The district attorney or other civil legal

officer of the county may maintain an action to enforce repayment of the loan.

The county shall prepare the affidavit for the recipient.

12526. The county shall submit a claim to the department for payment of uncollected loans and any administrative costs directly attributable to this article.

12527. There is hereby created the Emergency Revolving Fund which is continuously appropriated to the department for the purposes of reimbursing counties for uncollected loans and administration under this article.

All funds received as reimbursement by the state from counties under this article shall be placed in the Emergency Revolving Fund.

### Article 3. Special Circumstances

12550. For the purposes of this article, "special circumstances" means those which are not common to all recipients and which arise out of need for certain goods or services, and physical infirmities or other conditions peculiar on a nonrecurring basis, to the individual's situation. Special circumstances shall include replacement of essential household furniture and equipment, or clothing when lost, damaged or destroyed by a catastrophe, necessary moving expenses, required housing repairs and unmet shelter needs.

12551. Special circumstances shall also include special needs as provided in Sections 11023 and 11023.1.

12552. The county shall verify that a special circumstance does exist and shall issue a warrant for payment within the guidelines provided by the department. The county shall then send a claim to the state for payment.

### Article 4. Fiscal Provisions

12600. The department shall reimburse the counties for the cost of actual payments made pursuant to this chapter and for the administrative costs actually attributable to such payments.

12601. Funds for the costs and administration of Articles 2 (commencing with Section 12525) and 3 (commencing with Section 12550) of this chapter shall be limited to the amounts and controls set forth in the Budget Act.

SEC. 38. Section 13004 is added to the Welfare and Institutions Code, to read:

13004. No applicant for or recipient of aid under this chapter shall be required to pay any part of the cost of an eye examination as required by the department in connection with his application for or continued receipt of aid under this chapter. The costs of all such eye examinations shall be paid entirely by the county in the same manner as other expenses of the county are paid.

SEC. 39. Section 13058 is added to the Welfare and Institutions Code, to read:

13058. No person is entitled to aid under the provisions of this chapter, unless he is at least 16 years of age and is a resident of the state. No period of residence in this state is required.

SEC. 40. Section 13059 is added to the Welfare and Institutions Code, to read:

13059. Any blind resident of California who is otherwise eligible for aid under Chapter 3 (commencing with Section 12000) due to his blindness and who regularly matriculates at the University of California or other institution of higher learning in this state and who is regularly working for an academic degree or certificate of completion shall be deemed eligible to receive aid under this chapter.

SEC. 41. Section 13060 is added to the Welfare and Institutions Code, to read:

13060. Any blind resident of California who is otherwise eligible for aid under Chapter 3 (commencing with Section 12000) due to his blindness and who is attending or residing in an orientation center for the blind established pursuant to Article 1 (commencing with Section 19500) of Chapter 6 of Part 2 of Division 10 shall be deemed eligible to receive aid under this chapter.

SEC. 42. Section 13061 is added to the Welfare and Institutions Code, to read:

13061. For the purposes of this chapter neither the residence nor domicile of the husband or wife shall be deemed the residence or domicile of the other, but each may have a separate residence or domicile dependent upon proof of the fact and not on legal presumptions.

For the purposes of this chapter, a minor child shall be deemed to have resided in the state during any period in which such child has been physically present in the state.

SEC. 43. Section 13062 is added to the Welfare and Institutions Code, to read:

13062. No aid shall be given under the provisions of this chapter to any individual who receives aid under Chapter 3 (commencing with Section 12000) of this part.

SEC. 44. Section 13063 is added to the Welfare and Institutions Code, to read:

13063. Notwithstanding any other provisions of this chapter, any recipient who has a plan for achieving self-support may retain, beginning July 1, 1963, such additional amounts of other income and resources as may be necessary for the fulfillment of such plan for a period not to exceed 12 months or such other period as may be authorized by federal law or regulations.

SEC. 45. Section 13064 is added to the Welfare and Institutions Code, to read:

13064. Free board and lodging supplied to an applicant because of his necessity therefor, prior to receipt of aid under this chapter, shall not be grounds for refusing aid; notwithstanding any other provisions of this chapter, free board and lodging and other items of

need furnished free under this chapter shall constitute income to the recipient in computing the grant pursuant to Sections 13100 and 13101. However, such free items shall not be evaluated at an amount higher than specified for such items in the assistance standard established by the department. This section shall not apply to medical services provided pursuant to Chapter 7 (commencing with Section 14000) of this part.

SEC. 46. Section 13065 is added to the Welfare and Institutions Code, to read:

13065. Notwithstanding any other provision of this chapter, whenever a former recipient of aid under this chapter, whose aid has been canceled or discontinued for any cause, requests restoration of aid before the expiration of one year from the date of such cancellation or discontinuance, and if it is determined that he is eligible therefor, aid shall be granted to him beginning not later than the first day of the month immediately following the date of such request for restoration, and no new application shall be required.

SEC. 47. Section 13066 is added to the Welfare and Institutions Code, to read:

13066. For the purposes of this chapter, an applicant's share of his wife's community income is defined as the income which is community property subject to the direction and control of the applicant, except for the earnings of his or her spouse.

SEC. 48. Section 13067 is added to the Welfare and Institutions Code, to read:

13067. The occupancy value of a home owned and occupied by a recipient of aid under this chapter shall not be considered income or resources of the recipient, and shall not be deducted from the amount of aid to which the recipient would otherwise be entitled.

SEC. 49. Section 13068 is added to the Welfare and Institutions Code, to read:

13068. Payment of aid under this chapter shall be made promptly and shall be commenced as of the first day of the month in which the application is granted, unless otherwise directed in cases in which an appeal is taken; aid shall not commence prior to the date of application, unless otherwise directed in cases in which an appeal has been taken on the ground that the department has refused to accept a signed application for aid.

SEC. 50. Section 13103 is added to the Welfare and Institutions Code, to read:

13103. If the physical condition of a recipient of aid under this chapter is such that he requires the services of a full-time or part-time attendant or other special services, he shall be entitled to an additional grant in an amount sufficient to enable him to pay for those services, but not to exceed four hundred fifty dollars ($450) in any month plus adjustments reflecting cost-of-living changes subsequent to January 1, 1974, which shall be made in the manner described in Section 12201. The grant payable to a recipient under this section shall not be considered in computing the grant payable

to the recipient under Sections 13100 and 13101 of this code, and shall not be subject to the monetary limitations set forth in those sections.

SEC. 51. Article 4 (commencing with Section 13150) is added to Chapter 5 of Part 3 of Division 9 of the Welfare and Institutions Code, to read:

## Article 4. Relatives Responsibility

13150. No relative shall be held legally liable to support or to contribute to the support of any applicant for or recipient of aid under this chapter. No relative shall be held liable to defray in whole or in part the cost of any medical care or hospital care or other service rendered to the recipient pursuant to any provision of this code if he is an applicant for or a recipient of aid under this chapter at the time such medical care or hospital care or other service is rendered.

Notwithstanding the provisions of Section 206 of the Civil Code, or Section 270c of the Penal Code, or any other provision of this code, no demand shall be made upon any relative to support or contribute toward the support of any applicant for or recipient of aid under this chapter. No county or officer or employee thereof shall threaten any such relative with any legal action against him by or in behalf of the county or with any penalty whatsoever.

SEC. 52. Article 5 (commencing with Section 13200) is added to Chapter 5 of Part 3 of Division 9 of the Welfare and Institutions Code, to read:

## Article 5. Penalties and Termination of Aid

13200. Any person who, in order to secure for himself or another the aid provided in this chapter, makes a false statement under oath, shall be deemed guilty of perjury. Whenever any person has, by means of false statement or representation or by impersonation or other fraudulent device obtained aid under this chapter, he shall make restitution and all actions necessary to secure restitution may be brought against him.

It is the intent of the Legislature that restitution shall be sought by request, civil action, or other suitable means prior to the bringing of a criminal action.

13201. The department may, on behalf of the state, at any time inquire into the management by any county of aid under the provisions of this chapter.

If at any time the department has reason to believe that aid to the potentially self-supporting blind has been obtained improperly, it shall cause special inquiry to be made and may suspend payment for any installment pending the inquiry. It shall notify the board of supervisors of such suspension. If it appears, upon the inquiry, that the aid has been obtained improperly, it shall be canceled by the department, and if it appears that aid was obtained properly, the

suspended payment shall be payable.

Any person dissatisfied with the action of the department in suspending or canceling aid may appeal to the department and upon such appeal shall be granted an opportunity for a fair hearing.

Any county which refuses, upon due demand, to permit such inquiry or to comply with any provision of this chapter, shall not thereafter receive any aid or reimbursement from the state under the provisions of this chapter until it has complied with all the requirements of this chapter.

13202. Whenever moneys collected from recipients in repayment of aid granted under this chapter have been collected erroneously, because of mistake of law or fact, refunds shall be made as provided in this section.

Upon investigation and a finding by the county that the repayment of aid was made and collected erroneously, the county shall refund to the recipient the amount of the repayment.

SEC. 53. Article 6 (commencing with Section 13250) is added to Chapter 5 of Part 3 of Division 9 of the Welfare and Institutions Code, to read:

## Article 6. Treatment of Blindness

13250. The department may provide for treatment or operations to prevent blindness, or restore vision to applicants for or recipients of aid under this chapter and Chapter 3 (commencing with Section 12000), who voluntarily request and make written application for such treatment or operation.

This service shall be extended only to those persons whose age and physical and mental condition will make such physical rehabilitation profitable to the individual, shown by the findings of the physician in the report of the eye examination to be eligible for such treatment, and recommended for such treatment after a full investigation of each case by the advisory committee of ophthalmologists or by an ophthalmologist who has been designated by the advisory committee.

The treatment or operation recommended shall be given at any hospital or clinic designated by the advisory committee, and necessary traveling expenses shall be allowed as part of the expense of the treatment. The department shall reimburse the county or the eye patient for all necessary expenses incurred in connection with the diagnosis and treatment. Necessary expenses shall include the costs of guide service, maintenance while the patient is away from his home, transportation to the eye physician or hospital and return to his home, and the cost of nursing home care when such care is necessary.

SEC. 54. Article 7 (commencing with Section 13300) is added to Chapter 5 of Part 3 of Division 9 of the Welfare and Institutions Code, to read:

Article 7. Loans to Blind Persons

13300 There is in the State Treasury a permanent revolving fund, in the amount of seventy thousand dollars ($70,000), to be known as the Revolving Loan Fund, and to be administered by the department The fund shall be used to make loans to recipients of aid under this chapter or aid to the aged, blind, or disabled due to blindness under Chapter 3 (commencing with Section 12000), at a rate of interest not to exceed 3 percent per year, to enable those recipients to establish themselves in businesses, professions, or other gainful employment, including, but not limited to self-employment or to assist those already engaged in such endeavors. No loan in excess of ten thousand dollars ($10,000) shall be made to any individual under this section.

The department shall establish the terms and conditions of loans made pursuant to this section, and shall prescribe the procedure to be followed in making application for such loans. All funds received in repayment of loans made pursuant to this section shall be deposited in the Revolving Loan Fund, and shall be available for the making of additional loans as provided in this section.

In no event shall the amount expended in any fiscal year from the Revolving Loan Fund exceed the amount saved by the state as a result of discontinuance of aid due to the earnings of persons during the preceding fiscal year.

SEC 55. Chapter 6 (commencing with Section 13500) of Part 3 of Division 9 of the Welfare and Institutions Code is repealed.

SEC. 56. Chapter 6.5 (commencing with Section 13900) of Part 3 of Division 9 of the Welfare and Institutions Code is repealed.

SEC. 57. Chapter 6.5 (commencing with Section 13900) is added to Part 3 of Division 9 of the Welfare and Institutions Code, to read:

CHAPTER 6.5. NONMEDICAL CARE FACILITIES

Article 1. General Provisions

13900. The object and purpose of this chapter is to provide a coordinated, comprehensive approach to providing assistance and out-of-home care in nonmedical care facilities for recipients of public assistance who qualify for aid under Chapter 3 (commencing with Section 12000) and Chapter 5 (commencing with Section 13000) of this part, and who are capable of self-care and self-direction but are so impaired that such persons require or can function more effectively if protected by a living arrangement that meets their particular situation.

13901. It is further the purpose of this chapter to give recognition to the fact that persons who require provision of an out-of-home living arrangement present a common set of personal problems, whether they are classified as aged, blind or disabled.

13902 Insofar as practicable and consistent with the best interest

of the recipients, the provisions of this chapter shall be administered as a separate program which provides the aged, blind or disabled persons who qualify under the provisions of Chapter 3 (commencing with Section 12000) or Chapter 5 (commencing with Section 13000) of this part with a unified and comprehensive program of care. In developing administrative plans to implement the provisions of this chapter, priority shall be given to the plan utilizing the most favorable federal cost-sharing formula.

## Article 2. Out-of-Home Care

13910. The purpose of this article is to provide out-of-home care to those recipients of public assistance for whom care in their own homes is impractical; however, the provisions of this article shall not duplicate intermediate care or other out-of-home facility services provided under Chapter 7 (commencing with Section 14000) of Part 3 of Division 9.

13911. The Director of Health shall, by regulation, establish standards for specialized out-of-home care. The department shall establish rate schedules which include separate rates for room and board, for the specialized care component and for personal and incidental needs.

The Director of Health shall develop an overall plan which integrates the system of out-of-home nonmedical care facility services covered by the provision of this chapter with the system of medical care facility services covered by the provisions of Chapter 7 (commencing with Section 14000) of Part 3 of Division 9. The purpose of such overall plan shall be to maintain an appropriate balance between nonmedical and medical facilities to the end that recipients of public assistance or persons otherwise defined as needy by the provisions of this code are given the care they require at the lowest possible cost.

The plan established by the Director of Health pursuant to this section may include the use of an interdisciplinary review process to insure that persons are not placed or retained in medical care facilities when appropriate care can otherwise be provided at lower cost.

Nothing in this article shall be interpreted to preclude any facility licensed under the provisions of Chapter 2 (commencing with Section 1250) of Division 2 of the Health and Safety Code from providing out-of-home care services, provided such facilities meet the standards established by the provisions of this section.

13912. In the establishment of the rate schedules for out-of-home care, the director shall consider and reflect in the rate schedule annually, in addition to any other factors he deems to be relevant, the availability of such homes in the community, cost of living, appropriateness of the facility, the cost of providing care under the required standards, activity programs required for the maintenance or restoration of function of aged and disabled persons and the cost

of differentials of room, board and care required for persons of differing ages and needs

13913. The Director of Health shall submit an annual report to the Legislature by March 1 of each year setting forth pertinent facts on the operation of the program established by this chapter and its significance in relation to the out-of-home care services of the Medi-Cal program.

Article 3 Fiscal Provisions

13920. The department may establish varying rate schedules for room, board and care, provided that the minimum room board and care rate shall not be less than two hundred fifty dollars ($250) per month and the amount so established shall be subject to increases in accordance with the cost-of-living increase formula set forth in Section 12201.

The room, board and care rate established pursuant to this section does not include the personal and incidental needs established pursuant to Section 13921.

13921. The department shall establish a range of amounts for the personal and incidental needs of recipients in out-of-home care under this chapter provided that the minimum amount for personal and incidental needs shall not be lesss than thirty-three dollars ($33) per month and that the range of amounts so established shall be subject to increases in accordance with the cost-of-living increase formula set forth in Section 12201

13922 The sum of the rates established in Sections 13920 and 13921 shall be the sum for purposes of subdivision (g) of Section 12200. Should such sum result in individuals or members of couples becoming ineligible for categorically needy medical services under Section 14005 1, then the sum shall be reduced separately for individuals to the highest whole dollar amount which will allow all individuals to retain eligibility under Section 14005.1 and for members of couples to the highest whole dollar amount which will allow all members of couples to retain such eligibility.

SEC. 58 Section 14005.1 of the Welfare and Institutions Code is amended to read:

14005.1. Persons receiving public assistance or found eligible therefor under the provisions of Title XVI of the Social Security Act, Chapters 2 (commencing with Section 11200), 3 (commencing with Section 12000), and 5 (commencing with Section 13000) of Part 3, of Division 9 of this code, are eligible for health care services under Section 14005.

SEC. 59. Section 14008 of the Welfare and Institutions Code is amended to read:

14008. Notwithstanding Section 14005.6:

(a) No relative, other than the spouse, shall be held to be financially responsible for the cost of health care received by an adult eligible under this chapter.

(b) No relative, other than the parent or parents of a child under 18, shall be held to be financially responsible for the cost of health care or related services received by such child, otherwise eligible under this chapter.

SEC. 60. Section 14109 of the Welfare and Institutions Code is amended to read:

14109. In determining the medical needs of any person eligible under this chapter, and the amount of health care such person is entitled to receive, the department shall include the cost of any deductibles or, cost sharing or similar charge imposed in connection with benefits to which such person may be entitled under the federal program of health insurance for the aged and disabled, except that for those individuals 65 years of age or over, who prior to July 1, 1973, were ineligible under the federal program of health insurance for the aged, the director may include such costs.

SEC. 61. Section 15151 of the Welfare and Institutions Code is amended to read:

15151. During such times as grants-in-aid are provided or made available by the United States government for the purpose of defraying any portion of the costs of administration incurred for public assistance, the State Treasurer shall pay to each county an amount equal to such county's proportionate share of the sum so granted for the cost of administration, which amount shall be used exclusively for paying such administrative costs. Except as provided in Section 15151.5 the department shall determine the portion of the amount so granted or made available for administrative costs to be paid to the counties, which portion shall be determined pursuant to rules and regulations of the department and shall be not less than one-half of the amount so granted or made available. The department shall adopt rules and regulations which shall be of uniform application for determining the proportionate shares of the respective counties of the portion so determined to be paid to such counties.

This section shall become operative and shall supersede subdivision (2) of Section 15150 during such times as grants by the United States government, provided or made available to defray any portion of administrative costs incurred for public assistance, are not computed as a proportion of such costs of administration. Whenever this section is in effect, all other sections referring to Section 15150 shall also be deemed to refer to this section.

SEC. 62. Section 15151.5 is added to the Welfare and Institutions Code, to read:

15151.5. Notwithstanding the provisions of subdivision (2) of Section 15150 and Section 15151, the counties shall receive at least 66 percent of the amounts payable to the state with respect to services subject to the limitations of Section 1130 of the Social Security Act as amended by Public Law 92-512, provided:

(a) That the total federal allocation of funds for social services under the public assistance programs shall be fully distributed and

utilized in each fiscal year;

(b) That in the event that federal funds so allocated will not be utilized, the department shall reallocate the unused funds in such a manner, not later than February 15th of each year, that they may be fully utilized for the purposes for which they are received;

(c) That seven million dollars ($7,000,000) from the state's percentage of federal social services funds shall be allocated to the counties for fiscal year 1973–74 in order to prevent decreases in services to the recipients. Allocation of the above amounts to the respective counties shall be made pursuant to rules and regulations established by the department.

SEC. 62.5. . Section 15156 is added to the Welfare and Institutions Code, to read:

15156. The Legislature intends that the Department of Health shall submit as soon as possible, but in no event after June 1, 1974, to the Legislature a plan for equitable apportionment of all social service funds throughout the state for fiscal year 1974–75.

SEC. 63. Section 15201 of the Welfare and Institutions Code is amended to read:

15201. There is hereby appropriated, out of any moneys in the State Treasury not otherwise appropriated, for the purpose of public social services a sum not to exceed the total of the following amounts:

(a) To the department for allocation to the Secretary of the Department of Health, Education and Welfare for payment of an amount equal to the amount of any grants made by the secretary as supplemental payments to aged, blind or disabled persons under the provisions of Chapter 3 (commencing with Section 12000) of this part, less amounts payable by the federal government pursuant to Section 401 of Title IV of the Social Security Act Amendments of 1972.

(b) One million five hundred thousand dollars ($1,500,000) to the Emergency Revolving Fund for expenditure without regard to the fiscal year.

SEC. 64. Section 15202 of the Welfare and Institutions Code is repealed.

SEC. 65. Section 15204 of the Welfare and Institutions Code is repealed.

SEC. 66. Section 15204.1 of the Welfare and Institutions Code as amended by Chapter 75 of the Statutes of 1973 is amended to read:

15204.1. Commencing on June 1, 1973, the state shall pay, in addition to its share of costs of public assistance under Sections 15200 and 15203, an amount equal to 100 percent of the nonfederal share of increases in grants made pursuant to Section 11006.1 and pursuant to the amendments to Section 11450 made during the 1972 Regular Session.

SEC. 67. Chapter 10 (commencing with Section 18900) of Part 6 of Division 9 of the Welfare and Institutions Code is repealed.

SEC. 68. Chapter 10 (commencing with Section 18900) is added to Part 6 of Division 9 of the Welfare and Institutions Code, to read:

## CHAPTER 10. FOOD STAMPS

18900. Finding that hunger, undernutrition, and malnutrition are present and continuing problems faced by low-income California households, and further finding that the federal food stamp program offers significant health-vital benefits, the purpose of this chapter is to establish a statewide program to enable recipients of aid under Parts 3 and 5 of this division and other low-income households to purchase food stamps under the Federal Food Stamp Act of 1964 as amended.

18901. The eligibility of households shall be determined to the extent permitted by federal law.

18902. Each county welfare department shall carry out the local administrative responsibilities of this chapter, subject to the supervision of the department and to rules and regulations adopted by the department.

18903. The department shall enter into and execute on behalf of the state all necessary agreements in connection with this chapter as may be required by the United States government.

18904. Regulations, orders or standards of general application to implement, interpret or make specific the law relating to this chapter shall be adopted, amended or repealed only in accordance with Section 10554. In adopting such rules and regulations, the director shall publish a schedule of charges to be made for food stamps, graduated on the basis of incomes of eligible households. The director shall also provide for one or more methods in addition to those described in Section 18904.1 by which a county welfare department may sell food stamps to eligible households.

18904.1. In order to guarantee to low-income households the health-vital nutritional benefits available under this chapter and to achieve the most efficient system for program administration so as to minimize administrative costs, the department, to the extent permitted by federal law, shall establish the following procedures for food stamp issuance:

(a) Every eligible household has the right to have either once or twice a month food stamp issuance regardless of the source or frequency of household income.

(b) Procedures for direct mailing issuance and public assistance withholding shall be established on or before July 1, 1975. Each procedure shall include, but not be limited to, the following:

(1) For eligible households (including mixed households which include one or more recipients of aid except recipients under Chapter 2 (commencing with Section 11200) of Part 3 of this division or Part 5 (commencing with Section 17000) of this division), as follows:

(i) Withholding by the county welfare department from the public assistance grants to which members of the household are entitled an amount equal to the charge for food stamps established

for the household unless the recipient rejects the opportunity to participate;

(ii) Enabling the recipient or recipients to reject in writing the direct mailing or public assistance withholding plans established by this section and to choose an available alternative method of purchasing food stamps or to decline to participate in the food stamp program;

(iii) Arranging with recipients in households which receive one or more public assistance warrants a month who wish to participate in the direct mailing or public assistance withholding plans established by this section the amounts which shall be deducted from one or more warrants to meet the charges for food stamps so as to provide maximum flexibility and convenience to such recipients.

(iv) The food stamps and the public assistance warrants shall be received at the same time.

(2) For all other eligible households, enabling such households to remit the purchase price by mail to the county welfare department, or to an agent operating under a contract with the county welfare department, and to receive the food stamps by return mail.

(c) The provisions of subdivision (b) (1) of this section shall be applicable to recipients of benefits under Title XVI of the Social Security Act or Chapter 3, Part 3, Division 9 of the Welfare and Institutions Code, to the extent permitted by federal law. In such case, the Secretary of the United States Department of Health, Education, and Welfare shall act in place of the county welfare department. The department shall take all steps necessary, including the initiation of a statewide demonstration project, to achieve the maximization of participation and minimization of administrative costs and effort due to public assistance withholding.

(d) For the purposes of this section, the term "mixed household" shall also include a household in which some of the members thereof are recipients of benefits under Title XVI of the Social Security Act, if any such recipients are eligible for food stamp benefits.

18906. For the 1974–75 fiscal year, and each year thereafter, each county's share toward the cost of the Food Stamp Program provided under this chapter shall be equivalent to its administrative costs in operating the Food Stamp Program under this chapter or the Surplus Commodity Program under Article 3, Chapter 3, Part 1 of Division 2 of the Education Code during calendar year 1973 less the federal share of the administrative costs of those programs.

18907. In the determination of eligibility for the purchase of food stamps, there shall be no discrimination against any household by reason of race, color, religious creed, national origin, or political belief.

18908. Except as provided in Section 18904.1, federal supplemental security income benefits, state supplemental security program benefits, public assistance, and county aid benefits shall not be reduced as a consequence of the purchase by recipients of food stamps under this chapter, to the extent permitted by federal law.

18909. The provisions of Section 10850 of this code, relating to disclosure of information regarding public assistance recipients, shall apply to information obtained under this chapter.

18910. Whoever knowingly uses, transfers, acquires, or possesses food stamps or authorizations to purchase food stamps in any manner not authorized by this chapter is guilty of a misdemeanor.

18911. An application for participation in the food stamp program shall be processed and an authorization to purchase card shall be issued to those eligible within a period of not more than 30 days from the date of application.

18912. To the extent provided by federal law:

(a) Whenever an overcharge in the purchase price, an underpayment in the coupon allotment, or a denial of food stamp benefits occurs because of an administrative error, delay, or inadvertence on the part of the state or county, and as a result an applicant or recipient does not receive the amount of food stamp benefits to which he is entitled, a retroactive adjustment shall be provided for in the form of a credit on behalf of the applicant or recipient to the full amount of lost food stamp bonus which occurred during the period of one year immediately preceding the date the error or inadvertence is discovered. Such credit shall remain available to be used for future purchases until exhausted.

(b) Whenever an overcharge in the purchase price occurs because of administrative error or inadvertence and as a result an applicant or recipient chooses not to purchase his food stamp entitlement, a retroactive adjustment shall also be provided for as specified in subdivision (a).

18913. The department shall provide to the Senate Health and Welfare Committee and the Assembly Welfare Committee the following:

(a) Within 60 days of their submission to the agencies of the federal government or the Congress, copies of all reports, recommendations, studies, and analyses required or requested of the department under the Food Stamp Act of 1964 (P.L. 88-525) as amended.

(b) By January 1st of every year for the immediately preceding fiscal year, a report evaluating the effectiveness of the food stamp program including but not limited to a consideration of the potentially eligible population based upon at least the most recent U.S. Census. That report shall also provide a breakdown of state, county, and U.S.D.A. expenditures for each of the identifiable program elements including but not limited to outreach, certification, recertification, distribution, fair hearings, and quality control.

(c) Such other data and analyses as either of such committees shall specify.

18914. The county at the time of receiving an application for food stamps shall determine whether or not there exists a need for immediate food assistance. An applicant shall be deemed to be in

immediate need if circumstances are such that the applicant appears to be eligible at the zero purchase rate. If it appears that the applicant is eligible for food stamps, and a signed affidavit is on file to this effect, a preliminary certification for food stamp coupons pending verification shall be authorized for at least a two-week period and at least one week's issuance shall be granted that same day. This provision shall not apply if the county acts to provide for the applicant's food needs through county funds or other sources.

18915. All applications and public information materials shall be available to potential, present, and past food stamp recipients in each county in Spanish as well as English plus any other non-English language prevalent in each county. It shall be within the discretion of the director to designate such other prevalent non-English languages.

18916. The board of supervisors of each county shall have the authority to request from the United States Department of Agriculture the simultaneous operation of the federally donated foods program under the Disaster Act of 1970 as amended and any other enabling federal law.

SEC. 68.5. Section 1 of Chapter 1084 of the Statutes of 1970 is repealed.

SEC. 69. Section 599 of Chapter 1593 of the Statutes of 1971 is repealed.

SEC. 70. Section 42.5 of Chapter 578 of the Statutes of 1971 is amended to read:

Sec. 42.5. Effective July 1, 1972, the state shall pay 50 percent of the nonfederal administrative costs of administering the payment of aid grants under Chapters 2 (commencing with Section 11200) and 5 (commencing with Section 13000) of Part 3 of Division 9 of the Welfare and Institutions Code.

SEC. 71. Section 2 of Chapter 1022 of the Statutes of 1972 is amended to read:

Sec. 2. The county shall estimate the social security increases for the month of October and such estimated increase shall be taken into consideration in determining eligibility for and the amount of the October 1, 1972, grant for recipients of aid under Chapter 5 (commencing with Section 13000) of Part 3 of Division 9 of the Welfare and Institutions Code.

SEC. 72. The Department of Health shall enter into an agreement with the Secretary of Health, Education and Welfare under which such secretary will determine eligibility for Medi-Cal in the case of aged, blind or disabled persons under this state's medical assistance plan approved under Title XIX of the Social Security Act. The state shall pay the Secretary of Health, Education and Welfare an amount equal to one-half of the cost of carrying out the agreement, but in computing such cost with respect to individuals eligible for benefits under Title XVI of the Social Security Act, such payment shall include only those costs which are additional to the costs incurred in carrying out such title.

SEC. 73. In order to conserve state enforcement funds and because of hardships under past law on the operative date of this act there is hereby released, rescinded, canceled, and otherwise nullified in whole, any sums due or owing and which yet remain unpaid from a responsible relative under Article 3 (commencing with Section 12100) of Chapter 3 of Part 3 of Division 9 of the Welfare and Institutions Code as in effect prior to the operative date of this section to the state and counties: provided that such responsible relative begins and continues to perform in compliance with the provisions of Article 8 (commencing with Section 12350) of Chapter 3 of Part 3 of Division 9 of the Welfare and Institutions Code.

Nothing in this section shall be construed to give to any responsible relative any right whatever to recover from an applicant, recipient, or county or the state any sum already actually and properly paid by the responsible relative prior to the operative date of this act.

SEC. 74. No appropriation is made by this act, nor is any obligation created thereby under Section 2231 of the Revenue and Taxation Code, for the reimbursement of any local agency for any costs that may be incurred by it in carrying on any program or performing any service required to be carried on or performed by it by this act.

SEC. 75 This act shall become operative on January 1, 1974 or on the operative date of Title XVI of the Social Security Act, whichever is later, except as follows:

(a) Section 1 of this act shall become operative on July 1, 1974.

(b) The Department of Social Welfare or the Department of Benefit Payment shall have such power and duties under this act as is necessary to implement federal administration of the state program pursuant to Chapter 3 (commencing with Section 12000) of Part 3 of Division 9 of the Welfare and Institutions Code.

(c) The Department of Health shall have such powers and duties under Section 72 of this act as are necessary to provide for federal administration of the Medi-Cal Act.

SEC. 76. There is hereby appropriated sixty-five million dollars ($65,000,000) from the Federal Revenue Sharing Fund to the General Fund in augmentation of any funds used in financing subdivision (a) of Section 15201 of the Welfare and Institutions Code.

SEC. 77. Effective July 1, 1974, there is hereby appropriated, out of any moneys in the State Treasury not otherwise appropriated, the nonfederal share of the costs of administering the Food Stamp program under Chapter 10 (commencing with Section 18900), Part 6, Division 9 of the Welfare and Institutions Code above the costs incurred by the counties in calendar year 1973.

SEC. 78. Section 1 of this act shall apply to claims for assistance for property taxes paid for the 1973–74 fiscal year and fiscal years thereafter.

SEC. 79. This act is an urgency statute necessary for the immediate preservation of the public peace, health or safety within the meaning of Article IV of the Constitution and shall go into

immediate effect. The facts constituting such necessity are:

In order to implement the state supplementary payment program provided by this act including the authorization for federal administration of the supplementary payment by January 1, 1974, it is necessary that this act take immediate effect.

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## CHAPTER 1217

*An act to amend Sections 1102, 1104, and 1111.7 of the Education Code, relating to elections, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor December 6, 1973 Filed with Secretary of State December 6, 1973 ]

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

SECTION 1. Section 1102 of the Education Code is amended to read:

1102. In newly formed unified school districts there shall be no interim governing board, but the county superintendent of schools having jurisdiction over the particular district shall call an election for the purpose of choosing the first governing board of the district

In unified school districts the call shall be issued not later than the fourth Tuesday of December next succeeding the creation of the district. The election shall be held on the first Tuesday after the first Monday in March next succeeding the call. The first members of the governing board of either form of district shall take office on the day the canvass of the election is certified by the county superintendent of schools. The first meeting of the governing board shall be called by the county superintendent of schools not later than the third Monday following the election. The term of office of subsequent members of the board shall begin on July 1st following their election.

SEC 2. Section 1104 of the Education Code is amended to read:

1104 In newly formed districts for which an interim governing board is appointed by the county superintendent of schools, a governing board member election shall be held:

(a) When the action necessary for the formation of a new school district is completed on or before the first of January of any odd-numbered year, on the first Tuesday after the first Monday in March of such year.

(b) When the action necessary for the formation of a new school district is completed after the first of February of any year, whether even-numbered or odd-numbered, on the first Tuesday after the first Monday in March of the next succeeding year.

The terms of the members elected at the initial election shall begin on the first day of July, and the terms of their predecessors shall expire on the 30th day of June, following the election.

SEC. 3. Section 1111.7 of the Education Code is amended to read:

1111.7. When an elementary, unified, high school, community college district, or community college district trustee area includes within its boundaries the same territory, or territory that is in part the same, as a city which holds a city election on the first Tuesday after the first Monday in March in each even-numbered year, the consolidated governing board member elections of the elementary, unified, high school, community college district, or community college district trustee area may, at the discretion of the county superintendent of schools, be held on the first Tuesday after the first Monday in March in the even-numbered year and may be further consolidated with the city election pursuant to Chapter 4 (commencing with Section 23300) of Part 2 of Division 12 of the Elections Code. Such consolidation shall be effected by the county superintendent of schools having jurisdiction of the elementary, unified, high school, or community college district upon the written request of the governing board of the elementary, unified, high school, or community college district, with the written consent of the legislative body of the city and the written consents of all of the governing boards of the districts whose governing board member elections are affected. The provisions of this section shall be controlling in the event of any conflict with a prior order of the county superintendent of schools made pursuant to Section 1331.

Successors to incumbents holding office upon adoption of this section, who in the absence of this section would have been elected at a different time, shall be chosen for office at the election nearest the time the terms of office of such incumbents would have otherwise expired. If an incumbent's term of office is extended because of this section, he shall hold office until a successor qualifies therefor, but in no event shall the term of an incumbent be extended to exceed four years.

SEC. 4. Notwithstanding any other provision of law:

(a) The nomination period for candidates at the general municipal election on March 5, 1974, shall extend from December 6, 1973, to 12 o'clock noon on December 27, 1973.

(b) The notice of election for the general municipal election on March 5, 1974, shall be published not earlier than December 6, 1973, nor later than December 27, 1973.

(c) The provisions of Section 22840.5 of the Elections Code shall not apply to the general municipal election on March 5, 1974.

(d) All special elections called on or before December 5, 1973, and held or to be held after October 1, 1973, and before January 1, 1974, are hereby validated.

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

In order to apply to the general municipal election on March 5, 1974, it is necessary that this act take effect immediately.

# CHAPTER 1218

*An act to add and repeal Section 22348 of the Vehicle Code, relating to vehicle speeds, and declaring the urgency thereof, to take effect immediately.*

[Approved by Governor December 12, 1973 Filed with Secretary of State December 12, 1973 ]

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

SECTION 1. Section 22348 is added to Article 1 of Chapter 7 of Division 11 of the Vehicle Code, immediately preceding Section 22349, to read:

22348. (a) Notwithstanding Section 22349, 22356, or any other provision of this chapter to the contrary, no person shall drive a vehicle upon a highway at a speed greater than 55 miles per hour.

(b) Any vehicle subject to the provisions of Section 22406 shall be driven in a lane designated pursuant to Section 21655, or if no such lane has been designated, in the right-hand lane for traffic or as close as practicable to the right edge or curb. When overtaking and passing another vehicle proceeding in the same direction, such drivers shall use either the designated lane, the lane to the immediate left of the right-hand lane, or the right-hand lane for traffic as permitted under the provisions of this code. This subdivision shall not apply to a driver who is preparing for a left- or right-hand turn or who is in the process of entering into or exiting from a highway or to a driver who must necessarily drive in a lane other than the right-hand lane to continue on his intended route.

(c) This section shall remain in effect only until June 30, 1975, and as of such date is repealed, unless a later enacted statute, which is chaptered before June 30, 1975, deletes or extends such date.

SEC. 2. It is the intent of the Legislature to provide by separate act for reimbursement of costs incurred by local agencies in carrying out the requirements of this act when the amount of such costs are ascertained. Reimbursements to local agencies shall be limited to the cost of replacement or removal of speed limit signs that now indicate permissible speeds above 55 miles per hour. However, no appropriation is made by this act, nor is any obligation created thereby under Section 2231 of the Revenue and Taxation Code, for the reimbursement of any local agency for any costs that may be incurred by it in carrying on any program or performing any service required to be carried on or performed by it by this act.

SEC. 3. This act shall become operative on January 1, 1974.

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

In order to institute more realistic reduced speed limits as a measure to help alleviate serious and far-reaching fuel shortages, it is imperative that this act go into effect at once.

CONCURRENT AND JOINT RESOLUTIONS
AND CONSTITUTIONAL AMENDMENTS

1973–74

# REGULAR SESSION

1973 RESOLUTION CHAPTERS

# RESOLUTION CHAPTER 1

*Assembly Concurrent Resolution No. 5—Approving amendments to the Charter of the City of Seal Beach, County of Orange, State of California, ratified by the qualified electors of the city at a special municipal election held therein on the seventh day of November 1972.*

[Filed with Secretary of State January 15, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City of Seal Beach, a municipal corporation in the County of Orange, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

CERTIFICATION OF RATIFICATION BY ELECTORS OF THE CITY OF SEAL BEACH, CALIFORNIA, OF CERTAIN CHARTER AMENDMENTS.

State of California
County of Orange } ss.
City of Seal Beach

We, the undersigned, Franklin B. Sales, Mayor of the City of Seal Beach, County of Orange, State of California, and Jerdys Weir, City Clerk of the City of Seal Beach, do hereby certify and declare as follows:

That the City of Seal Beach, a municipal corporation of the County of Orange, State of California, now is and at all times herein mentioned was, a city having a population of more than thirty-five hundred (3,500) inhabitants and less than fifty thousand (50,000) inhabitants, and has been, since February 10, 1964, and is now organized and acting under a Charter adopted under and by virtue of Title IV, Division II, Chapter 3 of the Government Code of the State of California, which Charter was duly ratified by a majority of the qualified electors of such City at a special election held for that purpose on the 7th day of January, 1964, and approved by the Legislature of the State of California by concurrent resolution filed with the Secretary of State on the 10th day of February, 1964.

That in accordance with the provisions of Title IV, Division II, Chapter 3 of the Government Code of the State of California, on its own motion, the Council of the City of Seal Beach, being the

legislative body thereof, duly and regularly submitted to the qualified electors of the said City of Seal Beach certain proposals for amendments of the Charter of said City, to be voted upon by said qualified electors at a Special Municipal Election held as provided for by law, in said City on the 7th day of November, 1972, which said proposal was designated as Proposed Charter Amendments.

That said proposed amendments were posted according to law and was advertised in accordance with Title IV, Division II, Chapter 3 of the Government Code of the State of California, on the 8th day of September, 1972, in the Register, a newspaper of general circulation circulated in said City.

That said proposed charter amendments were submitted to the electors of said City for adoption and ratification at a special municipal election duly and regularly held in said City of Seal Beach on the 7th day of November, 1972, which said date was not less than forty more than sixty days after the completion of the posting and the advertising in the above-mentioned newspaper of the proposed charter amendments That, in accordance with the provisions of the Elections Code of the State of California, the Council of the City of Seal Beach had adopted, on August 14, 1972, a Resolution Number 2131 wherein it requested the Board of Supervisors of Orange County, California, to order the consolidation of said special municipal election with the state-wide general election held in said County on November 7, 1972, that said consolidation had been so ordered by said Board of Supervisors; and that said special municipal election was so consolidated with said state-wide general election held in said county on said date

That at said special municipal election a majority of the qualified electors voting upon said proposed charter amendments voted in favor of four of the amendments and adopted and ratified the same.

That said four amendments to the Charter so ratified by the electors of the City of Seal Beach is in words and figures as follows:

Proposition E—Charter Amendment No. 2

"Shall the Charter of the City of Seal Beach be amended by repealing Section 915 and 916 of Article IX, and amending Sections 911, 912 and 913 thereof to provide procedures for the suspension, appeal and hearing of city employees under the Civil Service System?"

Proposition F—Charter Amendment No. 3

"Shall Section 604(g); the title of Section 605; and Section 1011 of the Charter of the City of Seal Beach be amended to include further specifications of the financial duties and responsibilities of the City Manager?"

Proposition G—Charter Amendment No. 4

"Shall Section 408 of the Charter of the City of Seal Beach be amended to provide for twenty-four hour notice of special meetings of the Council?"

Proposition H—Charter Amendment No 5

"Shall Section 421 of the Charter of the City of Seal Beach be amended to provide that compensation of the City Clerk and the City Treasurer be fixed by ordinance?"

That the Charter shall be worded as follows.

Section 408. Special Meetings. Special meetings may be called at any time by the Mayor, or by three members of the City Council, by written notice delivered personally or by mail to each member of the Council and to each local newspaper of general circulation, radio or television station which has filed with the City Clerk written request for such notice Such notice must be delivered personally or by mail at least twenty-four (24) hours before the time of such meeting as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted. No other business shall be considered at such meeting by the Council. Such written notice may be dispensed with as to any member who at or prior to the time the meeting convenes files with the City Clerk a written waiver of notice. A telegraphic communication from a member consenting to the holding of a meeting shall be considered a consent in writing Such written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes.

Section 421 Compensation of the City Clerk and City Treasurer. The City Clerk and the City Treasurer shall receive, at stated times, a compensation fixed by ordinance.

Section 604(g) To serve as finance officer and to keep the City Council fully advised as to the financial conditions and needs of the City. The City Manager shall be the chief financial officer of the City.

Title to Section 605. Financial Duties of the City Manager

Section 911. Suspension. Any person holding a position or employment in the competitive service shall be subject to disciplinary suspension without pay by the appointing power, but such suspensions shall not exceed a total of ten calendar days in any fiscal year. A department head not having power of an appointment may make disciplinary suspension in accordance with the rules.

Section 912. Request for Statement of Reasons, Appeal. Any permanent employee in the competitive service who has been suspended, demoted, dismissed, or reduced in pay shall be entitled to request a written statement of the reasons for such action. Such a request must be made in writing to the Personnel Officer within five working days following the action. The appointing power shall provide such employee with a written statement of charges within five working days after receipt of the request or drop such charges and reinstate the employee to the status held prior to the action. The employee shall have five working days after receipt of the statement of charges in which to answer the charges in writing, filed with the Personnel Officer. In the event the employee requests the statement and files a written answer with the Personnel Officer, the Personnel Officer shall transmit such statement and answer to the Civil Service Board Such filing with the Civil Service Board shall constitute an

appeal from the disciplinary action.

Section 913. Hearing on Appeal. Upon receipt of such statement and answer the Board shall make such investigation as it may deem necessary and within twenty days after such receipt the board shall hold a hearing. The hearing need not be conducted according to technical rules relating to evidence. The employee shall have the right to be represented by an attorney or spokesman. Within ten days after concluding the hearing the Civil Service Board shall certify its findings and decision and shall affirm, revoke or modify the action taken, as in its judgment seems warranted. The action of the Civil Service Board shall be final.

Section 1011. Presentation of Demands. Any demand against the City must be in writing and may be in the form of a bill, invoice, payroll or formal demand. Each such demand shall be presented to the financial designee of the City Manager, who shall examine the same. If the amount thereof is legally due and there remains on the City books an unexhausted balance of an appropriation against which the same may be charged, he shall approve such demand and draw a warrant on the City Treasurer therefor, payable out of the proper fund. Objections of the financial designee of the City Manager may be overruled by the City Council and warrant ordered drawn.

The financial designee of the City Manager shall transmit such demand, with his approval or rejection thereof, endorsed thereon, and warrant, if any, to the City Manager. If a demand is one for an item included within an approved budget appropriation, it shall require the approval of the City Manager, otherwise it shall require the approval of the City Council. Any person dissatisfied wth the refusal of the City Manager to approve any demand, in whole or in part, may present the same to the City Council which, after examining into the matter, may approve or disapprove the demand in whole or in part.

That we have compared the foregoing amendments with the original proposal submitting the same to the electors of said City and find that the foregoing is a full, true, correct, and exact copy thereof; we further certify that the facts set forth in the preamble preceding such amendments to said Charter are, and each of them is, true.

In witness whereof, we have hereunto set our hands and caused the corporate seal of said City of Seal Beach to be affixed hereto this 12 day of December, 1972.

FRANK SALES
Mayor of the City of Seal Beach, California

Attest:
JERDYS WEIR
City Clerk

State of California
County of Orange } ss.
City of Seal Beach

I, Jerdys Weir, City Clerk of the City of Seal Beach do hereby certify that the attached documents are true and correct copies of the originals on file in the office of the City Clerk, City of Seal Beach.
Dated this 4th day of January, 1973.

JERDYS WEIR
Jerdys Weir, City Clerk
City of Seal Beach

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City of Seal Beach, County of Orange, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City of Seal Beach, County of Orange.

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## RESOLUTION CHAPTER 2

*Assembly Concurrent Resolution No. 8—Relative to the Joint Legislative Committee on Public Domain.*

[Filed with Secretary of State January 17, 1973 ]

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Joint Legislative Committee on Public Domain is continued in existence until January 15, 1974, notwithstanding the provisions of any prior concurrent resolution

affecting such committee. The committee shall continue to have the powers and duties granted and imposed by the resolution creating or continuing it. The committee may expend any funds heretofore or hereafter made available and further allocations may be made by the Joint Rules Committee; provided that, in accordance with Joint Rule 36.8, any expenditure of funds shall be made in compliance with policies set forth by the Joint Rules Committee and shall be subject to the approval of the Joint Rules Committee.

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## RESOLUTION CHAPTER 3

*Assembly Concurrent Resolution No. 4—Relative to memorializing Assemblyman Carley V. Porter.*

[Filed with Secretary of State January 18, 1973 ]

WHEREAS, The Members of the Legislature observe with great sadness the passing of one of its most beloved and outstanding members, Assemblyman Carley V. Porter; and

WHEREAS, One of the most conscientious, dedicated, and effective members of the Legislature in the history of our state, Carley Porter's illustrious career has had a truly profound impact which will benefit the people of this state for many generations to come; and

WHEREAS, First elected to the Assembly in 1949, Carley Porter represented the Thirty-eighth Assembly District, which includes the Cities of Bellflower, Compton, Downey, Lynwood, and Paramount; and

WHEREAS, A native of Chicago, he moved to California in 1917, receiving his A.B. degree at the University of Southern California, and thereafter entered the teaching profession, serving at Excelsior High School and Long Beach City College; and

WHEREAS, Carley Porter, who was married in 1934 to his charming wife, Marie Walton, and was the father of a fine son, Carl William Porter, served in the armed forces from 1942 to 1946 and was an active leader in numerous outstanding civic organizations and activities; and

WHEREAS, A former president of the Compton Junior College School Board, he was overwhelmingly reelected to the California Assembly in every election since 1949, and his personal popularity among his fellow legislators was evidenced by his selection as Chairman of the Los Angeles County Delegation; and

WHEREAS, Serving as Chairman of the Assembly Water Committee since its inception in 1959, and prior to that as a member of the Joint Interim Committee on Water Problems since 1951, Carley Porter was active in a wide variety of legislative areas and established a truly remarkable record of achievement in the enactment of noteworthy legislation; and

WHEREAS, The deep trust and confidence which his fellow

legislators extended to Carley Porter was demonstrated by his repeated appointment as one of the three Assemblymen on the joint Senate-Assembly conference committee which is responsible for the final version of the state Budget Bill; and

WHEREAS, One of the leading authorities and most influential leaders in the field of California water resources, Carley Porter, more than any other man, was responsible for enactment of legislation which shaped the modern development of such resources and ensured their protection for the benefit of all Californians; and

WHEREAS, One of his most outstanding achievements was his work in securing the enactment of the Burns-Porter Act, which made possible the construction of the State Water Project, the greatest water development project ever undertaken by any state; and

WHEREAS, The Carley V. Porter Tunnel, a key segment of the State Water Project, which makes possible the transportation of water through the Tehachapi Mountains into southern California, is a fitting memorial to his momentous contribution to this project; and

WHEREAS, Carley Porter also sponsored the Porter-Cologne Water Quality Control Act of 1969, the landmark legislation which completely revised California's water quality control laws to give California the most effective water pollution control act in the nation; and

WHEREAS, His strong concern for the problem of water pollution and dedicated efforts to improve the quality of California's water led him to author the Clean Water Bond Law of 1970 to make possible the construction of needed water quality control facilities; and

WHEREAS, Throughout his legislative career of over 23 years, he demonstrated unfailing courtesy and fairness to everyone notwithstanding the circumstances, and his actions never ceased to be characterized by a degree of statesmanship and high principle rarely encountered in the political life of our nation; and

WHEREAS, It is doubtful that any man will be able to fill the void that now exists not only in the California Legislature, but also in the development of the entire State of California, to which Carley Porter's vision and unparalleled abilities contributed so much and played such a vital role in creating a quality of life and standard of affluence unequaled in the world and for which all Californians will be grateful for decades to come; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the members express sorrow and grief at the passing of Carley V. Porter, a true giant among men, and extend to his family their deepest sympathy and condolences; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit suitably prepared copies of this resolution to Marie Porter, Carl William Porter, and Jane Porter Fowkes.

## RESOLUTION CHAPTER 4

*Assembly Concurrent Resolution No. 7—Relative to the selection of the Legislative Counsel of California.*

[Filed with Secretary of State January 18, 1973.]

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That pursuant to Section 10201 of the Government Code, George H. Murphy is selected Legislative Counsel of California.

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## RESOLUTION CHAPTER 5

*Assembly Concurrent Resolution No. 10—Approving amendments to the Charter of the City of Merced, County of Merced, State of California, ratified by the qualified electors of the city at a special municipal election held therein on the seventh day of November, 1972.*

[Filed with Secretary of State January 18, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City of Merced, a municipal corporation in the County of Merced, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

CERTIFICATE OF RATIFICATION OF CHARTER AMENDMENTS BY ELECTORS OF THE CITY OF MERCED

State of California
County of Merced } ss.
City of Merced

We, the undersigned, Edwin M. Dewhirst, Mayor of the City of Merced, and Allan R. Schell, City Clerk of said city, do hereby certify and declare as follows:

That the City of Merced, a municipal corporation in the County of Merced, State of California, is now and at all times herein mentioned, was a city duly organized, existing under a freeholders' charter, adopted under and pursuant to Section 8 of Article XI of the Constitution of the State of California (as said section and article of said constitution were constituted on April 13, 1948) with a population of more than 3,500 and less than 50,000 inhabitants.

That in accordance with the provisions of Section 3 of Article XI of the Constitution of the State of California, the City Council of said city, being the legislative body thereof, on its own motion, submitted

to the qualified electors of said city, certain proposals for the amendment of the charter of said city at a special municipal election duly and regularly called and held in said city on the 7th day of November, 1972, said charter amendments being hereinafter set forth in full.

That on the 28th day of August, 1972, said City Council caused said charter amendments to be duly and regularly published and advertised in each and every edition of said 28th day of August, 1972, in the Merced Sun-Star, the official newspaper of said city, printed, published and circulated in said city.

That said special municipal election duly and regularly held in said city on the date fixed by said council, to wit, November 7, 1972, which date was not less than 40 and not more than 60 days after completion of the advertising of said proposed charter amendments, and the returns of said special municipal election were duly and regularly canvassed and the results declared and entered, namely, that at said election a majority of the qualified voters voting thereon voted in favor and did ratify the charter amendments herein specifically set forth.

That said amendments to the charter of the City of Merced so ratified by the electors of said city are in words and figures as follows:

Section 1000 of the Merced City Charter is amended to read as follows:

"Sec. 1000. General Municipal Elections.

"General municipal elections for the election of officers and for such other purposes as the City Council may prescribe shall be held in said city on the third Tuesday of April in each odd numbered year, commencing with the year 1973."

Section 1119 is added to the Merced City Charter which said section reads as follows:

"Sec. 1119. Public Water System; Water Fund.

"The City of Merced is hereby authorized to acquire, construct, operate and maintain a public water system.

"A fund is hereby created to be known as the Water Fund. All revenues derived by the city from the sale of water or otherwise from the operation of waterworks or the provision of water service, within or without the boundaries of the city, shall be credited to the Water Fund.

"The Water Fund is created for the purpose of providing a source of operational funds, capital outlay funds, debt service funds and incidental funds for the acquisition, construction, operation, maintenance, expansion and improvement of waterworks and a water distribution system in and near the City of Merced, including the retirement of revenue bonds issued for the acquisition thereof, and the retirement of revenue bonds or other evidences of indebtedness issued for the improvement thereof.

"Except as herein stated, such fund, once created, shall remain inviolate for the purpose for which it was created. No other use may

be made of such fund unless the use of such fund for some other purpose is authorized by the affirma-votes of a majority of the electors voting on such proposition at a general or special election at which proposition is submitted.

"The City Council shall, by ordinance or resolution, establish a schedule of rates and charges, and shall have the authority to modify such schedule of rates and charges upon a finding of the necessity for modification thereof, provided, however, that such rates and charges shall be based upon reasonable classifications of service, uniform throughout the area served by said water system, without differentiation between water rates inside city limits and water rates outside city limits.

"Adequate reserves shall be established within said Water Fund, to meet anticipated operating and administrative costs, capital outlays, depreciation, obsolescence, retirement of bonds or other evidences of indebtedness which may be issued or created in connection with the acquisition, improvement or expansion of said system, and a contingency reserve for unanticipated costs and expenses connected with said water system.

"Accumulation of monies not needed for the purposes stated above shall not be permitted. If it shall appear that excess funds have accumulated or will accumulate within a given fiscal year by reason of the continuance of any schedule of rates and charges, then the City Council shall, within a reasonable time, proceed to adjust said schedule of rates and charges to prevent the accumulation of such excess funds, provided that accumulation of monies in a reserve fund for future capital improvement of said water system and accumulation of monies in a fund for advance retirement of water system revenue bonds shall not be deemed to be the accumulation of excess funds."

We further certify that we have compared the foregoing proposed and ratified amendments to the Charter of the City of Merced with the original proposals submitting the same to the electors of said city and find that the foregoing is a full, true and correct statement thereof.

That the proceedings hereinabove set forth were in compliance with the provisions of Section 3, Article XI of the Constitution of the State of California and the laws of the State of California applicable thereto.

That this certificate shall be taken as a full and complete certification as to the regularity of all proceedings had and done in connection therewith.

In witness whereof, we have hereunto set our hands and caused the seal of the City of Merced to be affixed hereto this 28th day of December, 1972.

(SEAL)

EDWIN M. DEWHIRST
Edwin M. Dewhirst,
Mayor of the City of Merced
ALLAN R. SCHELL
Allan R. Schell, City Clerk of
the City of Merced

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City of Merced, County of Merced, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City of Merced, County of Merced.

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## RESOLUTION CHAPTER 6

*Assembly Concurrent Resolution No. 14—Approving an amendment to the Charter of the City of Arcadia, a municipal corporation in the County of Los Angeles, State of California, ratified by the voters of said city at a special municipal election consolidated with the statewide general election held on November 7, 1972.*

[Filed with Secretary of State January 22, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption and ratification of an amendment to the Charter of the City of Arcadia, a municipal corporation in the County of Los Angeles, State of California, as set out in the certificate of the mayor and the city clerk of said city, as follows:

CERTIFICATE OF RATIFICATION BY VOTERS OF THE CITY OF ARCADIA OF AN AMENDMENT TO THE CHARTER

State of California
County of Los Angeles } ss.
City of Arcadia

We, Don W. Hage, Mayor of the City of Arcadia, and Christine Van Maanen, City Clerk of said City, do hereby certify and declare as follows:

That the City of Arcadia, in the County of Los Angeles, State of California, is organized and existing under a Charter, adopted pursuant to the provisions of Article XI, of the Constitution of the State of California, which Charter was approved by The Legislature of the State of California by Assembly Concurrent Resolution No. 8 filed with the Secretary of State on January 16, 1969.

That the City Council of the City of Arcadia, being the governing body of said City, on August 15, 1972, adopted Resolution No. 4284 submitting to the voters of said City a proposal for amendment of said Charter. Section 1 of said resolution reads as follows:

"Section 1. The City Council of the City of Arcadia hereby submits to the voters of said City a proposition to amend the Charter of the City of Arcadia by adding Section 1209.5 to said Charter to read as follows:

'Income Tax Limitation. The Council shall not levy an income tax for any purpose, notwithstanding any enabling act or other action by the State Legislature, unless authorized by the affirmative votes of a majority of the voters voting on a proposition to levy such a tax at any election at which the question of such tax is submitted to the voters. The number of years that such income tax is to be levied shall be specified in such proposition.' "

The foregoing is an exact copy of the proposed amendment submitted to the voters of said City by said Resolution No. 4284.

That said proposal designated as Proposition "K" on the ballot was voted upon by the voters of said City at a special municipal election consolidated with the state-wide general election called and held in said City on November 7, 1972.

That the Registrar of Voters of the County of Los Angeles duly canvassed the returns of said election and certified to the City Council of the City of Arcadia the results of said canvass; that as determined from said canvass, said City Council did find and declare that a majority of the voters voting on said Proposition "K" has voted in favor of adoption of the proposed amendment.

In witness whereof, We have hereunto set our hands and have caused the corporate seal of the City of Arcadia to be affixed hereto this 5th day of December, 1972.

(SEAL)

DON W. HAGE
Don W. Hage,
Mayor of the
City of Arcadia
CHRISTINE VAN MAANEN
Christine Van Maanen,
City Clerk of
the City of Arcadia

WHEREAS, Pursuant to Article XI, Section 3, of the Constitution of the State of California, said proposed amendment to the charter, ratified as hereinbefore set forth, has been, and now is submitted to the Legislature of the State of California for approval or rejection without power of alteration or amendment; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all of the members elected to each house voting therefor and concurring therein,* That said amendment to the Charter of the City of Arcadia as proposed to, adopted and ratified by the qualified voters of said city, as hereinbefore fully set forth, be and the same is hereby approved as a whole, without amendment or alteration, as an amendment to the Charter of the City of Arcadia.

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## RESOLUTION CHAPTER 7

*Assembly Concurrent Resolution No. 1—Relative to the naming of Coloma as the honorary state capital.*

[Filed with Secretary of State January 24, 1973.]

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the City of Coloma is hereby designated the honorary state capital for the day of January 28, 1973; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit a copy of this resolution to the Mayor of the City of Coloma.

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## RESOLUTION CHAPTER 8

*Assembly Concurrent Resolution No. 15—Relative to memorializing Supreme Court Justice Raymond E. Peters.*

[Filed with Secretary of State January 30, 1973 ]

WHEREAS, The Members of the California State Legislature have learned with deep sorrow of the passing of Supreme Court Justice Raymond E. Peters; and

WHEREAS, Justice Peters was born in Oakland on April 17, 1903, attended public schools there, and was graduated cum laude from the University of California; and

WHEREAS, Justice Peters commenced a distinguished legal career by graduating with honors from the Boalt Hall School of Law, where he served as an editor of the California Law Review, along with famed classmates B. E. Witkin and former California Supreme Court Chief Justice Roger Traynor; and

WHEREAS, Justice Peters served the people of the State of California for more than 30 years with great distinction as Presiding Justice of the First Appellate District, Court of Appeal, and, since 1959, as Associate Justice of the California Supreme Court; and

WHEREAS, Justice Peters was honored in 1969 by the American Trial Lawyers Association as an outstanding appellate court justice in the United States; and

WHEREAS, Justice Peters was selected for the California Supreme Court by Governor Edmund G. Brown because of his "human understanding, his capacity and willingness to adapt law to changing times, and his reasoning power, character and judicial temperament"; and

WHEREAS, Those qualities of humaneness and compassion have been reflected in his scores of landmark judicial opinions, which rank him as one of the most able, articulate and understanding legal scholars in the history of his state and country; and

WHEREAS, Justice Peters dedicated his life and work to ensure that the sanctity of the law applies equally to all in our society, that the courts' most solemn obligation is to provide equal justice for all citizens, and that the meek, the despised, the poor and the oppressed come before the bench as the equals of the mighty; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Members of the California State Legislature do hereby join Justice Peters' many friends in paying their last respects to this compassionate human being and outstanding citizen and in offering condolences to the members of his family; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit suitably prepared copies of this resolution to Marion Peters and Janet Peters Garrison.

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## RESOLUTION CHAPTER 9

*Assembly Concurrent Resolution No. 3—Approving amendment to the Charter of the City of Richmond, County of Contra Costa, State of California, ratified by the qualified electors of the city at a general election held therein on the seventh day of November 1972.*

[Filed with Secretary of State January 31, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendment to the Charter of the City of Richmond, a municipal corporation in the County of Contra Costa, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

CERTIFICATE OF RATIFICATION OF ELECTORS OF THE CITY OF RICHMOND OF A CHARTER AMENDMENT

State of California
County of Contra Costa } ss.
City of Richmond

We, the undersigned, Albert E. Silva, Mayor of the City of Richmond, California, and Harlan J. Heydon, City Clerk of said City, hereby certify and declare as follows:

That the City of Richmond, a municipal corporation in the County of Contra Costa, State of California, now is and at all times herein mentioned was a city containing a population of more than three thousand five hundred (3,500) inhabitants, and has been, ever since the year 1909, and is now, organized, existing and acting under a Freeholders' Charter, adopted under and by virtue of former Section 8 of Article XI of the Constitution of the State of California, which charter was duly ratified by the qualified electors of said City at a special election held for that purpose on the 9th day of February, 1909, and approved by the Legislature of the State of California, by concurrent resolution filed with the Secretary of State on the 4th day of March, 1909, (Statutes of 1909, Chap. 18).

That in accordance with the provisions of Section 3 of Article XI of the Constitution of the State of California, on its own motion, the Council of the City of Richmond, being the legislative body thereof, submitted to the qualified electors of the City a proposal hereinafter referred to as Amendment-C to amend the Charter of the City to be voted upon at a special election called for such purpose and consolidated with the State General election to be held on the 7th day of November, 1972.

That Amendment-C was published and advertised in accordance with the provisions of Chapter 3, commencing with Section 34450, of Part 1, Division 2, Title 4, of the Government Code of the State of California, and provisions of the Charter of the City of Richmond on the 21st day of September, 1972 in The Independent, a newspaper of general circulation published daily except Sunday in the City of Richmond and the official newspaper of the City, and in each edition thereof during the day of publication.

That copies of Amendment-C were printed in convenient pamphlet form and in type of not less than 10-point, and were mailed to each of the qualified electors of the City, and, beginning on the

21st day of September, 1972, a notice was advertised in The Independent daily, except Sunday, up to and including the day fixed for the election, and that during such period copies of the proposal could be had on application therefor at the office of the City Clerk.

That thereafter, the election was held November 7, 1972, which day was not less than forty (40) nor more than sixty (60) days after the completion of the publication and advertisement of the proposed amendment.

That at the election, a majority of the qualified electors voting on the proposal to amend the Charter of of City of Richmond voted in favor of the amendment.

That all the proceedings in connection with the submission and ratification of the amendment was had in accordance with Section 3 of Article XI of the Constitution of the State of California, the laws of California, and the Charter of the City of Richmond.

That the amendment to the Charter so ratified is as follows:

Amendment-C

To amend Section 8 of Article IX to read as follows:

"Sec. 8. No general obligation bonded indebtedness which is by its terms repayable from ad valorem taxes on all property in the City subject to taxation by the City shall be incurred unless the same shall be first authorized by a vote of two-thirds of the voters voting at an election held for the purpose of voting on the proposition to incur such indebtedness; and no such general obligation bonded indebtedness shall be incurred for the purpose of improving the water front the aggregate outstanding principal amount of which shall at any time exceed six percent of the assessed value of the property within the City subject to taxation for the payment of such indebtedness. Revenue bonds of the City shall be authorized and issued only pursuant to the provisions of the general law, except that the Council may by ordinance provide the authorization for the issue of revenue bonds for the purpose of improving or developing the waterfront or for other port purposes."

And we further certify that we have compared the foregoing proposed and ratified amendment to the Charter of the City of Richmond with the original proposal submitted to the electors of the City, and find that the foregoing is a full, true and correct copy of the amendment.

In witness whereof, we have hereunto set our hands and caused the seal of the City of Richmond to be affixed this 5th day of December, 1972.

(SEAL)

A. E. SILVA
Mayor of the City of
Richmond

Attest:
HARLAN J. HEYDON
Clerk of the City of
Richmond

and

WHEREAS, The proposed amendment to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendment to the Charter of the City of Richmond, County of Contra Costa, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendment to, and as part of, the Charter of the City of Richmond, County of Contra Costa.

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## RESOLUTION CHAPTER 10

*Senate Concurrent Resolution No. 10—Approving amendments to the Charter of the City of Santa Clara, a municipal corporation in the County of Santa Clara, State of California, voted for and ratified by the qualified electors of the city at a special municipal election held therein on the seventh day of November, 1972.*

[Filed with Secretary of State February 6, 1973.]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments hereinafter set forth, to the Charter of the City of Santa Clara, a municipal corporation in the County of Santa Clara, State of California, as hereinafter set forth in the certificate of the mayor and city clerk, as follows:

State of California
County of Santa Clara } ss.
City of Santa Clara

CERTIFICATE OF RATIFICATION OF CHARTER AMENDMENTS BY ELECTORS OF THE CITY OF SANTA CLARA

We, the undersigned, Gary G. Gillmor, Mayor of the City of Santa Clara, State of California, and A. S. Belick, City Clerk of said City, do hereby certify and declare as follows:

That the City of Santa Clara is a municipal corporation in the County of Santa Clara, State of California, now is and at all times herein mentioned was, a city containing a population of more than fifty thousand (50,000) inhabitants as ascertained by the last preceding census taken under the authority of the Congress of the United States, and is now organized, existing and acting under a freeholder's Charter, adopted under and by virtue of Section 8 of Article XI of the Constitution of the State of California, which Charter was duly voted for and ratified by the qualified electors of said city at an election duly held for that purpose April 2, 1951, and approved by the Legislature of the State of California in Statutes 1951, Page 4401.

That in pursuance of Section 3 of Article XI of the Constitution of the State of California, Chapter 3, Pt. 1., Div. 2 and Tit. 4 of the Government Code of the State of California, Chapter 4 of Part 2 of Div. 12 of the Elections Code of the State of California, and Section 700 of the City's Charter, on its own motion the City Council of the City of Santa Clara, being the legislative body of said city, by and in pursuance of certain Ordinance passed and adopted by the City Council on the 15th day of August, 1972, duly submitted to the qualified electors of said City of Santa Clara, certain proposals for the amendment of the Charter of said City, to be voted on by said qualified voters at a Special Municipal Election consolidated with the State-wide General Election on the 7th day of November, 1972, which said proposals included Charter Amendments being designated on the ballot of such election as Propositions B, F and G, and herein designated as proposed amendments.

That said proposed amendments were published and advertised in accordance with the provisions of Chapter 3, Pt. 1, Div. 2 and Tit. 4 of the Government Code of the State of California, and in accordance with the provisions of the Charter of the City of Santa Clara, in the "Valley Journal", which was then and there a newspaper of general circulation within said City of Santa Clara and the official newspaper of said City, and in all the editions thereof issued during the day of publication.

That said City Council caused copies of said Santa Clara Charter Amendments to be printed in convenient pamphlet form and in type of not less than 10-point, and caused copies thereof to be mailed to each of the qualified electors of said City, and, until the day fixed for said election, advertised in said Valley Journal, a newspaper having a general circulation in said City, a notice that copies thereof could be had upon application therefor, and in accordance with said notice copies thereof could be had upon application therefor;

That the City Council of the City of Santa Clara, the legislative body of said City, by its certain ordinance passed and adopted on the 15th day of August, 1972, did call a Special Election and requested consolidation of said Municipal Election with the State-wide General Election on the 7th day of November, 1972 and did provide in said ordinance for the submission of the proposed amendments to the

Charter, to the qualified electors of said City for their ratification at such election.

That said election was duly called and held on the 7th day of November, 1972, and at said election a majority of qualified electors, voting thereon, voted in favor of and the ratification of, and did ratify the proposed amendments of the Charter of the City of Santa Clara hereinbefore set forth.

That the returns of said election were in accordance with the law in such cases made and provided, duly and regularly canvassed and certified to, and it was duly found, determined and declared by the proper officers thereunto duly and properly authorized, that a majority of the qualified electors voting thereon had voted in favor of and ratified each of said proposed amendments to said Charter as hereinafter set forth; and

That said proposed amendments to the Charter of said City so ratified by the qualified electors of said City are as follows, to wit.

"Proposition B: A proposition on the motion of the City Council of said City to amend the Charter of said City, as follows:

1. Amend Article VI of the Charter by adding a new section thereto to be numbered, entitled and read, as follows:

Section 601. Eligibility. Following the effective date of this Section, no person shall be eligible to be a candidate for or to take or hold any elective office of the City of Santa Clara unless he is a resident and a qualified registered elector of the City, and has resided in the City for the year next preceding the date of his election or appointment to such office.

The effective date of this Section shall be deemed to mean the date this Section as it now reads becomes effective.

2. Amend Article XI of the Charter by repealing Section 1106 (Political Activities Prohibited) thereof.

3. Amend Section 1200 of the Charter to be numbered, entitled and read, as follows:

Section 1200. State System. The "Public Employees' Retirement Law", as it now exists or may hereafter be amended, is hereby adopted for the City of Santa Clara and plenary authority and powers are hereby vested in said City, its City Council and its several officers, agents and employees at their discretion to do and perform any act, or exercise any authority granted, permitted, or required under the provisions of said Retirement Law, to enable said City to become or continue as a contracting City participating in the Public Employees' Retirement System; provided, however, that the City Council may terminate any contract entered into with the Board of Administration of the Public Employees' Retirement System only under authority granted by ordinances adopted by a majority vote of the electors of the City of Santa Clara, voting on such proposition at an election at which such proposal is presented.

4. Repeal Article XV (Police Court) and Article XVI (School Department) of the Charter.

Proposition F: A proposition on the motion of the City Council of



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said City to amend Article VI of the Charter by adding the following section thereto to be numbered, entitled and read, as follows:

Section 600.1. Time of Taking Office—Term. With the exceptions herein provided, and as provided for removal from office, all candidates elected after the effective date of this Section, at any general municipal election prescribed in the Charter to an office for other than for an unexpired term, shall serve for a term of four years, commencing forthwith on completion of the canvass of ballots of such election, and continuing until their respective successors shall have been elected and qualified. Candidates so elected in the years 1973 and 1975 are excepted, and each shall serve for a term commencing on the first Monday in May of such years following each of such elections and such terms shall end in the fourth year following the respective election at which the candidate was elected, upon completion of the canvass of ballots of the general municipal election held in such year and at the time their respective successors shall have been elected and qualified.

The effective date of this Section shall be deemed to mean the date this Section as it now reads becomes effective.

Proposition G: A proposition on the motion of the City Council of said City to amend Article VI of the Charter by adding the following sections thereto to be numbered, entitled and read, as follows·

Section 700.1. Offices Separately Filled. The office of each member of the City Council, including the office of the Council member who is Mayor, is and shall be deemed to be a separate office to be separately filled. No person shall be a candidate for more than one such office; and, except as otherwise provided elsewhere in this Charter, no incumbent member of the City Council while serving in such office with an unexpired term of more than six months shall be a candidate for any numbered Council seat other than the one which he holds.

Nothing in this Section or in Section 700.2 of this Charter shall change the effect in any way of any disqualification of a member of the Council, including the Mayor, to serve more than two consecutive elective terms. It is intended that these sections will not affect any such qualification at all, either retrospectively or prospectively.

Section 700.2. Elections: Designation of Seats. Subject to other provisions of this Charter, the first election following the effective date of this Section at which a Mayor and members of the City Council shall be elected shall be the general municipal election held in the year 1973. At the general municipal election held in the year 1973, persons shall be elected to fill the seats of those three members of the Council, including the Mayor, whose terms expire at the end of the day immediately preceding the first Monday of May, 1973. At the general municipal election held in the year 1975, persons shall be elected to fill the seats of those four members of the Council whose terms expire at the end of the day immediately preceding the first Monday of May, 1975. Thereafter, at each general municipal election,

successors shall be elected to fill the seats of those members of the Council, including the member of the Council who is also the Mayor, whose terms of office are about to expire.

For purposes of said elections, each Council office shall be designated by an appropriate descriptive designation, as follows: The Council seat which on the effective date of this Section is occupied by the Mayor shall continue to be designated as "Mayor"; each of the other six seats, respectively, shall be designated by the Council within one week of the effective date of this Section, if not previously so designated, as "Councilman, Seat No. 2", "Councilman, Seat No. 3", "Councilman, Seat No. 4", Councilman, Seat No. 5", Councilman, Seat No. 6", and Councilman, Seat No. 7", respectively, and shall continue to be designaged by the respective designation. The designation so given to each such office shall thereafter be used in all elections, nomination papers, certificates of election and other election papers pertaining or referring to such office, and to designate incumbency in such office.

The effective date of this Section shall be deemed to mean the date this Section as it now reads becomes effective."

That we have compared the foregoing amendments as stated herein with the original proposals submitted to the electors of said City, and find and certify that each of the foregoing is a full, true and correct copy thereof.

In witness whereof, we have hereunto set our hands and caused the seal of said City of Santa Clara to be affixed hereto this 6th day of December, 1972.

(SEAL)

GARY G. GILLMOR
Gary G. Gillmor, Mayor
City of Santa Clara,
California

A. S. BELICK
A. S. Belick, City Clerk
City of Santa Clara,
California

and

WHEREAS, Said proposed amendments to the charter as ratified as hereinabove set forth have been and are now duly presented and submitted to the Legislature of the State of California for approval or rejection as a whole, without power to change and in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the aforementioned amendments to the Charter of the City of Santa Clara as proposed to, and adopted and ratified by, the qualified electors of said City of Santa Clara, as hereinabove fully set forth be

and the same hereby are approved as a whole, without amendment, alteration, or change, for and as amendments to, and as part of, the Charter of the City of Santa Clara, County of Santa Clara.

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## RESOLUTION CHAPTER 11

*Assembly Joint Resolution No. 9—Relative to the export of logs from the United States of America.*

[Filed with Secretary of State February 6, 1973 ]

WHEREAS, Nearly four billion board feet of unsawed logs were exported from the United States during 1970; and

WHEREAS, The demand for our logs by foreign buyers has soared upward in recent months due to unprecedented construction activity abroad; and

WHEREAS, Foreign demand has increased log prices in some United States supply regions in recent weeks by as much as 500 percent; and

WHEREAS, Foreign competition for domestic logs has begun to cripple the ability of local manufacturers to supply their mills and to produce lumber products at stable prices; and

WHEREAS, These disruptions and diseconomies in domestic lumber production have begun to distress the California primary timber industry which employs nearly 50,000 workers and supports a 300-million-dollar annual payroll; and

WHEREAS, The growing distress in our primary timber industry is the result of increased export of American logs foreshadowing lumber shortages and price increases which will adversely affect this state's vital construction industry and its ability to meet California's housing and business demands; and

WHEREAS, The Export Control Act provides the Secretary of Commerce the authority and responsibility to control the exportation of materials in short supply when a drain of such materials exists or where foreign demand exerts an inflationary impact on such materials; and

WHEREAS, The conditions necessary for action by the Secretary of Commerce under the provisions of the Export Control Act exist in California and throughout the Pacific Northwest on a scale which promises massive unemployment and hardship for the people of these regions; 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 memorializes the President and the Congress of the United States to instruct the Secretary of Commerce to exercise his power to forbid the export of logs from the United States until such time that the Secretary of Agriculture finds that the nation's projected timber needs for five consecutive years could be entirely satisfied by

domestic supplies; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of Commerce, the Secretary of Agriculture, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 12

*Assembly Concurrent Resolution No. 22—Approving an amendment to the Charter of the City of Santa Barbara, County of Santa Barbara, State of California, ratified by the qualified electors of the city at a special election held therein on the seventh day of November 1972.*

[Filed with Secretary of State February 6, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of an amendment to the Charter of the City of Santa Barbara, a municipal corporation in the County of Santa Barbara, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

CERTIFICATE OF RATIFICATION OF A CHARTER AMENDMENT BY ELECTORS OF THE CITY OF SANTA BARBARA

State of California
County of Santa Barbara ss.
City of Santa Barbara

We, the undersigned, Gerald S. Firestone, Mayor of the City of Santa Barbara, and J. E. Newton, City Clerk of said City, do hereby certify and declare as follows:

That the City of Santa Barbara, a municipal corporation in the County of Santa Barbara, State of California, is now and at all times herein mentioned was a city duly organized, existing and acting under a freeholders charter adopted under and pursuant to Section 3 of Article XI of the Constitution of the State of California.

That in accordance with the provisions of Section 3 of Article XI of the Constitution of the State of California, the Council of said City, being the legislative body thereof, duly and regularly submitted to the qualified electors of said City a certain proposal for the amendment of the Charter of said City at a special election consolidated with the general election duly and regularly called and held for that purpose in said City on the 7th day of November, 1972, said charter amendment being herein designated as Charter Amendment—Proposition C.

That on the 25th day of September, 1972, said Council caused said proposed Charter amendment to be duly and regularly published and advertised in each and every edition of said 25th day of September, 1972, in the Santa Barbara News-Press, a daily newspaper of general circulation, printed, published and circulated in said City, there being no official paper of said City.

That said Council caused copies of said proposed Charter amendment to be printed in convenient pamphlet form and in type of not less than 10-point and caused copies thereof to be mailed to each of the qualified electors of said City.

That said Council, until the day fixed for the election upon said proposed Charter amendment, did advertise in said Santa Barbara News-Press, a daily newspaper of general circulation in said City, a notice that copies thereof might be had upon application therefor; that copies of said proposed Charter amendment could be had upon application therefor at the office of the City Clerk of said City up to and including the day fixed for said special election.

That said special election consolidated with a general election was duly and regularly held in said City on the 7th day of November, 1972, which date was not less than forty (40) and not more than sixty (60) days after completion of the advertising of said proposed Charter amendment, and the returns of said special election were duly and regularly canvassed and the results declared and entered, namely, that at said election a majority of the qualified electors voting thereon voted in favor of and did ratify said Charter amendment hereinafter specifically set forth.

That said amendment to the Charter of said City so ratified by the voters of said City is as follows, to wit:

Charter Amendment—Proposition C.

That Section 1506 be added to Article XV of the Charter of the City of Santa Barbara (1967) to read as follows:

"Article XV

"Miscellaneous

"Section 1506. Building Heights. Limitations. It is hereby declared the policy of the City that high buildings are inimical to the basic residential and historical character of the City. Building heights are limited to 30 feet in areas zoned for single family and two family residences; are limited to 45 feet in areas zoned for residences for three or more families, for hotel, motel, and office use; are limited to 60 feet in areas zoned for industrial, manufacturing and other commercial uses; and 30 feet for all other zones. The Council may, by ordinance, set limits of heights less than these maximums. The Council may, by ordinance, set up reasonable methods of measuring the heights set forth in this section."

That we have compared the amendment as stated herein with the original proposal submitted to the electors of said City and find and certify that it is a full, true and correct copy thereof.

In witness whereof, we have hereunto set our hands and caused the seal of said City of Santa Barbara to be affixed hereto this 18th day of January, 1973.

(SEAL)

GERALD S. FIRESTONE
Gerald S. Firestone,
Mayor of the City of
Santa Barbara, California
J. E. NEWTON
J. E. Newton, City Clerk of
the City of Santa Barbara,
California

and

WHEREAS, The proposed amendment to the charter, as adopted and ratified as hereinabove set forth, has been and now is duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendment to the Charter of the City of Santa Barbara, County of Santa Barbara, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, is hereby approved as a whole, without alteration or amendment, for and as amendment to, and as part of, the Charter of the City of Santa Barbara, County of Santa Barbara.

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## RESOLUTION CHAPTER 13

*Assembly Concurrent Resolution No. 11—Relative to the Joint Committee on Educational Goals and Evaluation.*

[Filed with Secretary of State February 8, 1973 ]

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

(1) The Joint Committee on Educational Goals and Evaluation is continued in existence and authorized to continue its study for the purpose of identifying and recommending to the Legislature and State Board of Education the goals of public elementary and secondary education as developed by local educational agencies, the objectives of programs relating to such goals, the priorities for action, and an evaluation program designed to measure the degree to which the goals and objectives of the state educational system are being

met. The evaluation program to be recommended to the Legislature shall include the following factors:

(a) Measurement of progress toward those state objectives identified in the goal-setting process;

(b) The collection of appropriate educational data on children who are entering the California public elementary and secondary schools for the first time;

(c) The collection of data on the educational environment within a school, including the conditions of the physical plant, instructional methods, equipment and materials, curriculum, and the views of students, teachers, and administrators of the school's educational offerings;

(d) The collection of data on the environment within a school attendance area, including socioeducational data, size of school, fiscal and material resources, and the students', parents', and other residents' view of the relationship between the school and the community;

(e) The measurement of special education programs, including programs for the physically handicapped, educationally handicapped, and mentally exceptional children;

(f) An assessment of the success of high school graduates and dropouts at integrating into the society as self-fulfilled, contributing citizens;

(g) The measurement of cost effectiveness; and

(h) Any other evaluation measures appropriate to educational programs within the state.

(2) The committee consists of four Members of the Senate, appointed by the Committee on Rules thereof, and four Members of the Assembly, appointed by the Speaker thereof, and working in cooperation with a three-member committee of the State Board of Education appointed by its president. Vacancies occurring in the membership of the committee shall be filled by the appointing power.

The committee may act until November 30, 1974.

(3) The identification and development of committee recommendations shall continually involve the general public, including students, parents, educators (including classroom teachers), school board members, scholars, representatives business, labor and the arts, and any other citizens. The Joint Committee on Educational Goals and Evaluation shall appoint appropriate advisory committees from the public, as needed; and may, subject to prior approval of Joint Rules Committee, contract with any public or private agencies for any part of the study. The committee shall seek the support and assistance of the State Department of Education on all matters pertaining to this resolution.

(4) In addition to any amounts heretofore or hereafter made available, the sum of one hundred seventy-five thousand dollars ($175,000) is hereby made available until November 30, 1974, from the Contingent Funds of the Assembly and Senate to the said joint

committee for the expenses of the committee and for any charges, expenses or claims it may incur under this resolution, to be paid from the said fund and dispersed, after certification by the chairman of the committee, upon warrants drawn by the State Controller upon the State Treasurer.

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## RESOLUTION CHAPTER 14

*Assembly Concurrent Resolution No. 12—Relative to the Joint Committee on the Master Plan for Higher Education.*

[Filed with Secretary of State February 13, 1973 ]

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Joint Committee on the Master Plan for Higher Education is continued in existence until December 31, 1973, with all of the rights, duties and powers conferred upon that committee by Resolution Chapter 285 of the Statutes of 1970 and Resolution Chapters 129 and 232 of the Statutes of 1971. The committee may expend any funds heretofore or hereafter made available and further allocations may be made by the Joint Rules Committee; provided that, in accordance with Joint Rule 36.8, any expenditure of funds shall be made in compliance with policies set forth by the Joint Rules Committee and shall be subject to the approval of the Joint Rules Committee; and be it further

*Resolved,* That in addition to any money heretofore or hereafter made available, the sum of one hundred five thousand dollars ($105,000), or so much thereof as may be necessary, is hereby made available from the Contingent Funds of the Assembly and Senate for the expenses of the Joint Committee on the Master Plan for Higher Education and its members and for any charges, expenses, or claims it may incur, to be paid from such fund after certification by the chairman of the committee, upon warrants drawn by the State Controller upon the State Treasurer.

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## RESOLUTION CHAPTER 15

*Senate Concurrent Resolution No 13—Approving certain amendments to the Charter of the City of Santa Cruz, a municipal corporation in the County of Santa Cruz, State of California, voted for and ratified by the qualified electors of said city at a special municipal charter amendment election held therein on the seventh day of November, 1972.*

[Filed with Secretary of State February 13, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption and ratification of certain amendments to the Charter of the City of Santa Cruz, a municipal corporation in the County of Santa Cruz, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of said city, as follows, to wit:

CERTIFICATE OF RATIFICATION BY ELECTORS OF THE CITY OF SANTA CRUZ OF CERTAIN CHARTER AMENDMENTS

State of California
County of Santa Cruz } ss.
City of Santa Cruz

We, the undersigned, Al Castagnola, Mayor of the City of Santa Cruz, and Angele Mellon, City Clerk of the City of Santa Cruz, do hereby certify and declare as follows:

That the City of Santa Cruz, County of Santa Cruz, State of California, is a city containing a population of more than three thousand five hundred (3,500) and less than fifty thousand (50,000) inhabitants as ascertained by the last preceding census taken under the authority of the Congress of the United States, and ever since the year 1948 has been and now is organized, existing and acting under a freeholders charter adopted under and by virtue of Section 3 of Article XI, of the Constitution of the State of California, which Charter was duly ratified by the qualified electors of said City at a special election held for that purpose on the 2nd day of March, 1948, and approved by the Legislature of the State of California by concurrent resolution filed with the Secretary of State on the 27th. day of March, 1948 (Statutes of 1948, page 312).

That in accordance with the provisions of Section 3 of Article XI of the Constitution of the State of California, the Council of the City of Santa Cruz, being the legislative body of said city, on its own motion, by its Resolution No. NS 10504 adopted on August 22, 1972, duly and regularly proposed and submitted to the qualified electors of said City certain proposals for amendment of the Charter of said City, to be voted on by said qualified electors at a special municipal charter amendment election, consolidated with the Statewide General Election held in said City on November 7, 1972.

That said proposed amendments were published and advertised for the time and in the manner prescribed by the laws of the State of California, on the 10th day of September, 1972, in the Santa Cruz Sentinel, the official newspaper of said City of Santa Cruz, a newspaper of general circulation printed and published in said City of Santa Cruz, and in each edition thereof during said day of publication.

That said general election and said special municipal charter amendment election consolidated therewith were duly called, held and conducted in the time, form and manner required by the Charter of said City and by law on said 7th. day of November, 1972,

which day was not less than forty and not more than sixty days after the completion of said publication and advertisement of the said proposed amendments in said Santa Cruz Sentinel.

That a majority of the qualified voters voting on said amendments voted in favor of the ratification of and did ratify said amendments to said charter.

That the Council of said City of Santa Cruz on January 9, 1973 officially confirmed the canvass of all ballots cast at said special municipal charter amendment election consolidated with the Statewide General Election as aforesaid, and did by resolution, duly find and declare that a majority of the qualified voters voting on said Charter amendments, voted in favor thereof and that said Charter amendments were ratified.

That said Charter amendments so ratified by the majority of the qualified voters of said City voting at said special municipal charter amendment election were to repeal Section 703 of Article VII and to amend Section 1032 of Article X of the Charter of the City of Santa Cruz, in words and figures following, to wit:

1. By repealing Section 703 of Article VII thereof, which Section now reads as follows:

"Section 703. First Election Under Charter. A special municipal election shall be held for the election of seven members of the City Council as the first City Council under this Charter on the eighth Tuesday following approval of the Charter by the Legislature. At such special election, the four candidates receiving the highest vote shall serve until the third Tuesday in April, 1951. The three candidates receiving the next highest vote shall serve until the third Tuesday in April, 1949. The term of all members shall commence on the first Tuesday following such election and each member shall serve until his successor is elected and qualifies. Any ties in voting shall be settled by the casting of lots."

2. By amending Section 1032 of Article X thereof, to read as follows:

"Section 1032. Civil Service Commission. Powers and Duties. The Civil Service Commission shall have power and be required to:

(a) Act in an advisory capacity to the City Council and the City Manager on Personnel Administration;

(b) After a public hearing thereon, recommend to the City Council the adoption, amendment or repeal of Civil Service rules and regulations;

(c) Make any investigation which it may consider desireable concerning the administration of personnel in the municipal service and report its findings to the City Council and City Manager;

(d) Hear appeals of any person in classified service relative to any suspension, demotion or dismissal, and report in writing to the appointing power, City Manager and City Council, its findings, conclusions and recommendations;

(e) Perform such other duties with reference to personnel

administration as the Council may require by ordinance or resolution."

And we and each of us further certify that we have compared the foregoing proposed and ratified amendments to the Charter of the City of Santa Cruz with the original proposals submitting the same to the electors of said City and find that the foregoing is a full, true and correct copy of said amendments.

In witness whereof, we have hereunto set our hands and caused the seal of the City of Santa Cruz to be affixed this 11th day of January, 1973.

(SEAL)

AL CASTAGNOLA
Mayor of the City of
Santa Cruz
ANGELE MELLON
City Clerk of the City of
Santa Cruz

and

WHEREAS, The proposed charter amendments as ratified as hereinabove set forth have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring, a majority of all the Members elected to each house voting therefor and concurring therein,* That the amendments of the Charter of the City of Santa Cruz, as proposed to and adopted and ratified by the electors of said City, as hereinbefore fully set forth, be and the same are hereby approved as a whole without alteration or amendment for and as amendments to and as a part of the Charter of the City of Santa Cruz.

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## RESOLUTION CHAPTER 16

*Senate Concurrent Resolution No. 14—Relative to commending the UCLA Bruins basketball team and Coach John Wooden.*

[Filed with Secretary of State February 13, 1973 ]

WHEREAS, The UCLA Bruins and Coach John Wooden stand today as a team and a coach whose feats are unparalleled in collegiate basketball history; and

WHEREAS, The UCLA Bruins, by virtue of superior recruiting, coaching, and playing. have completely dominated the game since the 1963–64 season, winning the national championship the last six years and eight of the past nine years; and

WHEREAS, Wooden's Bruins recently set an all-time college basketball record of 62 successive victories, beating USC 79–56; and

WHEREAS, Such an achievement attests to the excellent coaching, consistent high performance, and all around strength of this truly outstanding team; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That Coach John Wooden and the UCLA Bruins basketball team be commended for their historic athletic achievement; and be it further

*Resolved,* That a suitably prepared copy of this resolution be transmitted to Coach John Wooden.

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## RESOLUTION CHAPTER 17

*Senate Concurrent Resolution No. 15—Relative to Copernicus of Poland Year.*

[Filed with Secretary of State February 14, 1973 ]

WHEREAS, February 19, 1973, will mark the 500th anniversary of the birth of Nicolaus Copernicus, distinguished Polish astronomer who revolutionized man's thinking about the nature of the universe; and

WHEREAS, Nicolaus Copernicus, born in Torun, Poland, entered the University of Cracow, at that time renowned for the study of astronomy, and then pursued further studies at the universities of Bologna, Ferrara, Rome, and Padua; and

WHEREAS, Although his studies, works, and achievements encompassed such diverse fields as canon law, medicine, mathematics, economics, monetary systems, and military activities, his greatest accomplishment known to posterity is in the field of astronomy; and

WHEREAS, In the famous work De Revolutionibus Orbium Coelestium, modernizing the medieval geocentric approach into the heliocentric philosophy, Nicolaus Copernicus propounded the theory that revolutionized astronomy and laid the foundation for modern developments, and

WHEREAS, His works were undoubtedly the foundation for future findings of Galileo, Kepler, and Newton and have led to our present achievements of man in space; and

WHEREAS, In order to honor the memory of this outstanding scientist and to preserve the spirit of the courageous thinker, the Polish-American Engineers Club of the San Francisco Bay Area is commencing commemorative events in California with a gala banquet to be held on February 17, 1973, at the Fairmont Hotel in San Francisco, with further activities to be pursued by the Polish-American Congress, and

WHEREAS, The approaching quinquecentennial anniversary

celebration has linked Poland with the United States more closely, resulting in a protocol calling for a major expansion in scientific exchange between the two countries, including the establishment of a Copernican Center of Fundamental Research near Warsaw, Poland; and

WHEREAS, NASA's most sophisticated orbiting astronomical observatory bears the name of Copernicus, and UNESCO has declared the year 1973 as "the International Copernicus Year"; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the year 1973 be known as "Copernicus of Poland Year," and be it urged that all California educational organizations develop programs to celebrate this memorable occasion; and be it further

*Resolved,* That the Secretary of the Senate transmit a suitably prepared copy of this resolution to the Polish-American Engineers Club of the San Francisco Bay Area.

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## RESOLUTION CHAPTER 18

*Senate Concurrent Resolution No. 17—Approving a certain amendment to the Charter of the City of San Jose, a municipal corporation, in the County of Santa Clara, voted for and ratified by the electors of said city at a special municipal election held therein on the seventh day of November, 1972.*

[Filed with Secretary of State February 26, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption and ratification of a certain amendment hereinafter set forth, to the Charter of the City of San Jose, a municipal corporation, in the County of Santa Clara, State of California, as set out in the certificate of the mayor and of the city clerk of the city, as follows:

CERTIFICATE OF AMENDMENT TO THE CHARTER OF THE CITY OF SAN JOSE, CALIFORNIA

State of California
County of Santa Clara } ss.
City of San Jose

We, the undersigned, Norman Y. Mineta, Mayor of the City of San Jose, State of California, and Francis L. Greiner, City Clerk of said City, do hereby certify and declare as follows:

That the City of San Jose, a municipal corporation, in the County of Santa Clara, State of California, is now, and was at all times herein mentioned: (a) a city containing a population of more than four

hundred and forty-five thousand inhabitants as ascertained by the last preceding census taken under the authority of the Congress of the United States; and (b) a city organized, existing and acting under a charter, adopted under and by virtue of former Section 8 (now Section 3) of Article XI of the Constitution of the State of California, which charter was heretofore duly ratified by a majority of the qualified electors of said City at a municipal election held for that purpose on the 13th day of April, 1965, and approved by the Legislature of the State of California by concurrent resolution filed with the Secretary of State on the 4th day of May, 1965 (Assembly Concurrent Resolution No. 104, Chapter 76, Statutes of 1965.)

That in accordance with the provisions of Section 3 of Article XI of the Constitution of the State of California, and the provisions of Title 4, Division 2, Part 1, Chapter 3 of the Government Code of the State of California, the Council of the City of San Jose, being the legislative body of said City, on its own motion, duly and regularly proposed and submitted to the qualified electors of said City of San Jose a certain proposal for the amendment of Section 1104 of the Charter of said City to be voted upon by the said qualified electors at the special municipal election held in said City on the 7th day of November, 1972, which was consolidated with the State General Election held in Santa Clara County on Tuesday, November 7, 1972, all pursuant to law.

That said proposed amendment was published and advertised in accordance with Section 3 of Article XI of the Constitution of the State of California, and the provisions of Title 4, Division 2, Part 1, Chapter 3 of the Government Code of the State of California, on the 26th day of September, 1972, in the "San Jose News", a daily newspaper of general circulation published, printed and circulated in said City, and being the official newspaper of said City for said purpose, and in each edition thereof during the date of publication.

That copies of said proposed charter amendment was printed in convenient pamphlet form in type of not less than ten-point, and were mailed to each of the qualified electors of said City, and an advertisement that copies thereof could be had upon application therefor at the office of the City Clerk of the City of San Jose was published, printed and circulated in said City, on the 26th day of September, 1972, and each day thereafter to and including the 7th day of November, 1972, all as required by law; and that copies of said pamphlet containing said proposed charter amendment could be had upon application therefor at the office of the City Clerk of said City on and after the 26th day of September, 1972, to and including the 7th day of November, 1972, the date fixed for said election.

Notice of Election was published in said San Jose News on August 30, 1972 which notice set forth the date of said election (November 7, 1972) and set forth the measure to amend Section 1104 of the City Charter.

Notice of Final date for Filing of Arguments on the Propositions to be submitted to the Electors of the City of San Jose was published

in said San Jose News, on August 31, 1972.

By order of the Board of Supervisors of the County of Santa Clara Notice of Appointment of Election Officials and Designation of Polling Places was published on October 13, 1972 in the San Jose Mercury, a newspaper of general circulation, circulated and published in the City of San Jose.

That sample ballots containing the measure for amendment of said Section 1104 of the City Charter (designated therein as Measure K) together with the Full Text of the Proposed Amendment to said Section 1104 together with arguments thereon were mailed by the County Registrar of Voters to all qualified electors of the City of San Jose within the time prescribed by law for the election held November 7, 1972.

That said proposed Charter amendment was submitted to the electors of said City (as Measure K) for adoption and ratification at the special municipal election duly and regularly held in said City of San Jose on the sixth day of June, 1972, which said date was not less than forty, nor more than sixty, days after the completion of the advertising in the above mentioned official paper of the proposed Charter amendment aforesaid.

That there were 231,567 qualified electors of the City of San Jose eligible to vote on November 7, 1972.

That the vote at said election on the measure (Measure K) to amend Section 1104 of the City Charter was 136,749—Yes, in favor of the amendment to Section 1104; and 32,861—No, in opposition to said amendment.

That at said special municipal election a majority of the qualified electors voting upon said proposed Charter amendment voted in favor of said proposed Charter amendment.

That said amendment to the Charter of the City of San Jose, so adopted and ratified by the qualified electors of said City, amends Section 1104 of said Charter to read as follows:

"Section 1104 Disciplinary Action. No officer or employee of the City holding a regular position in the classified service, other than persons holding such positions by virtue of emergency or provisional appointments, may be suspended without pay, demoted or dismissed from his position in the classified service after satisfactorily serving his probationary period of service in such position, except for cause such as, but not limited to, malfeasance, misconduct, incompetence, insubordination, inefficiency or for failure to satisfactorily perform the duties of his position, to observe applicable rules and regulations, or to cooperate reasonably with his superior or fellow officers or employees.

"Any such officer or employee, excepting persons holding such positions by virtue of emergency or provisional appointments, who is suspended without pay, demoted or dismissed from his position in the Classified Service after satisfactorily completing his probationary period of service shall be given, in the manner and within the time

specified in the Civil Service Rules, not to exceed seventy-two (72) hours from and after the time of such reduction in pay, suspension, demotion or dismissal, a written notice of his suspension, demotion or dismissal, which said notice shall contain a statement of the specific reason or reasons for his suspension, demotion or dismissal. Within the time specified in the Civil Service Rules, not to exceed thirty (30) days from and after the date he is given said written statement, said officer or employee may appeal to the Civil Service Commission for a review of said suspension, demotion or dismissal by filing a written notice of appeal with the Secretary of said Commission. Such notice of appeal shall contain such answer as such officer or employee may have to the charges made against him. The Secretary of said Commission shall immediately transmit a copy of said notice of appeal, containing said answer, to the appointing authority.

"Within forty-five (45) days from and after the date on which the notice of appeal is filed, or at such other time as may be agreed to by said officer or employee and the Civil Service Commission, a hearing on the appeal, at which shall be reviewed the action of suspension, demotion or dismissal, shall be held by the Commission or by a hearing officer designated, as hereinafter specified, to hear the appeal, as the Commission may determine; provided, however, that if such appeal be to an action of dismissal, the hearing may be held by a hearing officer only with the express consent of the officer or employee. Each hearing officer shall be selected as follows: If the Commission determines that the hearing shall be held by a hearing officer, it shall note such order in its minutes, and the Clerk of the Commission shall forthwith notify the parties of such order; within not less than ten (10) days before the date of hearing, the appellant and the appointing authority, if they are otherwise unable to agree upon the person to act as hearing officer, shall each designate the names of five (5) proposed hearing officers, and from the list thereof names shall be stricken individually in succession by the parties alternately commencing with the appointing authority or his representative, until there remains but one name upon such list; if the Commission approves the person so designated, he shall be appointed by the Commission as the hearing officer to hear the appeal; if the Commission does not approve of such person acting as hearing officer in such appeal, the parties shall propose additional names and alternately strike names from the list or lists thereof as aforesaid, until the Commission shall approve a person so selected, and such person shall be appointed by the Commission as the hearing officer to hear the appeal. Reasonable fees and expenses of such hearing officers shall be paid by the City from moneys appropriated therefor by the Council.

"At such hearing both the appellant officer or employee and the authority whose action is being reviewed, and their respective representatives, shall have the right to be heard and to present evidence. If such appeal is heard by a hearing officer, he shall

prepare a proposed decision, in such form as may be adopted by the Commission as the decision in the case. A copy of the proposed decision shall be filed by the Commission as a public record, and copies thereof shall be furnished to each party within ten (10) days after the proposed decision is filed with the Commission. Either the Commission or the appellant officer or employee may order a transcript of the hearing to be prepared, and such transcript shall be filed with the Commission as a public record. If such transcript be ordered by the appellant officer or employee, he shall pay the cost thereof. If such transcript be ordered by the Commission, the cost thereof shall be paid from moneys appropriated therefor by the Council.

"Within a reasonable time after the proposed decision is filed, the Commission shall consider the same.

"If the proposed decision is not adopted as recommended by the hearing officer, each party shall be notified of such action and the Commission may decide the case on the record, including the transcript, if any, with or without taking any additional evidence, or may hear the case *de novo,* or may refer the case to the same or another hearing officer to take additional evidence. If oral evidence in addition to the written record is introduced before the Commission, no member thereof may vote unless he heard such additional oral evidence. If the case is so assigned to a hearing officer, he shall prepare a proposed decision as provided above upon the additional evidence and the transcript, if any, and other papers which are part of the record of the prior hearing. A copy of such proposed decision shall be furnished to each party and filed by the Commission as hereinabove provided. Either the Commission or the appellant officer or employee may request a transcript of such additional evidence to be prepared, and such transcript shall be filed with the Commission as a public record. If such transcript be ordered by the appellant officer or employee, he shall pay the cost thereof. If such transcript be ordered by the Commission, the cost thereof shall be paid from moneys appropriated therefor by the Council.

"If, after such hearing, the Civil Service Commission concludes that the suspension, demotion or dismissal was without cause, it shall order reinstatement without loss of pay, and such order shall be binding upon the appointing authority who shall forthwith comply with the same. In the event that the Civil Service Commission, after such hearing, concludes that there was cause for disciplinary action but that the type of penalty was not warranted under the circumstances, it may, in its discretion, order reinstatement with loss or partial loss of pay and such order shall be binding upon the appointing authority, who shall forthwith comply with the same. In the event the Civil Service Commission concludes that the officer or employee is unqualified for or unable for other reasons to satisfactorily perform the duties of his office or position but is qualified for and can perform the duties and functions of a lower position, it may, in it's discretion, order demotion and employment

of such officer or employee to and in a lower class of position or employment or may order that such person's name be placed on an eligible list for employment in a lower class of position or employment if and when a vacancy occurs therein, and such order shall be binding upon the Director of Personnel and the appointing authority, who shall comply with the same. If, after such hearing, the Civil Service Commission concludes that such suspension, demotion or dismissal was for adequate cause and that the action taken by the appointing authority was warranted, it shall affirm the action of the appointing authority.

"Except when the proposed decision is adopted in its entirety, the Commission shall decide no case provided for in this section without affording the parties an opportunity to present oral and written argument before the Commission.

"In arriving at a decision or a proposed decision in any case provided for in this section, the Commission or the hearing officer may consider any prior discipline imposed upon the appellant.

"The decision of the Commission shall be in writing and shall contain findings of fact and the disciplinary action, if any. The findings may be stated in the language of the pleadings or by reference thereto. Copies of the decision shall be delivered to the parties personally or sent to them or either of them by certified mail.

"Subject to such reasonable limitations and restrictions as may be set forth in the Civil Service Rules, the Civil Service Commission may grant a rehearing if good cause is shown therefor."

We further certify that we have compared the text of the foregoing amendment with the original proposal submitting the same to the electors of said City and find that the foregoing is a full, true, correct, complete and exact copy thereof. That as to said amendment, this certificate shall be taken as a full certification of the regularity of all proceedings had and done in connection therewith.

In witness whereof, we have hereunto set our hands and have caused the corporate seal of the City of San Jose to be affixed hereto this 6th day of February, 1973.

(SEAL)

NORMAN Y. MINETA
Norman Y. Mineta
Mayor of the City of
San Jose

FRANCIS L. GREINER
Francis L. Greiner
City Clerk of the City of
San Jose

and

WHEREAS, The proposed amendment to the charter as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment,

in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendment to the Charter of the City of San Jose, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as an amendment to, and as part of, the Charter of the City of San Jose.

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## RESOLUTION CHAPTER 19

*Assembly Concurrent Resolution No. 37—Approving amendments to the Charter of the County of Alameda, State of California, ratified by the qualified electors of the county at a general election held therein on the seventh day of November, 1972.*

[Filed with Secretary of State March 1, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the County of Alameda, State of California, as hereinafter set forth in the certificate of the board of supervisors and registrar of voters of the county, as follows:

CERTIFICATE OF REGISTRAR OF VOTERS OF THE COUNTY OF ALAMEDA, STATE OF CALIFORNIA, AND CHAIRMAN OF THE BOARD OF SUPERVISORS OF THE COUNTY OF ALAMEDA, STATE OF CALIFORNIA, AS TO THE ADOPTION AND RATIFICATION OF A CERTAIN AMENDMENT TO THE CHARTER OF SAID COUNTY OF ALAMEDA, SUBMITTED TO THE QUALIFIED ELECTORS OF THE SAID COUNTY OF ALAMEDA ON NOVEMBER 7, 1972.

### Preamble

Be it known that:

Whereas, the County of Alameda, State of California, has at all times mentioned herein been and now is a body politic of the State of California, and is now and has been since January 18, 1927, organized and acting under and by virtue of a Charter adopted under and by virtue of Section 7½ [now Section 4] of Article XI of the Constitution of the State of California, which Charter was duly ratified by the qualified electors of said County at an election held for that purpose on November 2, 1926, and approved by the Legislature of the State of California on January 18, 1927, and filed in the Office of the Secretary of State on January 18, 1927, (Stats. 1927, pp 2029); and

Whereas, the Board of Supervisors, pursuant to the provisions of California Government Code Sections 23720 and 23722, by its Resolution No. 144897, adopted August 8, 1972, duly proposed and ordered submitted to the qualified electors of said County of Alameda at the election to be held in said County on November 7, 1972, a proposed amendment to the Charter of the County of Alameda, and, by the same resolution, duly ordered that said proposal should be published for ten times in the Oakland Tribune, a daily newspaper of general circulation, printed, published and circulated in said County of Alameda, which said proposal was set forth in full and at length, and was, and is, in words and figures hereinafter set forth; and

Whereas, thereafter the said proposed amendment to the Charter of said County of Alameda was duly published in full and at length in said newspaper for ten times and on the following dates, to wit: September 25, 26, 27, 28, 29, and 30, 1972, and October 1, 2, 3, and 4, 1972, and said election at which said proposal was submitted to the vote of qualified electors of said County was not less than thirty days nor more than sixty days after publication of said proposal as aforesaid; and

Whereas, at said election said proposal was duly submitted to the vote of the qualified electors of said County and appeared on the ballot at said election in the following form, to wit:

Amendments to the Charter of the County of Alameda

| | | |
|---|---|---|
| A Shall technical amendments be made to Section 35 of the Charter of the County of Alameda by repealing redundant provisions which specify that the Law Library Trustees and the members of the County Board of Education and the Civil Service Commission shall be included in the unclassified civil service of the county? | YES | |
| | NO | |

and

Whereas, said ballot contained all matters and things required by law to be stated and contained thereon, and said ballot in all respects duly complied with law; and said proposal was duly and regularly submitted to said qualified electors in strict compliance with law, and after full compliance with each and every provision of law relating to the amendment of county charters; and

Whereas, returns of said election held in the County of Alameda on November 7, 1972, at which said election said proposal was duly submitted to the vote of the qualified electors of said County, were made to and canvassed by the Registrar of Voters of the County of Alameda, who is duly authorized, and said Registrar of Voters did

certify the same to the Board of Supervisors of said County, and the Clerk of said Board of Supervisors duly entered on the records of said Board of Supervisors on November 21, 1972, in Minute Book, Reel 50, Image 644, a statement of the results of said canvass and said election; and

Whereas, a majority of the qualified electors voting thereon at said election voted in favor of the adoption of proposed Amendment A, amending Section 35 of the Charter of the County of Alameda; and

Whereas, said amendment so ratified by the electors of said County of Alameda at said election held on November 7, 1972, is now submitted to the Legislature of the State of California for approval or rejection as a whole, without power of alteration or amendment, in accordance with the provisions of California Government Code Section 23723;

Now, therefore, the undersigned Joseph P. Bort, Chairman of the Board of Supervisors of the County of Alameda, State of California, Rene Davidson, Registrar of Voters of the County of Alameda, State of California, and Jack K. Pool, Clerk of the Board of Supervisors of the County of Alameda, State of California, authenticating their signatures with the official seal of said Board of Supervisors of the County of Alameda, do hereby certify that said amendment to said Charter of said County so ratified by the majority of the electors voting thereon at said election held on November 7, 1972, as submitted to said electors is in words and figures as follows, and is and shall, if so approved by said Legislature, be in the words and figures following, to wit:

PROPOSAL

TO MAKE TECHNICAL AMENDMENTS TO SECTION 35 OF THE CHARTER OF THE COUNTY OF ALAMEDA BY REMOVING REDUNDANT PROVISIONS CONTAINED IN SUBSECTIONS (d), (e), AND (f) OF SAID SECTION, WHICH SPECIFY THAT LAW LIBRARY TRUSTEES AND THE MEMBERS OF THE COUNTY BOARD OF EDUCATION AND CIVIL SERVICE COMMISSION SHALL BE INCLUDED IN THE UNCLASSIFIED CIVIL SERVICE OF THE COUNTY,

said Section 35 of the said Charter to read as follows, to wit:

Section 35: The Civil Service of the County is hereby divided into the unclassified and the classified service. The unclassified service shall include:

(a) All officers elected by the people, and their chief deputies.

(b) All assistants, deputies and other employees in the office of the District Attorney.

(c) All appointive boards and commissions.

(d) All persons serving the County without compensation.

(e) Not to exceed two confidential employees in the office of the Board of Supervisors.

The classified service shall comprise all positions not specifically

included by this Charter in the unclassified service, provided that in the case of a vacancy requiring peculiar and exceptional qualifications of a scientific, professional or expert character, upon satisfactory evidence that competition is impracticable, and that the position can best be filled by the selection of a person of recognized attainments, competitive examinations may be suspended, but no such suspension shall be general in its application to such position, and all such cases of suspension shall be reported by the Commission, together with the reasons therefor, to the Board of Supervisors.

In witness whereof, we have hereunto set our hands and affixed the official seal of the Board of Supervisors of the County of Alameda, State of California, this 6th day of February, 1973.

J. P. BORT
(SEAL) Chairman of the Board of Supervisors of the County of Alameda, State of California.
R. C. DAVIDSON
Registrar of Voters of the County of Alameda, State of California.

Attest:
J. K. POOL
Clerk of the Board of Supervisors of the County of Alameda, State of California.

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the County of Alameda, as proposed to, and adopted and ratified by, the electors of the county as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the County of Alameda.

## RESOLUTION CHAPTER 20

*Senate Concurrent Resolution No. 16—Relative to the Joint Committee on Siting of Teaching Hospitals.*

[Filed with Secretary of State March 7, 1973 ]

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That notwithstanding paragraph 2 of the first resolved clause of Resolution Chapter No. 137 (ACR 120), Statutes of 1972, the Joint Committee on Siting of Teaching Hospitals shall consist of five rather than three Members of the Senate, appointed by the Committee on Rules thereof, and five rather than three Members of the Assembly, appointed by the Speaker thereof.

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## RESOLUTION CHAPTER 21

*Senate Concurrent Resolution No. 21—Relative to commending George H. Murphy.*

[Filed with Secretary of State March 12, 1973 ]

WHEREAS, George H. Murphy, Legislative Counsel of California, is to be honored by the State Bar Association at a reception to be held for the attorney Members of the California Legislature; and

WHEREAS, It is also fitting that the Members of the Legislature similarly honor George H. Murphy for the performance of his official duties as Legislative Counsel; and

WHEREAS, Mr. Murphy was first elected as Legislative Counsel in 1964, after a successful career in private practice and public service; and

WHEREAS, As Legislative Counsel, he has been called upon to interpret major court decisions, to opine on the application of such holdings to diverse California laws, and to advise the Legislature in connection with the solution of some of the most complicated legal problems ever facing a legislative body; and

WHEREAS, In each instance, in keeping with the nature of his office, Mr. Murphy, with the assistance of an able and dedicated staff of attorneys, has rendered impartial and objective opinions based solely on legal precedents and sound logic; and

WHEREAS, His consistently reliable advice has in no small measure contributed to the reputation which the California Legislature enjoys as one of the most outstanding and respected legislative bodies in the country; and

WHEREAS, As advisor to the Legislature, Mr. Murphy has constantly sought to improve the legislative process and has participated in experimental programs to expedite the work of the office of the Legislative Counsel and the Legislature itself; and

WHEREAS, A man possessed of good judgment, integrity, and ability, Mr. Murphy is a credit not only to the Legislature of this state, but also to the entire legal profession; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the Members of the Legislature commend George H. Murphy, Legislative Counsel of California, for the many years of excellent service which he has rendered to the Legislature of this state; and be it further

*Resolved,* That the Secretary of the Senate transmit a suitably prepared copy of this resolution to Mr. George H. Murphy.

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## RESOLUTION CHAPTER 22

*Assembly Concurrent Resolution No. 39—Approving amendments to the Charter of the City of Napa, County of Napa, State of California, ratified by the qualified electors of the city at a consolidated general election held therein on the seventh day of November, 1972.*

[Filed with Secretary of State March 12, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City of Napa, a municipal corporation in the County of Napa, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

State of California
County of Napa } ss.
City of Napa

### CERTIFICATE OF RATIFICATION OF AMENDMENTS TO THE CHARTER OF THE CITY OF NAPA

We, the undersigned, Ralph C. Bolin, Mayor of the City of Napa, and Allen R. Thorpe, City Clerk of said City, do hereby certify as follows:

That the City of Napa, a municipal corporation in the County of Napa, State of California, now is and at all times herein mentioned, was a city containing a population of more than 3,500 and less than 50,000 inhabitants and is now, and has been ever since January 26, 1915, organized, existing and acting under a freeholders' charter adopted under and by virtue of Section 3 of Article XI of the Constitution of the State of California, which said Charter was duly ratified by the qualified electors of said City of Napa at an election held for that purpose on the 16th day of December, 1914, and approved by the Legislature of the State of California on the 26th day

of January, 1915.

That in accordance with the provisions of Section 3 Article XI of the Constitution of the State of California, the City Council of the City of Napa on its own motion by resolutions duly made and entered on the minutes of said City Council, on June 5, 1972, July 3, 1972 and August 21, 1972 and regularly prepared and proposed to submit to the qualified voters of said City of Napa six proposed amendments to the Charter of said City of Napa, said charter amendments being designated as Proposed Charter Amendments No. 1, No. 2, No. 3, No. 4, No. 5, No. 6 and filed in the office of the Clerk of said City of Napa on June 5, 1972, July 3, 1972 and August 21, 1972 and further ordered that said charter amendments should be submitted to and voted upon by the qualified voters of said City at a Consolidated General Election called and held for that purpose in said City on the 7th day of November, 1972.

That said proposed charter amendments were published in accordance with law in the Napa County Record, a newspaper of general circulation printed and published in the City of Napa, and in all editions thereof issued during the day of publication.

That said proposed charter amendments were published and advertised in accordance with the provisions of Section 3 Article XI of the Constitution of the State of California and in accordance with the provisions of Section 34455 of the Government Code of the State of California in the "Napa County Record", a newspaper of general circulation printed and published in said City of Napa, and in all the editions thereof issued during the day of publication.

That said Consolidated General Election was held in said City of Napa on November 7, 1972, and that at said election a majority of the qualified voters voting thereon voted in favor of those proposed charter amendments designated as Proposed Charter Amendments No. 1, No. 2, No. 3, and No. 6 and that the Napa County Board of Supervisors and County Clerk, as provided by law, duly and regularly canvassed the returns of said election on the 28th day of November, 1972 and did duly find, determine and declare the result of said election to be that a majority of the qualified voters of said City voting on said proposed charter amendments had voted for and ratified Proposed Charter Amendments No. 1, No. 2, No. 3 and No. 6 and that the City Clerk did enter on the record and in the minutes of said City Council a statement of the result of said election.

That as to the proceedings taken relating to the amendments to the Charter of the City of Napa hereinafter set forth, the provisions of Section 3, Article XI, of the Constitution of the State of California and the laws of the State of California applicable thereto have been complied with.

That said amendments to the Charter of the City of Napa, so ratified by the electors of said City of Napa, are in words and figures as follows:

Charter Amendment No. 1. That Section 8 of the Charter of the

City of Napa be amended to read as follows:

Terms of Office.
Section 8
The terms of all elective officers shall be for four years, commencing on the first Monday in May of the year immediately following the adoption of this Charter Amendment and subsequently on the first Monday in May, succeeding their election and until their successors have qualified. The elective officers of the City of Napa who were elected in 1970 shall serve until the first Monday in May, 1974 and the elective officers of the City of Napa who were elected in 1972 shall serve until the first Monday in May, 1976.

Charter Amendment No. 2. That the second paragraph of Section 12 of the Charter of the City of Napa be amended to read as follows:

Vacancies in Elective Offices, How Filled.
Section 12
City Council appointees to fill such vacancy or vacancies shall hold office until the first Monday in May following the next General Municipal Election, at which election a person or persons shall be elected to serve for the remainder of said unexpired term or for a new term if the term of the vacated seat has expired.

Charter Amendment No. 3. That the first paragraph of Section 60 of the Charter of the City of Napa be amended to read as follows.

Meetings.
Section 60.
On the first Monday in May following a General Municipal Election, the City Council shall meet at the usual place for holding its meetings, at which time any newly elected Mayor or Councilman shall assume the duties of his office. Thereafter the City Council shall meet at such times and places as may be prescribed by ordinance or resolution, except that it shall meet regularly at least once a month. The City Council shall prescribe the manner in which special meetings may be called.

Charter Amendment No. 6. That the first paragraph of Part G of Section 76.1 of the Charter of the City of Napa be amended to read as follows:

Personnel System.
Section 76.1
G. Probationary Period.
All original and promotional appointments shall be for a probationary period of six months which period may be extended for an additional six months except for police and fire appointments

which shall be for a period of one year, during which the employee may be rejected at any time. Such rejection shall not be subject to appeal. However, the Civil Service Commission may, upon receipt of a request for review of such rejection from an employee with existing permanent status in the classified service and following review of all pertinent records, conduct a hearing consistent with other provisions of this Section and its rules. The findings following such hearing shall be forwarded to the appointing authority for action as he sees fit.

That we have compared the foregoing amendments with the original proposal submitted to the electors of said City of Napa and find that the foregoing is full, true, correct and exact copies thereof, and we further certify that the facts set forth in the preambles of this certificate preceding said amendment to said Charter are true.

In witness whereof, we have hereunto set our hands and caused the seal of said City of Napa to be affixed hereto this 23rd day of January, 1973.

(SEAL)

RALPH C. BOLIN
Ralph C. Bolin
Mayor of the City of Napa
State of California
ALLEN R. THORPE
Allen R. Thorpe
City Clerk of the City of Napa
State of California

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City of Napa, County of Napa, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City of Napa, County of Napa.

# RESOLUTION CHAPTER 23

*Assembly Concurrent Resolution No. 42—Approving amendments to the Charter of the City of San Bernardino, County of San Bernardino, State of California, voted for and ratified by the qualified electors of said city at an election held therein on the sixth day of February, 1973.*

[Filed with Secretary of State March 12, 1973 ]

WHEREAS, Proceedings have been taken and had for the purpose of adoption and ratification of amendments, hereinafter set forth, to the Charter of the City of San Bernardino, a municipal corporation situated in the County of San Bernardino, State of California, as set out in the certificates of the mayor and city clerk of said city as follows, to wit:

State of California
County of San Bernardino } ss.
City of San Bernardino

We, the undersigned, W. R. Holcomb, Mayor of the City of San Bernardino, State of California, and Lucille Goforth, City Clerk of said City, do hereby certify and declare as follows:

The City of San Bernardino, in the County of San Bernardino, State of California, was at all times mentioned herein and now is a City of the State of California existing and acting under a Charter duly adopted and approved under and by virtue of the Constitution of the State of California, containing a population of over fifty thousand inhabitants.

The legislative body of said City on its own motion submitted to the electors of said City, at a General Municipal Election held within said City on the 6th day of February, 1973, proposed amendments to the City Charter of said City.

Said proposed amendments were published in The San Bernardino Evening Telegram, being a newspaper of general circulation therein, and being an official newspaper of said City, on the 8th day of December, 1972, in each edition thereof on said day and said publication was made at the time and in the manner prescribed in Part I, Chapter 3, Sections 34450 through 34466 of the Government Code of State of California Title 4, Division 2.

Said legislative body caused copies of said amendments to be printed in convenient pamphlet form and in type of not less than ten-point, and caused copies thereof to be mailed to each of the qualified electors of said City and, until the day fixed for said election, advertised in The San Bernardino Evening Telegram, being a newspaper having a general circulation in said City, a notice that copies thereof could be had upon application therefor, and in accordance with said notice copies thereof could be had upon

application therefor.

Said election was duly and regularly held on the said 6th day of February, 1973, which said date of the said election was not less than forty nor more than sixty days after the completion of the advertising in said newspaper of said proposed amendments, and at said election a majority of the qualified voters voting thereon voted in favor thereof and did ratify said proposed amendments to said City Charter.

Said proposed amendments were duly and regularly submitted to, and duly ratified by, the said qualified voters of said City, and that all and singular the requirements of the Constitution and laws of the State of California and the Charter of said City have been complied with.

Said amendments are as follows:

Article X, Section 186, Sub-section First, Classification, of the Charter of the City of San Bernardino is amended to read as follows:

First: Classification

The following classes of positions are hereby created in the Fire Department and Police Departments of the City of San Bernardino, and the code numbers, titles, and salaries as hereinafter set forth are hereby established and fixed for such classes of positions. The letter "P" represents "Position", and the five steps in Positions 1, 2, and 3 being represented by the letters "a", "b", "c", "d", and "e" are: "a" designating the first six months of service in the respective departments, "b" designating the following eighteen months of service in the respective departments, "c" designating the third year of service in the respective departments, "d" designating the fourth year of service in the respective departments, and "d" designating the fifth and all subsequent years of service. Advancements in salary shall be made automatically step by step after each step of aggregate active service in the department in which the member is employed. Each person employed in the Fire Department and Police Department shall be entitled to receive for his services in his position the applicable respective rate or rates of compensation prescribed for the class in which his position is allocated. Additional titles may be established by the Mayor and Common Council, but only titled for Local Safety members of the Police and Fire Departments ahall be placed in one of the following classifications having the most nearly equal duties and responsibilities. Local safety members of the Police and Fire Departments shall mean any local policeman or local fireman as defined under the provisions of the Public Employees Retirement System Law as specified in the California Government Code or amendments thereto.

Class of Position

Title

| Classification No | Fire | Police |
|---|---|---|
| P1 (Steps a, b, c, d, e) | Firemen, Battalion Chief Aide | Patrolman Policewoman |
| P2 (Steps a, b, c, d, e) | Fire Prevention Inspectors | Juvenile Officer, Detective, Senior Identification Inspector |
| P3 (Steps a, b, c, d, e) | Engineers | Sergeants |
| P4 | Captains, Assistant Fire Prevention Engineer | Lieutenants |
| P5 | Battalion Chiefs, Drill Master, Fire Prevention Engineer | Captains, Superintendent of Records & Identification |
| P6 | Assistant Chief | Assistant Chief |
| P7 | Chief | Chief |

Article XIII, Section 235 of the Charter of the City of San Bernardini is amended to read as follows:

Section 235. The City Clerk and City Treasurer shall have been residents of the City for at least one year next preceding their election.

Article III, Section 40 of the Charter of the City of San Bernardino is amended to read as follows:

Section 40. The Mayor and Common Council of the City of San Bernardino, hereafter referred to as Council, shall have the following enumerated powers.

(a) Council shall have power to purchase, lease, receive and hold real and personal property within or without the city limits, and to control, sell and dispose of the same for the common benefit; provided that the sale or disposal of real property which is appraised at a value in excess of $2,000 shall be approved by a five-sevenths vote of the Council and shall be subject to competitive bidding and no bid shall be awarded for a sum less than the minimum price approved in a resolution of the council which provides for the notice inviting bids.

(b) Council shall have power to make and enforce all such local, police, sanitary and other regulations as pertain to municipal affairs, and for this purpose may define misdemeanors committed within the City limits or on lands under the jurisdiction of the City, and provide penalties and punishment therefor, although the offense constituting the misdemeanor be also a violation of the penal laws of

the state.

(c) Council shall have power to define nuisances and provide for their removal.

(d) Council shall have power to license for purposes of regulation and revenue all and every kind of business, occupations, shows, exhibitions and lawful games carried on in the City and to fix the rate of license tax thereon.

(e) Council shall have power to levy and collect taxes.

(f) Council shall have power to establish and maintain a fire department, prescribe fire limits and adopt regulations for the protection of the city against fires.

(G) Council shall have power to establish and maintain a police force.

(h) Council shall have power to protect the City against overflow.

(i) Council shall have power to prohibit and suppress lewdness in houses of ill-fame and indecent and immoral amusements and exhibitions.

(j) Council shall have power to prohibit the storage of gunpowder, oils or other combustible substances in quantity.

(k) Council shall have power to lay out and maintain parks.

(l) Council shall have power to regulate hospitals, pesthouses and slaughter houses, and to provide for their removal or discontinuance.

(m) Council shall have power to provide cemeteries and regulate their management.

(n) Council shall have power to establish and regulate a public pound.

(o) Council shall have power to provide a city prison and require the prisoners undergoing sentence for misdemeanor to perform such labor as may be prescribed.

(p) Council shall have power to acquire, establish, construct, reconstruct, maintain, operate, manage, repair, improve or finance any building system, plant, works, facilities or undertaking uses for or useful in the collection, treatment or disposal of sewage and the reclamation of effluent therefrom, or storm water, including drainage.

(q) Council shall have power to establish, build and repair bridges, to establish, lay out, alter, keep open, open, close, improve and repair streets, sidewalks, alleys, squares, and other public highways, and places within the City, and to drain, sprinkle, oil and light the same; to remove all obstructions therein; to establish the grades thereof; to grade, pave, macadamize, gravel and curb the same in whole or part, and to construct gutters, culverts, sidewalks and crosswalks thereon, or upon any part, thereof; to cause to be planted, set out and cultivated shade trees therein, and generally to manage and control all such highways and places.

(r) Council shall have power to impose fines, penalties and forfeitures for any and all violations of ordinances; and for any breach or violation of ordinances; to fix the penalty by a fine or imprisonment, or both, but no such fine shall exceed five hundred

dollars (500.00), nor the term of such imprisonment exceed six months. The violation of any lawful ordinance made by the Mayor and Common Council shall constitute a misdemeanor and shall be prosecuted in the name of the people of the State of California.

(s) Council shall have power to appoint and remove such policemen and other subordinates, officers and employees, as they may deem proper, and to fix their qualifications, duties and compensations subject to the civil service provisions of this Charter.

(t) Council shall have power to contract for supplying the city water for municipal purposes, or to acquire, construct, repair and manage pumps, aqueducts, reservoirs or other works necessary or proper for supplying water for the use of such City or its inhabitants, or for irrigating purposes therein, subject to the powers and supervision of the Board of Water Commissioners as in this Charter provided.

(u) Council shall have power to acquire, own, construct, maintain and operate street railways, telephone and telegraph lines, gas, electrical and other works for light, power and heat, and to supply such light, power and heat to the municipality and the inhabitants thereof; and to acquire, own and maintain public libraries, museums, gymnasiums, parks and baths

(v) Council shall have power to permit, under such restrictions, as they may deem proper, and laying of railroad tracks and the construction and operation of street railways and the running of cars drawn by steam, electricity or other power thereon; and the laying of gas and water pipes in the public streets; and the construction and maintenance of telephone and telegraph lines therein.

(w) Council shall have power to maintain public schools.

(x) Council shall have power to prescribe by Ordinance the duties of all officers whose duties are not defined by this Charter, and to prescribe for any officer, duties other than herein prescribed.

(y) Council shall have power to impose and collect an annual license tax on every dog owned or harbored within the limits of the City.

(z) Council shall have power to make and enforce all laws and regulations in respect to municipal affairs, subject only to the restriction and limitations provided in this Charter.

(aa) Council shall have power to pass all orders, Resolutions and Ordinances and to do and perform any and all other acts and things necessary or proper to complete execution of the powers vested by law or this Charter, or inherent in the municipality, or that may be necessary or proper for the general welfare of the City or its inhabitants.

Article II, Section 14 of the Charter of the City of San Bernardino is amended to read as follows:

Section 14. There shall be elected at its general election in 1967, and every fourth year thereafter, four members of the Common Council, one each from the Third, Fifth, Sixth and Seventh Wards, who shall have been residents of their respective wards for at least

one year next preceding their election and who shall be elected by the qualified electors of their respective wards, a City Attorney, City Clerk and City Treasurer elected at large who shall hold office for terms of four years fron and after the second Monday in May next succeeding their elections.

There shall be elected at the general election in 1973, and every fourth year thereafter, a Mayor who shall be elected at large for a term of four years commending on the second Monday in May next succeeding his election.

The following Articles and Sub-sections of the Charter of the City of San Bernardino, are hereby amended by repealing said Articles and Sub-sections, as follows:

It is hereby proposed that certain sections of the Charter of the City of San Bernardino, namely Article II, Section 24-D relating to the salary of the Police Judge; Article IV, Section 65 relating to the duties of the City Assessor; Article IV, Section 75 relating to the duties of the Marshal, Treasurer and Recorder until 1907; Article V relating to the Police Court and Police Judge; Article VI relating to the Board of Health; Article XIII. Section 228 relating to a prohibition q against any officer being interested in a contract made by him in his official capacity, or against accepting a gratuity from any subordinate or candidate for employment, with penalties for a violation thereof; Article XIII, Section 231 relating to the salaries of officers until 1907; Article XIII, Section 232 relating to the duties of the City Marshall; Article XIII, Section 238, (Subsection a), relating to requirements of the hours of service, citizenship and minimum wages of laborers on public projects; Article XIII, Section 239, relating to the continuance of State Law until 1905; Article XIII, Section 260 relating to discrimination, political assessments and political activities involving City employees; be repealed and of no further force and effect in the City of San Bernardino.

Article XI of the Charter of the City of San Bernardino is amended to read as follows:

## Article XI

## San Bernardino City Unified School District

Section 190. The San Bernardino City Unified School District, as such term is used in this Charter, shall mean and include all of the public schools of said District.

Section 191. The Board of Education of the San Bernardino City Unified School District shall consist of seven members who shall be residents of the unified school district or, in the event trustee areas are established in said District, of such trustee areas. The Board of Education shall have all the powers and duties now or hereafter prescribed by the Education Code of the State of California for such board.

Section 192. The terms of office and the election of the members

of the Board of Education shall be in accordance with and pursuant to the provisions of the Education Code of the State of California relating to governing boards of such school districts.

Section 193. A vacanty in the office of the member of the Board of Education shall be filled by the remaining members of the Board without undue delay. The member so appointed shall hold such office for the unexpired term of his predecessor.

Section 194. The Board of Education shall convene annually between the dates of July 1 and July 15 inclusive and organize by electing one of their number President and thereafter shall hold regular meetings at least once each month at such place and time as may be designated by its rules. Special meetings may be called by the President, or by any four members. No business shall be transacted at such special meetings that has not been stated in the call. A majority of the members shall constitute a quorum, but an affirmative vote of four members shall be necessary to pass an order. Meetings of the board shall be public and its minutes open to public inspection. The Board may determine the rules of its proceedings and the ayes and noes shall be taken and recorded on all questions involving elections or appointments, or the expenditure of money.

Section 200. All claims payable out of the School Fund shall be filed with the Secretary of the Board and, before payment, shall be approved by said Board upon a call of ayes and noes which shall be recorded.

Article VIII Section 135 of the Charter of the City of San Bernardino is amended to read as follows:

Section 135. The provisions of the laws of the State of California relating to the processing of demands and claims against the municipality, the establishment and operation of funds and the transfer of revenue between funds which apply to general law cities shall be applicable to and given full force and effect in the City, privided that the Mayor and Common Council are empowered to and may, by ordinance, prescribe and provide for such matters and other matters directly related thereto and such ordinance after its adoption shall prevail over said provisions of the general law.

It is further proposed that Article VIII Section 143 of the Charter of the City of San Bernardino be amended to read as follows:

Section 143. There is hereby created the following specific funds, to wit: Library Fund, Sewer Fund, Water Fund, and such other funds as may be designated by ordinance or resolution duly passed by the Mayor and Common Council.

It is further proposed that Article VIII, Sections 141, 142, 144, 145, 147, 150, 151, 152 and 153 of the Charter of the City of San Beranrdino, be repealed.

We have compared the said ratified amendments with the original proposed amendments submitted to the qualified electors of said City, and find that the foregoing is a full, true and correct copy of said amendments.

We further certify that the facts set forth in the preamble preceding said amendments to said Charter, and each of them are true.

In witness whereof, we have hereunto set our hands and caused the corporate seal of the City of San Bernardino to be attached on this 20th day of February, 1973.

(SEAL)

W. R. HOLCOMB
Mayor of the City of
San Bernardino, California
LUCILLE GOFORTH
City Clerk of the City of
San Bernardino, California

and

WHEREAS, Said amendments to the Charter of the City of San Bernardino so ratified as hereinbefore set forth have been duly presented and submitted to the Legislature of the State of California, for approval or rejection, without power of alteration or amendment, all in accordance with the Constitution and laws of the State of California; now, therefore, be it

*Resolved, by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefore and concurring therein,* That said amendments to the Charter of the City of San Bernardino as proposed to and adopted and ratified by the electors of said city and hereinbefore fully set forth, be and the same is hereby approved as a whole without amendment or alteration for and as an amendments and as part of the said Charter of the City of San Bernardino..

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## RESOLUTION CHAPTER 24

*Senate Joint Resolution No. 10—Relative to child care programs.*

[Filed with Secretary of State March 13, 1973 ]

WHEREAS, Certain recently proposed federal regulations for the family services and adult services programs under Title IV-A of the Social Security Act would greatly limit the present definition of former and potential welfare recipients; and

WHEREAS, It is estimated that, if such regulations go into effect, 11,300 of the 22,000 children of working mothers in California would no longer be eligible for child care at children's centers throughout this state; and

WHEREAS, Many of these working mothers were former recipients of welfare who, through hard work, perseverance, training, and pride have managed to become self-supporting; and

WHEREAS, Most of them would be forced back on the welfare rolls

against their will for lack of child care facilities to look after their young children when they are working; and

WHEREAS, This would result predictably in a great personal setback for working mothers and would be an additional fiscal expense to the taxpayers of this state, both of which are unacceptable and unnecessary; and

WHEREAS, The proposed limitations on the present definition of former and potential welfare recipients would also disqualify some 90 percent of the children of California's migrant workers from receiving day care at centers presently serving 1,900 of their children, thereby subjecting these children to the repeated incidence of injury and neglect that occurred all too frequently before the establishment of day care centers; and

WHEREAS, The state's preschool program, designed to provide health, nutrition, and social services to children of economically deprived mothers, would no longer qualify as a federally eligible service under the proposed regulations, and services to 15,600 of the 19,000 children currently enrolled in the preschool program would have to be terminated, and

WHEREAS, Such termination is not justified by the future costs to the State of California in the lowered health of these children and increased dependency of their parents, which are a predictable consequence of this program's abrupt termination; and

WHEREAS, Section 221.62 of paragraph 221 of the proposed regulations eliminates the inclusion of donated private funds from being considered as part of the state's 25-percent share in claiming federal reimbursement, which private funds presently finance much of the child care provided by county welfare departments and all of the campus child care program; and

WHEREAS, This elimination of private funds will increase the burden on state and local tax resources and eliminate a valuable partnership that has arisen between the public and private sectors in assisting the low-income segment of our state's population to complete their education and become permanently self-supporting; and

WHEREAS, The estimated loss of federal funds to the State of California under the proposed regulations is $6,979,150 for the fiscal year 1972–73, and $35,693,380 for the fiscal year 1973–74; and

WHEREAS, Any saving at the federal level is short term at best, since such a saving adversely affects the health and welfare of over 28,000 children in California alone who would no longer be eligible for child care under the proposed regulations, and such action can be accurately characterized as an unfortunate example of revenue sharing in reverse; and

WHEREAS, The Legislature of the State of California has been informed that comments, suggestions, or objections to the adoption of the proposed regulations must be submitted in writing to the Administrator, Social and Rehabilitation Service, Department of Health, Education, and Welfare, on or before March 9, 1973; 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 requests the Administrator of the Social and Rehabilitation Service, Department of Health, Education, and Welfare, to withdraw the proposed regulations so they may be modified in such a way as to provide adequate federal funds for needed child care services for the children of all families living at or near the poverty level in this state; and be it further

*Resolved,* That any new regulations which may be proposed not take effect until the end of the 1972–73 fiscal year, at the earliest, so as to promote to the greatest extent possible an orderly funding and transition, on a nonemergency basis, to whatever new or changed programs may be deemed either necessary or desirable for the health and welfare of the children of this state; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the Administrator of the Social and Rehabilitation Service, Department of Health, Education, and Welfare, on or before March 9, 1973.

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## RESOLUTION CHAPTER 25

*Assembly Joint Resolution No. 15—Relative to East-West trade relations.*

[Filed with Secretary of State March 29, 1973 ]

*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President to support, and the Congress of the United States to enact, legislation to amend the East-West Trade Relations Act of 1971 so as to deny most-favored-nation status to countries which prevent their citizens from emigrating freely by requiring the payment of ransom taxes; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to Senator Henry M. Jackson and Congressmen Charles Vanik and Wilbur Mills, and to each Senator and Representative from California in the Congress of the United States.

# RESOLUTION CHAPTER 26

*Assembly Concurrent Resolution No. 50—Approving amendments to the Charter of the City of Sacramento, State of California, ratified by the qualified electors of the city at a municipal election held therein on the seventh day of November, 1972.*

[Filed with Secretary of State March 29, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City of Sacramento, a municipal corporation in the County of Sacramento, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

CERTIFICATE OF RATIFICATION BY ELECTORS OF THE CITY OF SACRAMENTO OF CERTAIN CHARTER AMENDMENTS

State of California
County of Sacramento } ss.
City of Sacramento

We, the undersigned, Richard H. Marriott, Mayor of the City of Sacramento, State of California, and Thomas W. Oldham, City Clerk of said City, do hereby certify and declare as follows:

That the City of Sacramento, a municipal corporation of the County of Sacramento, State of California, now is, and was at all times herein mentioned, a City having a population of more than 50,000 inhabitants and has been, ever since the year 1921, organized, existing, and acting under a freeholder's Charter, adopted under and by virtue of Section 3 of Article XI of the Constitution of the State of California, which Charter was duly ratified by the majority of qualified electors of said City at a Special Municipal Election held for that purpose on the 30th day of November, 1920, and approved by the Legislature of the State of California on January 24, 1921. (Statutes of 1921, page 1919).

That in accordance with the provisions of Government Code Section 34450 et seq. enacted pursuant to Section 3 of Article XI of the Constitution of the State of California, the City Council of the City of Sacramento, being the legislative body thereof, on its own motion duly and regularly submitted to the qualified electors of the City of Sacramento two proposals for the amendment of the Charter of the City of Sacramento at the Municipal Election held within the City on November 7, 1972. That said proposals were designated as Proposal J, relating to probationary periods for civil service employees; and Proposal K, relating to retirement benefits.

In accordance with the provisions of the Government Code heretofore referred to, and the Charter of the City of Sacramento,

the said proposed amendments were published and advertised in full, on September 13, 1972, in the Sacramento Union, a daily newspaper of general circulation, printed and published in the City of Sacramento, the official newspaper of said City of Sacramento. The foregoing is shown by the Affidavit of Publication marked Exhibit A and attached hereto and by this reference made a part hereof, and on file in the office of the City Clerk.

The copies of said proposed amendments were printed in convenient pamphlet form and in type not less than 10-point required by law, and copies thereof mailed to each of the qualified electors of said City of Sacramento within the time and manner required by law

Until the date of the Municipal Election, November 7, 1972, as hereinafter set forth, there was published in said Sacramento Union an advertisement stating that copies of said proposed charter amendments could be had, upon application therefor, at the office of the City Clerk of said City of Sacramento, as required by law The foregoing is shown by the Affidavit of Publication marked Exhibit B and attached hereto and by a reference made a part hereof, and on file in the office of the City Clerk.

That in accordance with the provisions of the Charter of the City of Sacramento, and in the manner provided by law, the said Municipal Election was duly and regularly held in said City on November 7, 1972, after due notice was given and published on September 13, 1972, which said last aforementioned day was not less than forty (40) nor more than sixty (60) days after the completion of the publication and advertisement of the aforementioned proposed amendments in the Sacramento Union, the official newspaper of said City of Sacramento. That at said election, a majority of the qualified electors voting upon the proposed charter amendments voted in favor of Proposals J and K as heretofore referred to and ratified the same.

That thereafter the Board of Supervisors of Sacramento County, through the County Clerk, did in the manner provided by law, duly and regularly cause the canvass of the returns of said election and report the results thereof to the City Council. That the City Council did adopt a resolution approving the results of the canvass of the returns of said election, and did also by said resolution, find, determine and declare that certain proposed amendments designated as Proposals J and K heretofore referred to were ratified by a majority vote of the electors of said City voting thereon.

That as to said amendments to the Charter of Sacramento, this certificate shall be taken as a full and complete certification as to the regularity of all proceedings had and done in connection therewith

That the said amendments to the Charter of the City of Sacramento so ratified by the qualified electors of said City are as follows:

PROPOSAL J

TO AMEND SECTION 49 OF THE CHARTER OF THE CITY OF SACRAMENTO RELATING TO THE PROBATIONARY PERIOD OF CIVIL SERVICE EMPLOYEES.

Section 49 of the Charter of the City of Sacramento is amended to read as follows:

Sec. 49. Probations.

Appointment or promotion to office or employment in the classified service shall not be deemed complete until a period of probation has elapsed. The civil service board shall by rule establish a probationary period for each class in the classified service. A probationer may be discharged or reduced at any time within the probationary period and thereupon shall have no right to appeal under section 52a of this Charter.

PROPOSAL K

TO ADD SECTION 367 OF ARTICLE XXVIII OF CHARTER OF THE CITY OF SACRAMENTO RELATING TO RETIREMENT BENEFITS

Section 367 of the Charter of the City of Sacramento is added to read as follows:

Sec 367 Reciprocity with Other Governmental Retirement Systems.

The City Council may, subject to the provisions of section 297 of this article, enact ordinances and enter into agreements concerning reciprocity with the retirement systems of other governmental entities.

The ordinance may provide for a modification of rights and benefits of a member of the System because of membership in a reciprocal system similar to and under the same conditions as those provided under the County Employees' Retirement Law of 1937 and the Public Employees' Retirement Law because of membership in two or more retirement systems established by or pursuant to such laws. The ordinance shall be filed with each board administering a reciprocal system and shall become effective upon the adoption of a resolution of such administering board accepting the city system as a reciprocal system. Such modification shall apply only to a member whose termination and entry into employment resulting in a change in membership from the city system to a reciprocal system or from a reciprocal system to the city system occurs after such effective date; provided, however, that provisions relating to computation of final compensation shall apply to any other member if such provision would have applied had the termination and entry into employment occurred after such effective date.

As a condition precedent to his eligibility to receive reciprocal benefits under this section, the ordinance may require a member of

the system to relinquish any benefits to which he would be entitled under ordinances enacted pursuant to sections 352 and 353 of this article. The ordinance may also provide that the provisions of section 353 of this article shall not be applicable to any employee of the city who becomes a member of this system after the effective date of this section.

A reciprocal system, for purposes of this section, means a retirement system established under the County Employees' Retirement Law of 1937, the Public Employees' Retirement System, a retirement system of a city whose retirement ordinance contains the provisions authorized by this section, or a retirement system of a city or city and county established by its charter and providing for modification of rights and benefits similar to and under the same conditions as those provided for under this section.

We further certify that we have compared the foregoing ratified amendments to the Charter of the City of Sacramento with the original proposals submitted to the electors of said City, and find that the foregoing is a full, true, and correct and exact copy of each such amendment.

In witness whereof, we have hereunto set our hands and caused the Seal of said City of Sacramento to be affixed hereto on February 27, 1973.

(SEAL)

RICHARD H. MARRIOTT
Richard H. Marriott, Mayor
City of Sacramento
THOMAS W. OLDHAM
City Clerk

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City of Sacramento, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City of Sacramento.

# RESOLUTION CHAPTER 27

*Assembly Joint Resolution No. 4—Relative to oil importation on American flagships.*

[Filed with Secretary of State April 2, 1973 ]

WHEREAS, A vital piece of legislation is now being considered by Congress, which legislation will require at least half of all the nation's oil imports to be carried on American flagships; and

WHEREAS, The United States is facing a growing shortage of domestic energy fuels, and in order to prevent our nation from being strangled by a lack of power supplies, we must import increased amounts of oil and natural gas; and

WHEREAS, Nearly every maritime country in the world reserves 30 percent or more of its trade for home-nation ships—American flagships now carry only 5 percent of all our imports and exports; and

WHEREAS, American-owned ships flying other countries' flags carry 41 percent of our oil imports; and

WHEREAS, The U.S. flag tanker fleet, which had been limited largely to the carriage of oil from one domestic port to another under Jones Act protection, is being laid up because of the increased use of pipelines to transport oil; and

WHEREAS, France guarantees the French fleet two-thirds of all oil import carriage; Japan reserves more than half of its oil import carriage to its own fleet; Peru, Chile, and Spain reserve all oil imports for their own tankers; and

WHEREAS, The Soviet Union and other Iron Curtain countries see to it that ships of other nations are permitted into their trade only after their own fleets have been used to capacity; 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 memorializes the Congress of the United States to enact legislation to strengthen America by requiring at least half of the nation's oil imports to be carried on American flagships, to the extent feasible; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

# RESOLUTION CHAPTER 28

*Assembly Concurrent Resolution No. 47—Relative to memorializing Assemblyman Larry E. Townsend.*

[Filed with Secretary of State April 2, 1973.]

WHEREAS, It was with the greatest shock and most profound sorrow that the Members of the Assembly learned of the untimely death of one of their most dedicated and highly respected colleagues, Assemblyman Larry E. Townsend; and

WHEREAS, Notice of his passing is a great blow not only to his many friends and associates in Sacramento and to the people he represented so ably and honorably, but a loss to all Californians; and

WHEREAS, Larry Townsend was elected in 1966 as the Assemblyman from the 67th Assembly District, comprising Gardena, Lawndale, and parts of Torrance, Redondo Beach, Hawthorne, Compton, and Carson; and

WHEREAS, A native of Memphis, Tennessee, he came to California in 1950, finishing most of his higher education in the San Diego area, and started work with the San Diego Gas and Electric Company; and

WHEREAS, He became active with Local 465 of the International Brotherhood of Electrical Workers, and was appointed to the staff of the brotherhood in 1957, where he served until his election to the Assembly; and

WHEREAS, Interested in politics since his high school days when he became a Young Democrat, Larry Townsend served three years as a member of the Los Angeles County Democratic Central Committee and as a member of many intercommittees in that body; and

WHEREAS, He was deeply committed to serving others in his community of Torrance, and served as Chairman of the Torrance Civil Service Commission for two terms, and served as Director of Little Company of Mary Hospital; and

WHEREAS, As a most distinguished and indefatigable Member of the State Assembly, he championed many causes in the fields of education, health, and tax relief for property owners, spearheading the development of the Southern California Regional Occupational Center in Torrance, and aiding passage of the fireman paramedic bill, that provides emergency aid to heart attack victims; and

WHEREAS, He was recently appointed Chairman of the important Assembly Transportation Committee, and he was a distinguished member of the Health, Commerce and Public Utilities, Governmental Organization, and Joint Retirement Committees; and

WHEREAS, His personal warmth, good humor, and industry will be greatly missed by all who knew him, but he will long be remembered as a truly outstanding legislator; and

WHEREAS, He is survived by his wife, Shirley, and three children, Dale, Lashirl and Lauren; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the members memorialize one of its most esteemed colleagues, Larry E. Townsend, whose passing is an irretrievable loss to all Californians, and desire to convey by this resolution their deepest regrets and most sincere condolences to his family; and be it further

*Resolved,* That the Chief Clerk transmit a suitably prepared copy of this resolution to Mrs. Shirley Townsend.

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## RESOLUTION CHAPTER 29

*Assembly Concurrent Resolution No. 55—Approving an amendment to the Charter of the City of Alameda, State of California, ratified by the qualified electors of the city at a special municipal charter amendment election consolidated with the general municipal election held therein on the 13th day of March 1973.*

[Filed with Secretary of State April 4, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of an amendment to the Charter of the City of Alameda, a municipal corporation in the County of Alameda, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

CERTIFICATE OF RATIFICATION BY ELECTORS
OF THE CITY OF ALAMEDA
OF A CERTAIN CHARTER AMENDMENT

State of California
County of Alameda } ss.
City of Alameda

We, the undersigned, Terry La Croix, Jr., Mayor of the City of Alameda, and Irma L. Nelson, City Clerk of the City of Alameda, do hereby certify and declare as follows:

That the City of Alameda, a municipal corporation in the County of Alameda, State of California, now is and at all times herein mentioned was a city containing a population of more than three thousand five hundred (3,500), and ever since the 5th day of May, 1937 has been and is now organized, existing and acting under a freeholders' charter adopted under and by virtue of applicable sections of Article XI of the Constitution of the State of California, which charter was duly ratified by the qualified electors of said City at an election held for that purpose on the 29th day of April, 1937, and approved by the Legislature of the State of California by concurrent resolution filed with the Secretary of State on the 5th day

of May, 1937 (Statutes of 1937, page 2880).

That in accordance with the provisions of said Article XI of the Constitution of the State of California, the Council of the City of Alameda, being the legislative body thereof, by its Resolution numbered 8017, adopted on January 16, 1973, duly and regularly submitted to the qualified electors of said City, upon petition signed by fifteen percent (15%) of the registered electors thereof, a certain proposal to amend the Charter of the City of Alameda and to be voted on by said qualified electors at a special municipal charter amendment election by said Resolution called for said purpose in said City on the 13th day of March, 1973, and consolidated with the General Municipal Election of the City of Alameda held on said date.

The said proposal was published and advertised, in accordance with the provisions of Article XI of the Constitution of the State of California and in accordance with the provisions of the Charter of the City of Alameda, on the 19th day of January, 1973, in the Alameda Times-Star, a newspaper of general circulation published daily except Sunday in the said City of Alameda and the official newspaper of said City, and in each edition thereof during said day of publication.

The said Council caused a copy of said proposal to be printed in convenient pamphlet form and in type of not less than ten-point, and caused copies thereof to be mailed to each of the qualified electors of said City, and, beginning on February 21, 1973, advertised in said Alameda Times-Star daily, except Sunday, until the day fixed for said election, a notice that copies of said proposal could be had on application therefor at the office of the City Clerk of said City and that printed copies of said proposal were on hand and could be had on application therefor at said office of said City Clerk from February 21, 1973, up to and including the day fixed for said election.

The said special municipal charter amendment election of the City of Alameda, consolidated as aforesaid, was duly called, held and conducted in the time, form and manner required by the Charter of the said City and by law on said 13th day of March, 1973, which day was not less than forty (40) and not more than sixty (60) days after the completion of said publication and advertisement of said proposal in said Alameda Times-Star.

That the Council of said City of Alameda did, in the manner provided by law, duly and regularly canvass all ballots cast at said special municipal charter amendment election of the City of Alameda, consolidated as aforesaid, and did, by Resolution No. 8043 duly adopted on March 20, 1973, find and declare that a majority of the qualified voters voting on said proposal voted in favor thereof and that said proposal to amend the Charter of said City was ratified, said vote being 9,205 "YES", and 6,372 "NO".

That a majority of the qualified voters voting on said proposal voted in favor of the ratification of and did ratify said proposal to amend said Charter of said City.

That said Charter amendment so ratified by the majority of the

qualified voters of said City voting at said special municipal charter amendment election is in the words and figures following, to-wit:

CHARTER MEASURE

By adopting Sections 26-1 and 26-2 of a new Article XXVI, which reads as follows:

"Article XXVI

Multiple Dwelling Units

"Sec. 26-1. There shall be no multiple dwelling units built in the City of Alameda.

"Sec. 26-2. Exception being the Alameda Housing Authority replacement of existing low cost housing units and the proposed Senior Citizens low cost housing complex, pursuant to Article XXV Charter of the City of Alameda."

And we, and each of us, further certify that we have compared the foregoing proposed and ratified amendment to the Charter of the City of Alameda with the original proposal submitting the same to the electors of said City and find that the foregoing is a full, true and correct copy of said amendment.

The foregoing proposed and ratified amendment to the Charter of the City of Alameda is hereby submitted to the Legislature of the State of California for approval without change in accordance with the provisions of Section 3 of Article XI of the Constitution of the State of California. As to said amendment, this certificate shall be taken as a full and complete certification of the regularity of all proceedings had and done in connection therewith.

And we, and each of us, submit as attachments hereto, pursuant to Section 62 of the Elections Code of California, true, correct and certified copies of the following:

(a) All publications and notices required by Chapter 3 (commencing with Section 34450), Part 1, Division 2, Title 4 of the Government Code of California, or by Sections 2(a), 3(a) and 13 of Article XI of the Constitution of the State of California, or by other laws of the State of California in connection with an election to amend a city charter, all as referred to hereinabove in this certification.

(b) Any arguments for or against the proposed amendment to a charter which were mailed, as aforesaid, to voters pursuant to Section 5012 of said Elections Code.

(c) An abstract of the vote, being a certified copy of Resolution No. 8043 adopted by the City Council of the City of Alameda on March 20, 1973, at the election at which the proposed amendment to said Charter was approved by the voters.

In witness whereof, we have hereunto set our hands and caused

the seal of the City of Alameda to be affixed hereto this 22nd day of March, 1973.

TERRY LA CROIX
(SEAL) Mayor of the City of Alameda
IRMA L. NELSON
City Clerk of the City of Alameda
By ETHEL M. PITT
Deputy City Clerk

and

WHEREAS, The proposed amendment to the charter, as adopted and ratified as hereinabove set forth, has been and now is duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendment to the Charter of the City of Alameda, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, is hereby approved as a whole, without alteration or amendment, for and as an amendment to, and as part of, the Charter of the City of Alameda.

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## RESOLUTION CHAPTER 30

*Senate Joint Resolution No 1—Relative to federal funds for social service programs.*

[Filed with Secretary of State April 4, 1973 ]

WHEREAS, The 92nd Congress of the United States imposed a ceiling on the fiscal 1973 expenditures for social services as provided by Part A of Title IV and other titles of the Social Security Act, and

WHEREAS, State and county programs and budgets for social services were predicated upon the receipt of 75 percent federal financial participation in such services; and

WHEREAS, States and counties have continued social service programs under Part A of Title IV and other titles of the Social Security Act since July 1, 1972, without specific knowledge of the fiscal 1973 federal appropriation therefor; and

WHEREAS, Proposed federal regulations would provide states and counties general guidelines under which the social services ceiling will be administered; and

WHEREAS, The Legislature of the State of California is concerned with the continuity of its social service programs to public assistance recipients so that vital social services, including protective and

supportive services to enable recipients to remain in their own homes in preference to placement in state or other facilities, and state and county programs and budgets, may be reevaluated in light of the federal ceiling in order that vital services are not disrupted; now, therefore, be it

*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California requests that the Secretary of Health, Education and Welfare (1) extend until July 1, 1973, the effective date of proposed regulations under which the programs affected by the federal ceiling will be administered, and (2) take such action as is necessary to immediately provide states with an indication of the appropriation for programs under Part A of Title IV and other titles of the Social Security Act which will be requested by the Department of Health, Education, and Welfare for the 1973–74 and 1974–75 fiscal years; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the Secretary of the Department of Health, Education, and Welfare.

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## RESOLUTION CHAPTER 31

*Assembly Concurrent Resolution No. 56—Approving amendments to the Charter of the City of San Bernardino, State of California, ratified by the qualified electors of the city at a municipal election held therein on the sixth day of February 1973*

[Filed with Secretary of State April 5, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City of San Bernardino, a municipal corporation in the County of San Bernardino, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

State of California
County of San Bernardino } ss.
City of San Bernardino

We, the undersigned, W. R. Holcomb, Mayor of the City of San Bernardino, State of California, and Lucille Goforth, City Clerk of said City, do hereby certify and declare as follows:

The City of San Bernardino, in the County of San Bernardino, State of California, was at all times mentioned herein and now is a City of the State of California existing and acting under a Charter duly adopted and approved under and by virtue of the Constitution of the State of California, containing a population of over fifty thousand inhabitants.

The legislative body of said City on its own motion submitted to the electors of said City, at a General Municipal Election held within said City on the 6th day of February, 1973, proposed amendments to the City Charter of said City.

Said proposed amendments were published in The San Bernardino Evening Telegram, being a newspaper of general circulation therein, and being an official newspaper of said City, on the 8th day of December, 1972, in each edition thereof on said day and said publication was made at the time and in the manner prescribed in Part I, Chapter 3, Sections 34450 through 34466 of the Government Code of State of California Title 4, Division 2.

Said legislative body caused copies of said amendments to be printed in convenient pamphlet form and in type of not less than ten-point, and caused copies thereof to be mailed to each of the qualified electors of said City and, until the day fixed for said election, advertised in The San Bernardino Evening Telegram, being a newspaper having a general circulation in said City, a notice that copies thereof could be had upon application therefor, and in accordance with said notice copies thereof could be had upon application therefor.

Said election was duly and regularly held on the said 6th day of February, 1973, which said date of the said election was not less than forty nor more than sixty days after the completion of the advertising in said newspaper of said proposed amendments, and at said election a majority of the qualified voters voting thereon voted in favor thereof and did ratify said proposed amendments to said City Charter.

Said proposed amendments were duly and regularly submitted to, and duly ratified by, the said qualified voters of said City, and that all and singular the requirements of the Constitution and laws of the State of California and the Charter of said City have been complied with.

Said amendments are as follows:

Article X, Section 186, Sub-section First, Classification, of the Charter of the City of San Bernardino is amended to read as follows:

First: Classification

The following classes of positions are hereby created in the Fire Department and Police Department of the City of San Bernardino, and the code numbers, titles, and salaries as hereinafter set forth are hereby established and fixed for such classes of positions. The letter "P" represents "Position", and the five steps in Positions 1, 2, and 3 being represented by the letters "a", "b", "c", "d", and "e" are: "a" designating the first six months of service in the respective departments, "b" designating the following eighteen months of service in the respective departments, "c" designating the third year of service in the respective departments, "d" designating the fourth year of service in the respective departments, and "e" designating

the fifth and all subsequent years of service. Advancements in salary shall be made automatically step by step after each step of aggregate active service in the department in which the member is employed. Each person employed in the Fire Department and Police Department shall be entitled to receive for his services in his position the applicable respective rate or rates of compensation prescribed for the class in which his position is allocated. Additional titles may be established by the Mayor and Common Council, but only titled for Local Safety members of the Police and Fire Departments shall be placed in one of the following classifications having the most nearly equal duties and responsibilities. Local safety members of the Police and Fire Departments shall mean any local policeman or local fireman as defined under the provisions of the Public Employees Retirement System Law as specified in the California Government Code or amendments thereto.

Class of Position

| Classification No. | Title: Fire | Title: Police |
|---|---|---|
| P1 (Steps a, b, c, d, e) | Firemen, Battalion Chief Aide | Patrolman Policewoman |
| P2 (Steps a, b, c, d, e) | Fire Prevention Inspectors | Juvenile Officer, Detective, Senior Identification Inspector |
| P3 (Steps a, b, c, d, e) | Engineers | Sergeants |
| P4 | Captains, Assistant Fire Prevention Engineer | Lieutenants |
| P5 | Battalion Chiefs, Drill Master, Fire Prevention Engineer | Captains, Superintendent of Records & Identification |
| P6 | Assistant Chief | Assistant Chief |
| P7 | Chief | Chief |

Article XIII, Section 235 of the Charter of the City of San Bernardino is amended to read as follows:

Section 235. The City Clerk and City Treasurer shall have been residents of the City for at least one year next preceding their election.

Article III, Section 40 of the Charter of the City of San Bernardino is amended to read as follows:

Section 40. The Mayor and Common Council of the City of San Bernardino, hereafter referred to as Council, shall have the following enumerated powers.

(a) Council shall have power to purchase, lease, receive and hold

real and personal property within or without the city limits, and to control, sell and dispose of the same for the common benefit; provided that the sale or disposal of real property which is appraised at a value in excess of $2,000 shall be approved by a five-sevenths vote of the Council and shall be subject to competitive bidding and no bid shall be awarded for a sum less than the minimum price approved in a resolution of the Council which provides for the notice inviting bids.

(b) Council shall have power to make and enforce all such local, police, sanitary and other regulations as pertain to municipal affairs, and for this purpose may define misdemeanors committed within the City limits or on lands under the jurisdiction of the City, and provide penalties and punishment therefor, although the offense constituting the misdemeanor be also a violation of the penal laws of the state.

(c) Council shall have power to define nuisances and provide for their removal.

(d) Council shall have power to license for purposes of regulation and revenue all and every kind of business, occupations, shows, exhibitions and lawful games carried on in the City and to fix the rate of license tax thereon.

(e) Council shall have power to levy and collect taxes.

(f) Council shall have power to establish and maintain a fire department, prescribe fire limits and adopt regulations for the protection of the city against fires.

(G) Council shall have power to establish and maintain a police force.

(h) Council shall have power to protect the City against overflow.

(i) Council shall have power to prohibit and suppress lewdness and houses of ill-fame and indecent and immoral amusements and exhibitions.

(j) Council shall have power to prohibit the storage of gunpowder, oils or other combustible substances in quantity.

(k) Council shall have power to lay out and maintain parks.

(l) Council shall have power to regulate hospitals, pesthouses and slaughter houses, and to provide for their removal or discontinuance.

(m) Council shall have power to provide cemeteries and regulate their management.

(n) Council shall have power to establish and regulate a public pound.

(o) Council shall have power to provide a city prison and require the prisoners undergoing sentence for misdemeanor to perform such labor as may be prescribed.

(p) Council shall have power to acquire, establish, contruct, reconstruct, maintain, operate, manage, repair, improve or finance any building system, plant, works, facilities or undertaking used for or useful in the collection, treatment or disposal of sewage and the reclamation of effluent therefrom, or storm water, including drainage.

(q) Council shall have power to establish, build and repair bridges, to establish, lay out, alter, keep open, open, close, improve and repair streets, sidewalks, alleys, squares, and other public highways, and places within the City, and to drain, sprinkle, oil and light the same; to remove all obstructions therein; to establish the grades thereof; to grade, pave, macadamize, gravel and curb the same in whole or part, and to construct gutters, culverts, sidewalks and crosswalks thereon, or upon any part, thereof; to cause to be planted, set out and cultivated shade trees therein, and generally to manage and control all such highways and places.

(r) Council shall have power to impose fines, penalties and forfeitures for any and all violations of ordinances; and for any breach or violation of ordinances; to fix the penalty by a fine or imprisonment, or both, but no such fine shall exceed five hundred dollars (500.00), nor the term of such imprisonment exceed six months. The violation of any lawful ordinance made by the Mayor and Common Council shall constitute a misdemeanor and shall be prosecuted in the name of the people of the State of California

(s) Council shall have power to appoint and remove such policemen and other subordinates, officers and employees, as they may deem proper, and to fix their qualifications, duties and compensations subject to the civil service provisions of this Charter.

(t) Council shall have power to contract for supplying the city water for municipal purposes, or to acquire, construct, repair and manage pumps, aqueducts, reservoirs or other works necessary or proper for supplying water for the use of such City or its inhabitants, or for irrigating purposes therein, subject to the powers and supervision of the Board of Water Commissioners as in this Charter provided.

(u) Council shall have power to acquire, own, construct, maintain and operate street railways, telephone and telegraph lines, gas, electrical and other works for light, power and heat, and to supply such light, power and heat to the municipality and the inhabitants thereof; and to acquire, own and maintain public libraries, museums, gymnasiums, parks and baths.

(v) Council shall have power to permit, under such restrictions, as they may deem proper, the laying of railroad tracks and the construction and operation of street railways and the running of cars drawn by steam, electricity or other power thereon; and the laying of gas and water pipes in the public streets; and the construction and maintenance of telephone and telegraph lines therein.

(w) Council shall have power to maintain public schools.

(x) Council shall have power to prescribe by Ordinance the duties of all officers whose duties are not defined by this Charter, and to prescribe for any officer, duties other than herein prescribed.

(y) Council shall have power to impose and collect an annual license tax on every dog owned or harbored within the limits of the City.

(z) Council shall have power to make and enforce all laws and

regulations in respect to municipal affairs, subject only to the restriction and limitations provided in this Charter.

(aa) Council shall have power to pass all orders, Resolutions and Ordinances and to do and perform any and all other acts and things necessary or proper to complete execution of the powers vested by law or this Charter, or inherent in the municipality, or that may be necessary or proper for the general welfare of the City or its inhabitants.

Article II, Section 14 of the Charter of the City of San Bernardino is amended to read as follows:

Section 14. There shall be elected at its general election in 1967, and every fourth year thereafter, four members of the Common Council, one each from the Third, Fifth, Sixth and Seventh Wards, who shall have been residents of their respective wards for at least one year next preceding their election and who shall be elected by the qualified electors of their respective wards, a City Attorney, City Clerk and City Treasurer elected at large who shall hold office for terms of four years from and after the second Monday in May next succeeding their elections.

There shall be elected at the general election in 1973, and every fourth year thereafter, a Mayor who shall be elected at large for a term of four years commencing on the second Monday in May next succeeding his election.

The following Articles and Sub-sections of the Charter of the City of San Bernardino, are hereby amended by repealing said Articles and Sub-sections, as follows:

It is hereby proposed that certain sections of the Charter of the City of San Bernardino, namely Article II, Section 24-D relating to the salary of the Police Judge; Article IV, Section 65 relating to the duties of the City Assessor; Article IV, Section 75 relating to the duties of the Marshal, Treasurer and Recorder until 1907; Article V relating to the Police Court and Police Judge; Article VI relating to the Board of Health; Article XIII. Section 228 relating to a prohibition against any officer being interested in a contract made by him in his official capacity, or against accepting a gratuity from any subordinate or candidate for employment, with penalties for a violation thereof; Article XIII, Section 231 relating to the salaries of officers until 1907; Article XIII, Section 232 relating to the duties of the City Marshall; Article XIII, Section 238, (Subsection a), relating to requirements of the hours of service, citizenship and minimum wages of laborers on public projects; Article XIII, Section 239, relating to the continuance of State Law until 1905; Article XIII, Section 260 relating to discrimination, political assessments and political activities involving City employees; be repealed and of no further force and effect in the City of San Bernardino.

Article XI of the Charter of the City of San Bernardino is amended to read as follows:

## Article XI

### San Bernardino City Unified School District

Section 190. The San Bernardino City Unified School District, as such term is used in this Charter, shall mean and include all of the public schools of said District.

Section 191. The Board of Education of the San Bernardino City Unified School District shall consist of seven members who shall be residents of the unified school district or, in the event trustee areas are established in said District, of such trustee areas. The Board of Education shall have all the powers and duties now or hereafter prescribed by the Education Code of the State of California for such board.

Section 192. The terms of office and the election of the members of the Board of Education shall be in accordance with and pursuant to the provisions of the Education Code of the State of California relating to governing boards of such school districts.

Section 193. A vacancy in the office of the member of the Board of Education shall be filled by the remaining members of the Board without undue delay. The member so appointed shall hold such office for the unexpired term of his predecessor.

Section 194. The Board of Education shall convene annually between the dates of July 1 and July 15 inclusive and organize by electing one of their number President and thereafter shall hold regular meetings at least once each month at such place and time as may be designated by its rules. Special meetings may be called by the President, or by any four members. No business shall be transacted at such special meetings that has not been stated in the call. A majority of the members shall constitute a quorum, but an affirmative vote of four members shall be necessary to pass an order. Meetings of the board shall be public and its minutes open to public inspection. The Board may determine the rules of its proceedings and the ayes and noes shall be taken and recorded on all questions involving elections or appointments, or the expenditure of money.

Section 200. All claims payable out of the School Fund shall be filed with the Secretary of the Board and, before payment, shall be approved by said Board upon a call of ayes and noes which shall be recorded.

Article VIII Section 135 of the Charter of the City of San Bernardino is amended to read as follows:

Section 135. The provisions of the laws of the State of California relating to the processing of demands and claims against the municipality, the establishment and operation of funds and the transfer of revenue between funds which apply to general law cities shall be applicable to and given full force and effect in the City, provided that the Mayor and Common Council are empowered to and may, by ordinance, prescribe and provide for such matters and other matters directly related thereto and such ordinance after its

adoption shall prevail over said provisions of the general law.

It is further proposed that Article VIII Section 143 of the Charter of the City of San Bernardino be amended to read as follows:

Section 143. There is hereby created the following specific funds, to wit: Library Fund, Sewer Fund, Water Fund, and such other funds as may be designated by ordinance or resolution duly passed by the Mayor and Common Council.

It is further proposed that Article VIII, Sections 141, 142, 144, 145, 147, 150, 151, 152 and 153 of the Charter of the City of San Bernardino, be repealed.

We have compared the said ratified amendments with the original proposed amendments submitted to the qualified electors of said City, and find that the foregoing is a full, true and correct copy of said amendments.

We further certify that the facts set forth in the preamble preceding said amendments to said Charter, and each of them are true.

In witness whereof, we have hereunto set our hands and caused the corporate seal of the City of San Bernardino to be attached on this 20th day of February, 1973.

(SEAL)

W. R. HOLCOMB
Mayor of the City of
San Bernardino, California
LUCILLE GOFORTH
City Clerk of the City of
San Bernardino, California

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City of San Bernardino, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City of San Bernardino.

# RESOLUTION CHAPTER 32

*Assembly Concurrent Resolution No. 9—Relative to adoption of the Temporary Joint Rules of the Senate and Assembly.*

[Filed with Secretary of State April 6, 1973 ]

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the following rules be adopted as the Temporary Joint Rules of the Senate and Assembly for the 1973–74 Regular Session.

## Standing Committees

1. Each house shall appoint such standing committees as the business of the house may require, the committees, the number of members, and the manner of selection to be determined by the rules of each house.

## Joint Meeting of Committees

3. Whenever any bill has been referred by the Senate to one of its committees, and the same or a like bill has been referred by the Assembly to one of its committees, the chairmen or chairwomen of the respective committees, when in their judgment the interests of legislation or the expedition of business will be better served thereby, shall arrange for a joint meeting of their committees for the consideration of such bill.

## Effect of Adoption of Joint Rules

3.5. The adoption of the Joint Rules for any extraordinary session shall not be construed as modifying or rescinding the Joint Rules of the Senate and Assembly for any previous session, nor as affecting in any way the status or powers of the committees created by those rules.

## BILLS AND RESOLUTIONS

## Definition of Word Bill

4. Whenever the word "bill" is used in these rules, it shall include constitutional amendments and concurrent and joint resolutions.

## Concurrent and Joint Resolutions

5. Concurrent resolutions relate to matters to be treated by both houses of the Legislature.

Joint resolutions are those which relate to matters connected with

the federal government.

### Resolutions Treated as Bills

6. Constitutional amendments and concurrent and joint resolutions shall be treated in all respects as bills; except that they shall be given only one formal reading in each house and that concurrent and joint resolutions shall not be deemed bills within the meaning of subdivision (a) of Section 8 of Article IV of the Constitution. As in the case of bills, they shall be engrossed in the house in which they originate before being voted upon.

## PREPARATION AND INTRODUCTION OF BILLS

### Title of Bill

7. The title of every bill introduced shall convey an accurate idea of the contents of the bill and shall be indicative of the scope of the act and the object to be accomplished. In amending a code section, the mere reference to the section by number shall not be deemed sufficient.

### Division of Bill Into Sections

8. A bill amending more than one section of an existing law shall contain a separate section for each section amended.

Bills which are not amendatory of existing laws shall be divided into short sections, where this can be done without destroying the sense of any particular section, to the end that future amendments may be made without the necessity of setting forth and repeating sections of unnecessary length.

### Digest of Bills Introduced

8.5. No bill shall be introduced unless it is contained in a cover attached by the Legislative Counsel and unless it is accompanied by a digest, prepared and attached to the bill by the Legislative Counsel, showing the changes in the existing law which are proposed by the bill. No bill shall be printed where the body of the bill or the Legislative Counsel's Digest has been altered, unless the alteration has been approved by the Legislative Counsel. If any bill is presented to the Secretary of the Senate or Chief Clerk of the Assembly for introduction which does not comply with the foregoing requirements of this rule, the Secretary or Chief Clerk shall return it to the member who presented it. The digest shall be printed on the bill as introduced, commencing on the first page thereof.

Digest of Bills Amended

8.6. Whenever a bill is amended in either house, the Secretary of the Senate or the Chief Clerk of the Assembly, as the case may be, shall request the Legislative Counsel to prepare an amended digest and cause it to be printed on the first page of the bill as amended. The digest shall be amended to show changes in the existing law which are proposed by the bill as amended with any material changes in the digest indicated by the use of appropriate type.

Errors in Digest

8.7. If a material error in a printed digest referred to in Joint Rule 8.5 or 8.6 is brought to the attention of the Legislative Counsel, he shall prepare a corrected digest which shall show the changes made in the digest as provided in Joint Rule 10 for amendments to bills. He shall deliver the corrected digest to the Secretary or the Chief Clerk, as the case may be. If the correction warrants it in the opinion of the President pro Tempore of the Senate or the Speaker of the Assembly, a corrected print of the bill as introduced shall be ordered with the corrected digest printed thereon.

Restrictions as to Amendments

9. A substitute or amendment must relate to the same subject as the original bill, constitutional amendment, or resolution under consideration. No amendment shall be in order when all that would be done to the bill is the addition of a coauthor or coauthors, unless the Rules Committee of the house in which such an amendment is to be offered grants prior approval.

Changes in Existing Law to Be Marked by Author

10. In a bill amending or repealing a code section or a general law, any new matter shall be underlined and any matter to be omitted shall be in type bearing a horizontal line through the center and commonly known as "strikeout" type. When printed the new matter shall be printed in italics, and the matter to be omitted shall be printed in "strikeout" type.

In any amendment to a bill which sets out for the first time a section being amended or repealed, any new matter to be added and any matter to be omitted shall be indicated by the author and shall be printed in the same manner as though the section as amended or repealed were a part of the original bill and was being printed for the first time.

When an entire code is repealed as part of a codification or recodification or when an entire title, part, division, chapter, or article of a code is repealed, the sections comprising such code, title, part, division, chapter, or article shall not be set forth in the bill or

amendment in strikeout type.

Rereference to Fiscal Committees

10.5. Bills shall be rereferred to the fiscal committee of each house when they would do any of the following:

(1) Appropriate money.

(2) Result in substantial expenditure of state money by: (a) imposing new responsibilities on the state or (b) new or additional duties on a state agency or (c) liberalization of any state program, function, or responsibility.

(3) Result in a substantial loss of revenue to the state.

(4) Result in substantial reduction of expenditures of state money by reducing, transferring, or eliminating any existing responsibilities of any state agency, program or function.

Concurrent and joint resolutions shall be rereferred to the fiscal committee of each house when they contemplate any action which would involve any of the following:

(1) Any substantial expenditure of state money.

(2) A substantial loss of revenue to the state.

The above requirements do not apply to bills or concurrent resolutions which contemplate the expenditure or allocation of contingent funds.

Heading of Bills

10.7. No bill shall indicate in its heading or elsewhere that it was introduced at the request of a state agency or officer or any other person. No bill shall contain the words "By request" or words of similar import.

Consideration of Bills

10.8. The limitation contained in subdivision (a) of Section 8 of Article IV of the Constitution may be dispensed with as follows:

(a) A written request for such dispensation entitled "Request to Consider and Act on Bill Within 30 Calendar Days" shall be filed with the Chief Clerk of the Assembly or the Secretary of the Senate, as the case may be, printed in the Journal and transmitted to the Rules Committee of the appropriate house.

(b) The Rules Committee of the Assembly or Senate, as the case may be, shall determine whether there exists an urgent need for dispensing with the 30-calendar-day waiting period following the bill's introduction.

(c) If the Rules Committee recommends that the waiting period be dispensed with, the member may offer a resolution, without further reference thereof to committee, authorizing hearing and action upon the bill before the 30 calendar days have elapsed. The adoption of the resolution shall require an affirmative recorded vote

of three-fourths of the elected members of the house in which the resolution is presented.

As used in this rule "bill" includes constitutional amendments but does not include joint or concurrent resolutions.

Printing of Amendments

11. All bills amended by either house shall be immediately reprinted; in case new matter is added by the amendment such new matter shall be printed in italics in the printed bill, and in the case of matter being omitted, the matter to be omitted shall be printed in strikeout type. When a bill is amended in either house, the first or previous markings shall be omitted.

Printing and Distribution of Bills—Manner of Printing Bills

12. The State Printer shall observe the following directions in printing all bills, constitutional amendments, and concurrent and joint resolutions:

(a) The body of such bills shall be printed in solid unspaced form so that the same type shall be used both before and after enrollment. Concurrent resolutions approving city or county charters or amendments thereto may be set in smaller type.

(b) All titles of bills shall be set in italics, statute form and the length of the lines used in the titles shall not exceed that of the body of bill.

(c) The lines of all printed bills shall be numbered by page and not by sections, and amendments shall be identified by reference to title, page, and line only.

Distribution of Legislative Publications

13. All requests by members for mailing or distribution of copies of the Weekly Histories and the Legislative Index shall be filed with the Secretary of the Senate or the Chief Clerk of the Assembly. Except as otherwise provided by either the Assembly or Senate, each Member of the Senate and Assembly shall be permitted to submit a list of 10 organizations or individuals. The Secretary of the Senate and the Chief Clerk of the Assembly shall order a sufficient number of copies of the Weekly Histories and the Legislative Index to supply this list together with such number of bills and legislative publications as may be necessary for legislative requirements.

No complete list of bills shall be delivered except upon payment therefor of such sum as may be fixed by the Joint Rules Committee for any regular or extraordinary session. No more than two copies of any bill or other legislative publication, nor more than a total of 100 bills or other legislative publications during a session, shall be distributed free to any person, office, or organization. The limitations

imposed by this paragraph do not apply to Members of the Legislature, the President of the Senate, the Secretary of the Senate and the Chief Clerk of the Assembly for the proper functioning of their respective houses; the Legislative Counsel Bureau; Attorney General's office; Secretary of State's office; Controller's office; Governor's office; the Clerk of the Supreme Court; the clerk of the court of appeal for each district; the Judicial Council; the California Law Revision Commission; the State Library; the Library of Congress; the libraries of the University of California at Berkeley and at Los Angeles; and accredited members of the press. The State Printer shall fix the cost of such bills and publications, including postage, and such moneys as may be received by him shall, after deducting the cost of handling and mailing, be remitted on the first day of each month, one-half each to the Secretary of the Senate and the Chief Clerk of the Assembly for credit to legislative printing. Legislative publications heretofore distributed through the Bureau of Documents shall be distributed through the Bill Room. Unless otherwise provided for, the total number of each bill to be printed shall not be more than 2,500.

### Summary Digest and Legislative Index

13.1. The Legislative Counsel shall provide for the periodic publication of a cumulative Legislative Index which shall include tables of sections affected by pending legislation. The State Printer shall print the Legislative Index in such quantities, and at such times, as are determined by the Secretary of the Senate and the Chief Clerk of the Assembly. The costs of such printing shall be paid from the legislative printing appropriation.

13.3. The Legislative Counsel shall compile and prepare for publication a summary digest of legislation passed at each regular and extraordinary session, which digest shall be prepared in a form suitable for inclusion in the publication of statutes. The digest shall be printed as a separate legislative publication on the order of the Joint Rules Committee and may be made available to the public in such quantities and at such prices as the Joint Rules Committee may determine.

13.5. The Legislative Counsel shall prepare for publication from time to time a cumulative statutory record. The statutory record shall be printed as a legislative publication on the order of the Secretary of the Senate or the Chief Clerk of the Assembly.

## OTHER LEGISLATIVE PRINTING

### Printing of the Daily Journal

14. The State Printer shall print in such quantity as directed by the Secretary of the Senate and the Chief Clerk of the Assembly, copies of the journal of each day's proceedings of each house. At the end of

the session he shall also print, as directed by the Secretary of the Senate and the Chief Clerk of the Assembly a sufficient number of copies properly paged after being corrected and indexed by the Secretary of the Senate and the Chief Clerk of the Assembly, to bind in book form as the journal of the respective houses of the Legislature.

### What Shall Be Printed in the Journal

15. The following shall always be printed in the journal of each house:

(a) Messages from the Governor and messages from the other house, and the titles of all bills, joint and concurrent resolutions and constitutional amendments when introduced in, offered to, or acted upon by the house.

(b) Every vote taken in the house, and a statement of the contents of each petition, memorial, or paper presented to the house.

(c) A true and accurate account of the proceedings of the house, when not acting as a Committee of the Whole.

### Printing of the Daily File

16. A daily file of bills ready for consideration shall be printed each day for each house when the Legislature is not in joint recess except days when a house does not meet.

### Printing of History

17. Each house shall cause to be printed, once each week, a complete history of all bills; constitutional amendments; and concurrent, joint, and house resolutions originating in, considered, or acted upon by the respective houses and committees thereof. A regular form shall be prescribed by the Secretary of the Senate and the Chief Clerk of the Assembly. Such history shall show the action taken upon each measure up to and including the legislative day preceding its issuance. Except for periods when the houses are in joint recess, for each day intervening there shall be printed a daily history showing the consideration given to or action taken upon any measure since the issuance of the complete history.

### Authority for Printing Orders

18. The State Printer shall not print for use of either house nor charge to legislative printing any matter other than provided by law or by the rules, except upon a written order signed by the Secretary of the Senate, on behalf of the Senate, or the Chief Clerk of the Assembly or other person authorized by the Assembly, on behalf of the Assembly. Persons authorized to order printing under this rule may, when necessity requires it, order certain matter printed in

advance of the regular order, by the issuance of a rush order.

The Secretary of the Senate, on behalf of the Senate, and the Chief Clerk of the Assembly or other person authorized by the Assembly, on behalf of the Assembly, are hereby authorized and directed to order and distribute for the members stationery and legislative publications for which there is a demand, and, subject to the rules of their respective houses, to approve the bills covering such orders. All bills for printing must be presented by the State Printer within 30 days after the completion of the printing.

## RECORD OF BILLS

### Secretary and Chief Clerk to Keep Records

19. The Secretary of the Senate and the Chief Clerk of the Assembly shall keep a complete and accurate record of every action taken by the Senate and Assembly on every bill

### Secretary and Chief Clerk Shall Endorse Bills

20. The Secretary of the Senate and the Chief Clerk of the Assembly shall endorse on every original or engrossed bill a statement of any action taken by the Senate or Assembly concerning such bill.

## ACTION IN ONE HOUSE ON BILL TRANSMITTED FROM THE OTHER

### After a Bill Has Been Passed by the Senate or Assembly

21. When a bill has been passed by either house it shall be transmitted promptly to the other unless a motion to reconsider or a notice of motion to reconsider has been made or it is held pursuant to some rule or order of the house.

The procedure of referring bills to committees shall be determined by the respective houses.

### Messages to Be in Writing Under Proper Signatures

22. Notice of the action of either house to the other shall be in writing and under the signature of the Secretary of the Senate or the Chief Clerk of the Assembly from which such message is to be conveyed. A receipt shall be taken from the officer to whom such message is delivered.

Uncontested Bills

22.1. Each standing committee may report an uncontested bill out of committee with the recommendation that it be placed on the consent calendar. The Secretary of the Senate and the Chief Clerk of the Assembly shall provide to each committee chairman or chairwoman appropriate forms for such report As used in this rule, "uncontested bill" means a bill, except a revenue measure or a measure as to which the 30-day limitation prescribed by subdivision (a) of Section 8 of Article IV of the Constitution has been dispensed with, which: (a) receives a do-pass or do-pass-as-amended recommendation from the committee to which it is referred, by unanimous vote of the members present provided a quorum is present; and (b) has no opposition expressed by any person present at the committee meeting with respect to the final version of the bill as approved by the committee; and (c) prior to final action by the committee has been requested, by the author, to be placed on the consent calendar.

Consent Calendar

22.2. Following their second reading and the adoption of any committee amendments thereto, if any, all bills certified by the committee chairman or chairwoman as uncontested bills shall be placed by the Secretary of the Senate or the Chief Clerk of the Assembly on the consent calendar, and shall be known as "consent calendar bills." Any consent calendar bill which is amended from the floor shall cease to be a consent calendar bill and shall be replaced on the second reading file. Upon objection of any member to the placement or retention of any bill on the consent calendar, such bill shall cease to be a consent calendar bill and shall be replaced on the second reading file. No consent calendar bill shall be considered for adoption until the second legislative day following the day of its placement on the consent calendar.

Consideration of Bills on Consent Calendar

22.3. Bills on the consent calendar are not debatable, except that the President of the Senate or the Speaker of the Assembly shall allow a reasonable time for questions from the floor and shall permit the proponents of such bills to answer such questions. Immediately prior to voting on the first bill on the consent calendar, the President of the Senate or the Speaker of the Assembly shall call to the attention of the members the fact that the next rollcall will be the rollcall on the first bill on the consent calendar.

The consent calendar shall be considered as the last order of business on the daily file.

## PASSAGE AND ENROLLING OF BILLS

### Procedure on Defeat of More Than Majority Bill

23.5. Whenever a bill containing a section or sections requiring for passage an affirmative recorded vote of more than 21 votes in the Senate and more than 41 votes in the Assembly is being considered for passage and the urgency clause, if the bill is an urgency bill, or the bill, in any case, fails to receive the necessary votes to make all sections effective, no further action may be taken on the bill; provided that an amendment to remove all sections requiring the higher vote for passage from the bill shall be in order prior to consideration of further business. If the amendment is adopted, the bill shall be reprinted to reflect such amendment. When the bill is reprinted, it shall be returned to the same place on the file as when it failed to receive the necessary votes.

### Enrollment of Bill After Passage

24. After a bill has passed both houses it shall be printed in enrolled form, omitting symbols indicating amendments, and shall be compared by the Engrossing and Enrolling Clerk and the proper committee of the house where it originated to determine that it is in the form approved by the houses. The enrolled bill shall thereupon be signed by the presiding officers of both houses and the Secretary of the Senate and Chief Clerk of the Assembly and, except as otherwise provided by these rules, presented without delay to the Governor. The committee shall report the time of presentation of the bill to the Governor to the house and the record shall be entered in the journal. After enrollment and signature by the officers of the Legislature, constitutional amendments, and concurrent and joint resolutions shall be filed without delay in the office of the Secretary of State and the time of filing shall be reported to the house and the record entered in the journal.

## AMENDMENTS AND CONFERENCES

### Amendments to Amended Bills Must Be Attached

25. Whenever a bill or resolution which shall have been passed in one house shall be amended in the other, it shall immediately be reprinted as amended by the house making such amendment or amendments. Two copies of such amendment or amendments shall be attached to the bill or resolution so amended, and endorsed "adopted" and such amendment or amendments, if concurred in by the house in which such bill or resolution originated, shall be endorsed "concurred in," and such endorsement shall be signed by the Secretary or Assistant Secretary of the Senate, or the Chief Clerk or Assistant Clerk of the Assembly, as the case may be; provided,

however, that an amendment to the title of a bill adopted after the passage of such bill shall not necessitate reprinting, but such amendment must be concurred in by the house in which such bill originated.

Amendments to Concurrent and Joint Resolutions

25.5. When a concurrent or joint resolution is amended, and the only effect of the amendments is to add coauthors, the joint or concurrent resolution shall not be reprinted unless specifically requested by one of the added coauthors, but a list of the coauthors shall appear in the journal and history.

To Concur or Refuse to Concur in Amendments

26. In case the Senate amend and pass an Assembly bill, or the Assembly amend and pass a Senate bill, the Senate (if it be a Senate bill) or the Assembly (if it be an Assembly bill) must either "concur" or "refuse to concur" in the amendments. If the Senate concur (if it be a Senate bill), or the Assembly concur (if it be an Assembly bill), the Secretary or Chief Clerk shall notify the house making the amendments and the bill shall be ordered to enrollment.

Concurring in Amendments Adding Urgency Section

27. When a bill which has been passed in one house is amended in the other by the addition of a section providing that the act shall take effect immediately as an urgency statute and is returned to the house in which it originated for concurrence in the amendment or amendments thereto, the procedure and vote thereon shall be as follows:

The presiding officer shall first direct that the urgency section be read and put to a vote. If two-thirds of the members elected to the house vote in the affirmative, the presiding officer shall then direct that the question of whether the house shall concur in the amendment or amendments shall be put to a vote. If two-thirds of all the members elected to the house vote in the affirmative, concurrence in the amendments shall be effective.

If the affirmative vote on either of such questions is less than two-thirds of all the members elected to such house, the effect is a refusal to concur in the amendment or amendments, and the procedure thereupon shall be as provided in Joint Rule No. 28.

When Senate or Assembly Refuse to Concur

28. If the Senate (if it be a Senate bill) or the Assembly (if it be an Assembly bill) refuse to concur in amendments to the bill made by the other house, and when the other house has been notified of such refusal to concur, a conference committee shall be appointed

for each house in the manner prescribed by these rules. The Committee on Rules in the case of the Senate and the Speaker in the case of the Assembly shall each appoint a committee of three (3) on conference, and the Secretary or the Chief Clerk shall immediately notify the other house of the action taken.

Committee on Conference

28.1. The Committee on Rules and the Speaker, in appointing a committee on conference, shall each select two members from those voting with the majority on the point about which the difference has arisen, and the other member from the minority, in the event there is a minority vote.

Whether a member has voted with the majority or minority on the point about which the difference has arisen is determined by his vote on the appropriate rollcall, as follows:

(1) In the Assembly—

(a) The rollcall on the question of final passage of a Senate bill amended in the Assembly when the Senate has refused to concur with the Assembly amendments.

(b) The rollcall on the question of concurrence with Senate amendments to an Assembly bill.

(2) In the Senate—

(a) The rollcall on the question of final passage of an Assembly bill amended in the Senate when the Assembly has refused to concur with the Senate amendments.

(b) The rollcall on the question of concurrence with Assembly amendments to a Senate bill.

Meetings and Reports of Committees on Conference

29. The first Senator named on the conference committee shall act as chairman or chairwoman of the committee from the Senate, and the first Member of the Assembly named on such committee shall act as chairman or chairwoman of the committee from the Assembly. The chairman or chairwoman of the committee on conference for the house of origin of the bill shall arrange the time and place of meeting of the conference committee and shall prepare or direct the preparation of reports. It shall require an affirmative vote of not less than two of the Assembly Members and two of the Senate Members constituting the committee on conference to agree upon a report, and the report shall be submitted to both the Senate and the Assembly. The committee on conference shall report to both the Senate and Assembly Such report is not subject to amendment, and if either house refuses to adopt such report, the conferees shall be discharged and other conferees appointed; provided, however, that no more than three different conference committees shall be appointed on any one bill. No member who has served on a committee on conference shall be appointed a member of another

committee on conference on the same bill. It shall require the same affirmative recorded vote to adopt any conference report as required by the Constitution upon the final passage of the bill affected by such report. It shall require an affirmative recorded vote of two-thirds of the entire elected membership of each house to adopt any conference report affecting any bill which contains an item or items of appropriation which are subject to subdivision (d) of Section 12 of Article IV of the Constitution. The report of a conference committee shall be in writing, and shall have affixed thereto the signatures of each Senator and each Member of the Assembly consenting to the report. Space shall also be provided where a member of a conference committee may indicate his dissent in the committee's findings. Any dissenting member may have attached to a conference committee report a dissenting report which shall not exceed, in length, the majority committee report. A copy of any amendments proposed in the majority report shall be placed on the desk of each member of the house before it is acted upon by the house.

The vote on concurrence or upon the adoption of such conference report shall be deemed the vote upon final passage of such bill.

### When Conference Committee Report Is in Order

30. The presentation of the report of a committee on conference shall always be in order, except when a question of order or a motion to adjourn is pending, or during rollcall, and, when received, the question of proceeding to the consideration of the report, if raised, shall be immediately passed upon, and shall be determined without debate.

### Conference Committee Reports on Urgency Statutes

30.5. When the report of a committee on conference recommends the amendment of a bill by the addition of a section providing that the act shall take effect immediately as an urgency statute, the procedure and the vote thereon shall be as follows:

The presiding officer shall first direct that the urgency section be read and put to a vote. If two-thirds of the members elected to the house vote in the affirmative the presiding officer shall then direct that the question of whether the house shall adopt the report of the committee on conference shall be put to a vote. If two-thirds of all the members elected to the house vote in the affirmative, the adoption of the report and the amendments proposed thereby shall be effective.

If the affirmative vote on either of such questions is less than two-thirds of all the members elected to such house, the effect is a refusal to adopt the report of the committee on conference.

### Failure to Agree on Report

30.7. A conference committee may find and determine that it is unable to submit a report to the respective houses, upon the affirmative vote to that effect of not less than two of the Assembly Members and not less than two of the Senate Members constituting the committee. Such finding may be submitted to the Chief Clerk of the Assembly and the Secretary of the Senate in the form of a letter from the chairman of the committee on conference for the house of origin of the bill, containing the signatures of the members of the committee consenting to the finding and determination that the committee is unable to submit a report. The Chief Clerk of the Assembly and the Secretary of the Senate, upon being notified that a conference committee is unable to submit a report, shall so inform each house, whereupon the conferees shall be discharged and other conferees appointed, in accordance with the provisions of Rule 29.

## MISCELLANEOUS PROVISIONS

### Authority When Rules Do Not Govern

31. All relations between the houses which are not covered by these rules shall be governed by Mason's Manual.

### Press Rules

32. (a) Persons desiring privileges of accredited press representatives shall make application to the Joint Rules Committee. Such application shall constitute compliance with any provisions of the Rules of the Assembly or the Senate with respect to registration of news correspondents. Applications shall state in writing the names of the daily newspapers, news associations, or radio or television stations by which they are employed, and what other occupations or employment they may have, if any; and they shall further declare that they are not employed, directly or indirectly, to assist in the prosecution of the legislative business of any person, corporation or association, and will not become so employed while retaining the privilege of accredited press representatives.

(b) The applications required by the above rule shall be authenticated in a manner that shall be satisfactory to the Standing Committee of the Capitol Correspondents Association which shall see that occupation of seats and desks in the Senate and the Assembly chambers is confined to bona fide correspondents of reputable standing in their business, who represent daily newspapers requiring a daily file of legislative news, or who represent news associations requiring daily telegraphic or radio or television service on legislative news. It shall be the duty of the standing committee at its discretion, to report violation of accredited press privileges to the Speaker of the Assembly, or to the Senate Committee on Rules, and

pending action thereon the offending correspondent may be suspended by the standing committee.

(c) Persons engaged in other occupations whose chief attention is not given to newspaper correspondence or to news associations requiring telegraphic or radio or television service shall not be entitled to the privileges accorded accredited press representatives; and the press list in the Handbook of the California Legislature and the Senate and Assembly Histories shall be a list only of persons authenticated by the standing committee of correspondents.

(d) The press seats and desks in the Senate and Assembly chambers shall be under the control of the standing committee of correspondents, subject to the approval and supervision of the Speaker of the Assembly and the Senate Committee on Rules. Press cards shall be issued by the President of the Senate and the Speaker of the Assembly only to correspondents properly accredited in accordance with the provisions of this rule.

(e) One or more rooms shall be assigned for the exclusive use of correspondents during the legislative session, which rooms shall be known as the Press Room. The Press Room shall be under the control of the Chief of the Bureau of Buildings and Grounds; provided, that all rules and regulations shall be approved by the Senate Committee on Rules and the Speaker of the Assembly.

(f) No accredited member of the Capitol Correspondents Association shall, for compensation, perform any service for state constitutional officers or members of their staffs, for state agencies, for the Legislature, for candidates for state office, or for a state officeholder, or for any person registered or performing as a legislative advocate.

(g) An accredited member of the association who violates subdivision (a) or (f) of this rule shall be subject to the following penalties:

(1) For the first offense, the Standing Committee of the Capitol Correspondents Association shall send a letter of admonition to the offending member, his employer, and the Joint Rules Committee. The letter shall state the nature of the member's rule violation and shall warn of an additional penalty for a second offense.

(2) For a second offense, the Standing Committee of the Capitol Correspondents Association shall recommend to the Joint Rules Committee that the member's accreditation be suspended or revoked and that he lose all rights and privileges attached thereto. The Standing Committee of the Capitol Correspondents Association shall also dismiss the member from the association.

Any member of the Standing Committee of the Capitol Correspondents Association may propose that the committee make an inquiry to determine if an association member has violated subdivision (a) or (f) of this rule. Upon a majority vote of the Standing Committee of the Capitol Correspondents Association, an inquiry shall be made.

Upon receipt of a signed, written notice from any association

member of his belief that another association member may have violated subdivision (a) or (f) of this rule, the Standing Committee of the Capitol Correspondents Association shall commence an inquiry into the possible violation.

If the Standing Committee of the Capitol Correspondents Association determines by majority vote that an association member has broken an association rule, it shall inform the member of its finding. Within two weeks of notification, the member may request a meeting of the membership. If the member makes such a request, the Standing Committee of the Capitol Correspondents Association shall promptly schedule a meeting at the soonest possible time. After hearing the member and the committee review the circumstances of the alleged violation, the membership may, by majority vote, nullify the finding of the Standing Committee of the Capitol Correspondents Association. If nullification does not occur, the Standing Committee of the Capitol Correspondents Association shall impose immediately the appropriate penalty.

Dispensing With Joint Rules

33. No joint rule shall be dispensed with except by a vote of two-thirds of each house, except as otherwise provided in these rules. If either house shall violate a joint rule a question of order may be raised in the other house and decided in the same manner as in the case of the violation of the rules of such house; and if it shall be decided that the joint rules have been violated, the bill involving such violations shall be returned to the house in which it originated, and such disputed matter be considered in like manner as in conference committee.

Opinions of Legislative Counsel

34. Whenever the Legislative Counsel issues an opinion to any person other than the first-named author analyzing the constitutionality, operation, or effect of a bill or other legislative measure which is then pending before the Legislature or of any amendment made or proposed to be made to such bill or measure, he is authorized and instructed to deliver two copies of the opinion to the first-named author as promptly as feasible after the delivery of the original opinion and also to deliver a copy to any other author of the bill or measure who so requests. A copy of any letter prepared by the Legislative Counsel for the sole purpose of advising a member of a conflict between two or more bills as to the sections of law being amended, repealed. or added shall be submitted to the chairman of the committee to which each such bill has been referred.

## Resolutions Prepared by Legislative Counsel

34.1. Whenever the Legislative Counsel has been requested to draft a resolution commemorating or taking note of any event, or a resolution congratulating or expressing sympathy toward any person, and subsequently receives a similar request from another Member of the Legislature, he shall inform that requester and each subsequent requester that such a resolution is being, or has been, prepared, and he shall inform them of the name of the member for whom the resolution was, or is being, prepared.

## Resolutions

34.2. A concurrent resolution, Senate resolution, or House resolution may be introduced to memorialize the death of a present or former state or federal elected official or a member of their immediate families. In all other instances, a resolution other than a concurrent resolution, as specified by the Committee on Rules of each house, or as provided by the Joint Rules Committee in those cases which require that such resolution should emanate from both houses, shall be used for the purpose of commendation, congratulation, sympathy, or regret with respect to any person, group, or organization.

No concurrent resolution requesting the Governor to issue a proclamation shall be introduced without the prior approval of the Committee on Rules of the house in which the resolution is to be introduced.

## Identical Drafting Requests

34.5. Whenever it shall come to the attention of the Legislative Counsel that a member has requested the drafting of a bill which will be substantially identical to one already introduced he shall inform such member of that fact.

## Expense of Members

35. As provided in Section 8902 of the Government Code, each Member of the Legislature is entitled to reimbursement for living expenses while required to be in Sacramento to attend a session of the Legislature, or while traveling to and from or in attendance at a committee meeting, or while attending to any legislative function or responsibility as authorized or directed by legislative rules or the Rules Committee of the house of which he or she is a member at the same rate as may be established by the State Board of Control for other elected state officers. Each member shall be reimbursed for travel expenses incurred in traveling to and from a session of the Legislature, or when traveling to and from a meeting of a committee of which he or she is a member, or when traveling pursuant to any

other legislative function or responsibility as authorized or directed by legislative rules or the Rules Committee of the house of which he or she is a member at the rate prescribed by Section 8903 of the Government Code.

Expense allowances for Members of the Senate and Assembly shall be approved and certified to the Controller by the Secretary of the Senate, on behalf of the Senate, and the Chief Clerk of the Assembly or other person authorized by the Assembly Committee on Rules, on behalf of the Assembly, weekly or as otherwise directed by either house, and upon such certification the Controller shall draw his or her warrants in payment of the allowances to the respective members.

Investigating Committees

36. In order to expedite the work of the Legislature either house, or both houses jointly, may by resolution or statute provide for the appointment of committees to ascertain facts and to make recommendations as to any subject within the scope of legislative regulation or control.

The resolution providing for the appointment of a committee shall state the purpose of the committee, and the scope of the subject concerning which it is to act and may authorize it to act either during sessions of the Legislature or, when such authorization may lawfully be made, after final adjournment.

In the exercise of the power granted by this rule, each committee may employ such clerical, legal, and technical assistants as may be authorized by: (a) the Joint Rules Committee in the case of a joint committee, (b) the Senate Rules Committee in the case of a Senate committee, or (c) the Assembly Rules Committee in the case of an Assembly committee.

Except as otherwise provided herein for joint committees or by the Rules of the Senate or the Assembly for single house committees, each committee may adopt and amend such rules governing its procedure as may appear necessary and proper to carry out the powers granted and duties imposed under this rule. Such rules may include provisions fixing the quorum of the committee and the number of votes necessary to take action on any matter. With respect to all joint committees, a majority of the membership from each house constitutes a quorum and an affirmative vote of a majority of the membership from each house is necessary for the committee to take action.

Each such committee is authorized and empowered to summon and subpoena witnesses, require the production of papers, books, accounts, reports, documents, records, and papers of every kind and description, to issue subpoenas and to take all necessary means to compel the attendance of witnesses and to procure testimony, oral and documentary.

Each member of such committees is authorized and empowered

to administer oaths, and all of the provisions of Chapter 4 (commencing with Section 9400), Part 1, Division 2, Title 2 of the Government Code, relating to the attendance and examination of witnesses before the Legislature and the committees thereof, shall apply to such committees.

The Sergeant at Arms of the Senate or Assembly, or such other person as may be designated by the chairman or chairwoman of the committee, shall serve any and all subpoenas, orders, and other process that may be issued by the committee, when directed to do so by the chairman, chairwoman, or by a majority of the membership of the committee.

Every department, commission, board, agency, officer, and employee of the state government, including the Legislative Counsel and the Attorney General and their subordinates, and of every political subdivision, county, city, or public district of or in this state, shall give and furnish to these committees and to their subcommittees upon request such information, records and documents as the committees deem necessary or proper for the achievement of the purposes for which each such committee was created.

Each committee or subcommittee of either house in accordance with the rules of that respective house and each joint committee or subcommittee thereof, may meet at any time during the period in which it is authorized to act, either at the State Capitol, or at any other place in the State of California, in public or executive session, and do any and all things necessary or convenient to enable it to exercise the powers and perform the duties herein granted to it or accomplish the objects and purposes of the resolution creating it with the following exceptions:

(a) When the Legislature is not in joint recess:

(1) No committee or subcommittee of either house shall meet outside the State Capitol without the prior approval of the Rules Committee of the Senate with respect to Senate committees and subcommittees and the Speaker of the Assembly with respect to Assembly committees and subcommittees.

(2) No committee or subcommittee of either house, other than a standing committee or subcommittee thereof, shall meet unless notice of such meeting has been printed in the daily file for six days prior thereto. This requirement may be waived by a majority vote of either house with respect to a particular bill.

(3) No joint committee or subcommittee thereof, other than the Joint Committees on Legislative Audit, Legislative Budget, Legislative Ethics, and Rules, shall meet outside the State Capitol without the prior approval of the Joint Rules Committee.

(4) No joint committee or subcommittee thereof, other than the Joint Committees on Legislative Audit, Legislative Budget, Legislative Ethics, and Rules, shall meet unless notice of such meeting has been printed in the daily file for six days prior thereto.

(b) When the Legislature is in joint recess each joint committee

or subcommittee, other than the Joint Committees on Legislative Audit, Legislative Budget, Legislative Ethics, and Rules, shall notify the Joint Rules Committee at least two weeks prior to any such meeting.

(c) The requirements placed upon joint committees by paragraphs (a) and (b) above may be waived where it is deemed necessary by the Joint Rules Committee.

Each such committee may expend such money as may be made available to it for such purpose but no committee shall incur any indebtedness unless money shall have been first made available therefor.

No living expenses shall be allowed in connection with legislative business for a day on which the member receives reimbursement for expenses while required to be in Sacramento to attend a session of the Legislature. The chairman or chairwoman of each committee shall audit and approve the expense claims of the members of the committee including claims for mileage in connection with attendance on committee business, or in connection with specific assignments by the committee chairman or chairwoman, but excluding other types of mileage, and shall certify the amount approved to the Controller, and the Controller shall draw his warrants upon the certification of the chairman or chairwoman.

Subject to the rules of each house for the respective committees of each house, and subject to the joint rules for any joint committee, the chairman or chairwoman of any such committee may appoint subcommittees and chairmen or chairwomen thereof for the purpose of more expeditiously handling and considering matters referred to it, and such subcommittees and the chairmen or chairwomen thereof shall have all the powers and authority herein conferred upon the committee and its chairman or chairwoman. The chairman or chairwoman of such subcommittee shall audit the expense claims of the members of such subcommittees and other claims and the expenses incurred by it and shall certify the amount thereof to the chairman or chairwoman of the committee who shall, if he approves the same, certify the amount thereof to the Controller, and the Controller shall draw his warrant therefor upon such certification, and the Treasurer shall pay the same. Whenever such committee or any subcommittee thereof is authorized to leave the State of California in the performance of its duties, then such committee or subcommittee shall, while out of the state, have the same authority as if it were acting and functioning within the state, and the members thereof shall be reimbursed for expenses.

Notwithstanding any provision of this rule, if the standing rules of either house require that expense claims of committees for goods or services or pursuant to contracts or for expenses of employees or members of committees be audited or approved, after approval of the committee chairman or chairwoman, by another agency of either house, the Controller shall draw his warrants only upon the certification of such other agency. All expense claims approved by

the chairman or chairwoman of any joint committee, other than the Joint Legislative Budget Committee and the Joint Legislative Audit Committee, shall be approved by the Joint Rules Committee and the Controller shall draw his warrants only upon the certification of the Joint Rules Committee.

Except salary claims of employees clearly subject to federal withholding taxes and the requirement as to loyalty oaths, claims presented for services or pursuant to contract shall refer to the agreement, the terms of which shall be made available to the Controller.

Expenses of Committee Employees

36.1. Unless otherwise provided by respective house or committee rule or resolution, employees of legislative committees shall, when entitled to traveling expenses, be entitled to allowances in lieu of actual expenses for hotel accommodations, breakfast, lunch, and dinner, at the rates fixed by the Board of Control from time to time in limitation of reimbursement of expenses of state employees generally; provided, that if an allowance for hotel accommodations, breakfast, lunch, and dinner is made by a committee at a rate in excess of those fixed by the Board of Control the chairman or chairwoman of the committee shall notify the Controller of that fact in writing.

Appointment of Committees

36.5. The provisions of this rule shall apply whenever a joint committee is created by a statute or resolution which either provides that appointments be made and vacancies be filled in the manner provided for in the Joint Rules, or which makes no provision for the appointment of members or the filling of vacancies.

The Senate members of the committee shall be appointed by the Senate Committee on Rules; the Assembly members of the committee shall be appointed by the Speaker; and vacancies occurring in the membership of the committee shall be filled by the respective appointing powers. The members appointed shall hold over until their successors are regularly selected.

Appointment of Joint Committee Chairmen or Chairwomen

36.7. The chairman or chairwoman of each joint committee heretofore or hereafter created, except the Joint Legislative Budget Committee and the Joint Legislative Audit Committee, shall be appointed by the Joint Rules Committee from a member or members recommended by the Senate Committee on Rules and the Speaker of the Assembly.

## Joint Committee Funds

36.8. Each joint committee, heretofore or hereafter created, except the Joint Legislative Budget Committee and the Joint Legislative Audit Committee, shall expend the funds heretofore or hereafter made available to it in compliance with the policies set forth by the Joint Rules Committee with respect to personnel, salaries, purchasing, office space assignment, contractual services, rental or lease agreements, travel, and any and all other matters relating to the management and administration of committee affairs.

## Joint Legislative Budget Committee

37. In addition to any other committee provided for by these rules, there shall be a joint committee to be known and called the Joint Legislative Budget Committee, which is hereby declared to be a continuing body.

It shall be the duty of the committee to ascertain facts and make recommendations to the Legislature and to the houses thereof concerning the state budget, the revenues and expenditures of the state, and of the organization and functions of the state, its departments, subdivisions and agencies, with a view of reducing the cost of the state government, and securing greater efficiency and economy.

The committee shall consist of seven Members of the Senate and seven Members of the Assembly. The Senate members of the committee shall consist of seven Members of the Senate appointed by the Committee on Rules. The Assembly members of the committee shall consist of seven Members of the Assembly appointed by the Speaker. The committee shall select its own chairman or chairwoman.

Any vacancies occurring between regular sessions in the Senate membership of the Joint Legislative Budget Committee shall be filled by the Senate Committee on Rules, and the Senators appointed shall hold over until their successors are regularly selected. For the purposes of this provision, a vacancy shall be deemed to exist as to a Senator whose term is expiring whenever he is not reelected at the general election.

Any vacancies occurring between regular sessions in the Assembly membership of the Joint Legislative Budget Committee shall be filled by the Speaker of the Assembly, and the Members of the Assembly appointed shall hold over until their successors are regularly selected. For the purposes of this provision, a vacancy shall be deemed to exist as to a Member of the Assembly whose term is expiring whenever he is not reelected at the general election.

Any vacancy occurring at any time in the Assembly membership of the committee shall be filled by appointment by the Speaker.

The committee shall have the authority to make rules to govern its own proceedings and its employees. It may also create

subcommittees from its membership, assigning to its subcommittees any study, inquiry, investigation, or hearing which the committee itself has authority to undertake or hold and the subcommittee for the purpose of this assignment shall have and may exercise all the powers conferred upon the committee, limited only by the express terms of any rule or resolution of the committee defining the powers and duties of the subcommittee. Such powers may be withdrawn or terminated at any time by the committee.

The Joint Legislative Budget Committee may render services to any investigating committee of the Legislature pursuant to contract between the Joint Legislative Budget Committee and the committee for which the services are to be performed. The contract may provide for payment to the Joint Legislative Budget Committee of the cost of such services from the funds appropriated to the contracting investigating committee. All legislative investigating committees are authorized to enter into such contracts with the Joint Legislative Budget Committee. Money received by the Joint Legislative Budget Committee pursuant to any such agreement shall be in augmentation of the current appropriation for the support of the Joint Legislative Budget Committee.

The provisions of Joint Rule 36 shall apply to the Joint Legislative Budget Committee, and it shall have all the authority provided in such rule or pursuant to Section 11 of Article IV of the Constitution.

The committee shall have authority to appoint a Legislative Analyst, to fix his compensation and to prescribe his duties, and to appoint such other clerical and technical employees as may appear necessary. The duties of the Legislative Analyst shall be as follows:

(1) To ascertain the facts and make recommendations to the Joint Legislative Budget Committee and under its direction to the committees of the Legislature concerning:

(a) State budget.

(b) Revenues and expenditures of the state.

(c) The organization and functions of the state, its departments, subdivisions, and agencies.

(2) To assist the Senate Finance Committee and the Assembly Ways and Means Committee in consideration of the budget and all bills carrying express or implied appropriations and all legislation affecting state departments and their efficiency; to appear before any other legislative committee, and to assist any other legislative committees upon instruction by the Joint Legislative Budget Committee.

(3) To provide all legislative committees and Members of the Legislature with information obtained under the direction of the Joint Legislative Budget Committee.

(4) To maintain a record of all work performed by the Legislative Analyst under the direction of the Joint Legislative Budget Committee and to keep and make available all documents, data, and reports submitted to him by any Senate, Assembly or joint committee. The committee may meet either during sessions of the

Legislature, any recess thereof, or after final adjournment, and may meet or conduct business at any place within the State of California.

The chairman or chairwoman of the committee or, in the event of such person's inability to act, the vice chairman or vice chairwoman, shall audit and approve the expenses of members of the committee or salaries of the employees, and all other expenses incurred in connection with the performance of its duties by the committee, and the chairman or chairwoman shall certify the amount approved to the Controller, and the Controller shall draw his warrants upon the certification of the chairman or chairwoman, and the Treasurer shall pay the same to the chairman or chairwoman of the committee to be disbursed by the chairman or chairwoman.

On and after the commencement of a succeeding regular session those members of the committee who continue to be Members of the Senate and Assembly, respectively, continue as members of the committee until their successors are appointed, and the committee continues with all its powers, duties, authority, records, papers, personnel, and staff, and all funds theretofore made available for its use.

Upon the conclusion of its work, any Assembly, Senate, or joint committee (other than a standing committee) shall deliver to the Legislative Analyst for use and custody, available to the Members of the Legislature, all documents, data, reports and other materials that have come into the possession of such committee and which are not included within the final report of such committee to the Assembly, Senate, or the Legislature, as the case may be

The Legislative Analyst with the consent of the committee shall make available to such members or committees any records, documents, or other data under his control or shall secure and provide any information falling within the scope of his employment or which concerns the administration of the government of the State of California But, except as hereinabove provided, neither the Legislative Analyst nor any employee of the committee shall reveal to any person not a member of or employed by the committee the contents or nature of any matter or the author of any request, except with the permission of the committee or legislator making such request, or under the express direction of the Joint Legislative Budget Committee

The Legislative Analyst, upon the receipt of a request from any committee or Member of the Legislature, shall at once secure the consent of the committee without disclosing the nature of the request or the name of the requester to provide the requesting committee or legislator with the service or information requested, and thereupon shall notify the requester or committee or legislator that he is authorized to provide the information, and shall inform the committee or legislator of the approximate date when this information will be available. Should there be any material delay he shall subsequently communicate this fact to the requester In the event the committee refuses such authorization, he shall inform such

requester forthwith.

Registration of Legislative Representatives

37.5. The Joint Rules Committee shall have the rights, powers and duties prescribed in Section 9909 of the Government Code, specifically including but not limited to the authority to grant certificates of registration as legislative advocates

The committee shall study and analyze all facts relating to legislative representation and the regulation thereof, and shall report thereon to the Legislature at each regular session and from time to time as the committee deems necessary, including in the reports its recommendations for appropriate legislation.

The committee may direct the Legislative Analyst to perform such duties as may be assigned to him by the committee.

Designating Legislative Sessions

39. All extraordinary sessions shall be designated in numerical order by the session in which convened.

Joint Rules Committee

40. The Joint Rules Committee is hereby created. The committee has a continuing existence and may meet, act, and conduct its business during sessions of the Legislature or any recess thereof.

The committee shall consist of seven members of the Assembly Committee on Rules and five members of the Senate Committee on Rules, the Speaker of the Assembly, and three Members of the Senate to be appointed by the Senate Committee on Rules. Vacancies occurring in the membership shall be filled by the appointing power.

The committee and its members shall have and exercise all of the rights, duties, and powers conferred upon investigating committees and their members by the provisions of the Joint Rules of the Senate and Assembly as they are adopted and amended from time to time, which provisions are incorporated herein and made applicable to this committee and its members.

The committee shall ascertain facts and make recommendations to the Legislature and to the houses thereof concerning:

(a) The relationship between the two houses and procedures calculated to expedite the affairs of the Legislature by improving that relationship.

(b) The legislative branch of the state government and any defects or deficiencies in the law governing that branch.

(c) Methods whereby legislation is proposed, considered, and acted upon.

(d) The operation of the Legislature, and the committees thereof, and the means of coordinating the work thereof and avoiding duplication of effort.

(e) Aids to the Legislature.

(f) Information and statistics for the use of the Legislature, and respective houses thereof, and the members.

Any matter of business of either house, the transaction of which would affect the interests of the other house, may be referred to the committee for action if the Legislature is not in recess, and shall be referred to the committee for action if the Legislature is in recess.

The committee has the following additional powers and duties:

(a) To select a chairman or chairwoman and a vice chairman or vice chairwoman from its membership.

(b) To allocate space in the State Capitol Building and all annexes and additions thereto as provided by law.

(c) To approve, as provided by law, the appearance of the Legislative Counsel in litigation.

(d) To contract with such other agencies, public or private, as it deems necessary for the rendition and affording of such services, facilities, studies, and reports to the committee as will best assist it to carry out the purposes for which it is created.

(e) To cooperate with and secure the cooperation of county, city, city and county, and other local law enforcement agencies in investigating any matter within the scope of this resolution and to direct the sheriff of any county to serve subpoenas, orders and other process issued by the committee.

(f) To report its findings and recommendations, including recommendations for the needed revision of any and all laws and constitutional provisions relating to the Legislature, to the Legislature and to the people from time to time and at any time.

(g) The committee, and any subcommittee when so authorized by the committee, may meet and act without as well as within the State of California, and is authorized to leave the state in the performance of its duties.

(h) To expend such funds as may be made available to it to carry out the functions and activities related to the legislative affairs of the Senate and Assembly.

(i) To appoint a chief administrative officer of the committee, who shall have such duties relating to the administrative, fiscal and business affairs of the committee as the committee shall prescribe. The committee may terminate the services of the chief administrative officer at any time.

(j) To employ such persons as may be necessary to assist all other joint committees, except the Joint Legislative Budget Committee and the Joint Legislative Audit Committee, in the exercise of their powers and performance of their duties. In accordance with Joint Rule 36.8, the committee shall govern and administer the expenditure of funds by such other joint committees, requiring that the claims of such joint committees be approved by the Joint Rules Committee or its designee. All expenses of the committee as well as expenses of all other joint committees may be paid from the Contingent Funds of the Assembly and Senate.

(k) To appoint the chairmen or chairwomen of joint committees, as authorized by Joint Rule 36.7.

(*l*) To do any and all other things necessary or convenient to enable it fully and adequately to exercise its powers, perform its duties, and accomplish the objects and purposes of this resolution.

The committee shall succeed to, and is vested with, all of the powers and duties of the Joint Committee on Legislative Organization, State Capitol Committee, the Joint Committee on Interhouse Cooperation, the Joint Legislative Committee for School Visitations, and the Joint Standing Committee on the Joint Rules of the Senate and the Assembly.

Subcommittee on Legislative Assistance

40.5. A subcommittee of the Joint Rules Committee is hereby created to be known as the Subcommittee on Legislative Assistance. The chairman or chairwoman of the Joint Rules Committee shall appoint one member of the Joint Rules Committee from each house to be members of the subcommittee.

The subcommittee shall have the duty and responsibility of offering such assistance as may be desired by Members of the Legislature, former members, and their families and rendering such aid and assistance as is possible through the offices of the Sergeants at Arms and other officers and employees of the Legislature in the event of the death of a member, former member, or a member of their families.

The Sergeants at Arms and other officers and employees of each house of the Legislature shall render such aid or assistance as may be requested or directed by the subcommittee.

The Joint Rules Committee shall allocate to the subcommittee, from any funds available therefor, such funds as may be required to carry out its functions.

Claims for Workmen's Compensation

41. The chairman or chairwoman of the Rules Committee of each house, or a designated representative, shall sign any required workmen's compensation report regarding injuries or death arising out of and within the course of employment suffered by any member, officer, or employee of the house, or any employee of a standing or investigating committee thereof. In the case of a joint committee, the chairman or chairwoman of the Rules Committee of either house, or a designated representative, may sign any such report in respect to a member or employee of such joint committee.

Information Concerning Committees

42. The Rules Committee of each house shall provide for a continuous cumulation of information concerning the membership,

organization, meetings, and studies of legislative investigating committees. Each Rules Committee shall be responsible for information concerning the investigating committees of its own house and concerning joint investigating committees under the chairmanship of a member of that house. To the extent possible, each Rules Committee shall seek to insure that the investigating committees for which it has responsibility under this rule have organized, including the organization of any subcommittees, and have had all topics for study assigned to them within a reasonable period of time.

The information thus cumulated shall be made available to the public by the Rules Committee of each house and shall be published periodically under their joint direction.

## Joint Committees

43. Concurrent resolutions creating joint committees of the Legislature and concurrent resolutions allocating moneys from the Contingent Funds of the Assembly and Senate to such committees shall be referred to the Committees on Rules of the respective houses.

## Conflict of Interest

44. (a) No Member of the Legislature shall, while serving as such, have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity, or incur any obligation of any nature, which is in substantial conflict with the proper discharge of his or her duties in the public interest and of his or her responsibilities as prescribed in the laws of this state.

(b) No Member of the Legislature shall, during the term for which he or she was elected:

(1) Accept other employment which he or she has reason to believe will either impair his or her independence of judgment as to his or her official duties or require him or her, or induce him or her, to disclose confidential information acquired by him or her in the course of and by reason of his or her official duties;

(2) Willfully and knowingly disclose, for pecuniary gain, to any other person, confidential information acquired by him or her in the course of and by reason of his or her official duties or use any such information for the purpose of pecuniary gain;

(3) Accept or agree to accept, or be in partnership with any person who accepts or agrees to accept, any employment, fee, or other thing of value, or portion thereof, in consideration of his appearing, agreeing to appear, or taking any other action on behalf of another person regarding a licensing or regulatory matter, before any state board or agency which is established by law for the primary purpose of licensing or regulating the professional activity of persons licensed, pursuant to state law; provided, that this rule shall not be

construed to prohibit a member who is an attorney at law from practicing in such capacity before the Workmen's Compensation Appeals Board or the Commissioner of Corporations, and receiving compensation therefor, or from practicing for compensation before any state board or agency in connection with, or in any matter related to, any case, action, or proceeding filed and pending in any state or federal court; and provided that this rule shall not act to prohibit a member from making inquiry for information on behalf of a constituent before a state board or agency, if no fee or reward is given or promised in consequence thereof, and provided that the prohibition contained in this rule shall not apply to a partnership in which the Member of the Legislature is a member if the Member of the Legislature does not share directly or indirectly in the fee resulting from the transaction; and provided that the prohibition contained in this rule shall not apply in connection with any matter pending before any state board or agency on the operative date of this rule if the affected Member of the Legislature is attorney of record or representative in the matter prior to such operative date;

(4) Receive or agree to receive, directly or indirectly, any compensation, reward, or gift from any source except the State of California for any service, advice, assistance or other matter related to the legislative process, except fees for speeches or published works on legislative subjects and except, in connection therewith, reimbursement of expenses for actual expenditures for travel and reasonable subsistence for which no payment or reimbursement is made by the State of California;

(5) Participate, by voting or any other action, on the floor of either house, or in committee or elsewhere, in the enactment or defeat of legislation in which he or she has a personal interest, except as follows:

(i) If, on the vote for final passage by the house of which he or she is a member, of the legislation in which he or she has a personal interest, he or she first files a statement (which shall be entered verbatim on the journal) stating in substance that he or she has a personal interest in the legislation to be voted on and notwithstanding such interest, he or she is able to cast a fair and objective vote on such legislation, he or she may cast his or her vote without violating any provision of this rule;

(ii) If the member believes that, because of his or her personal interest, he or she should abstain from participating in the vote on the legislation, he or she shall so advise the presiding officer prior to the commencement of the vote and shall be excused from voting on the legislation without any entry on the journal of the fact of his or her personal interest. In the event a rule of the house, requiring that each member who is present vote aye or nay is invoked, the presiding officer shall order the member excused from compliance and shall order entered on the journal a simple statement that the member was excused from voting on the legislation pursuant to law.

(c) A person subject to this rule has an interest which is in

substantial conflict with the proper discharge of his duties in the public interest and of his responsibilities as prescribed in the laws of this state or a personal interest, arising from any situation, within the scope of this rule, if he or she has reason to believe or expect that he or she will derive a direct monetary gain or suffer a direct monetary loss, as the case may be, by reason of his or her official activity. He or she does not have an interest which is in substantial conflict with the proper discharge of his or her duties in the public interest and of his or her responsibilities as prescribed by the laws of this state or a personal interest, arising from any situation, within the scope of this rule, if any benefit or detriment accrues to him or her as a member of a business, profession, occupation, or group to no greater extent than any other member of such business, profession, occupation, or group.

(d) A person subject to the provisions of this rule shall not be deemed to be engaged in any activity which is in substantial conflict with the proper discharge of his or her duties in the public interest and of his or her responsibilities as prescribed by the laws of this state, arising from any situation, or to have a personal interest, arising from any situation, within the scope of this rule, solely by reason of any of the following:

(1) His or her relationship to any potential beneficiary of any situation is one which is defined as a remote interest by Section 1091 of the Government Code or is otherwise not deemed to be a prohibited interest by Section 1091.1 or 1091.5 of the Government Code.

(2) Receipt of a campaign contribution regulated, received, reported, and accounted for pursuant to Division 8 (commencing with Section 11500) of the Elections Code, so long as the contribution is not made on the understanding or agreement, in violation of law, that the person's vote, opinion, judgment, or action will be influenced thereby.

(e) The enumeration in this rule of specific situations or conditions which are deemed not to result in substantial conflicts with the proper discharge of the duties and responsibilities of a legislator or legislative employee or in a personal interest shall not be construed as exclusive.

The Legislature in adopting this rule recognizes that Members of the Legislature and legislative employees may need to engage in employment, professional, or business activities other than legislative activities, in order to maintain a continuity of professional or business activity, or may need to maintain investments, which activities or investments do not conflict with the specific provisions of the chapter. However, in construing and administering the provisions of the rule, weight should be given to any coincidence of income, employment, investment, or other profit from sources which may be identified with the interests represented by those sources which are seeking action of any character on matters then pending before the Legislature.

(f) No employee of either house of the Legislature shall, during the time he is so employed, commit any act or engage in any activity prohibited by any part of this rule.

(g) No person shall induce or seek to induce any Member of the Legislature to violate any part of this rule.

(h) Violations of these rules are punishable as provided in Section 8926 of the Government Code.

## Joint Legislative Ethics Committee

45. (a) The Joint Legislative Ethics Committee is hereby created. The committee shall consist of three Members of the Senate appointed by the Senate Committee on Rules and three Members of the Assembly appointed by the Speaker of the Assembly. Of the three members appointed from each house, at least one from each house shall be a member of the political party having the largest number of members in that house and at least one from each house shall be a member of the political party having the second largest number of members in that house. The committee shall elect its own chairman or chairwoman. Vacancies occurring in the membership of the committee shall be filled in the manner provided for in these rules for other committees. A vacancy shall be deemed to exist as to any member of the committee whose term is expiring whenever such member is not reelected at the general election.

(b) The committee is authorized to make rules governing its own proceedings. The provisions of Rule 36 of the Joint Rules of the Senate and Assembly relating to investigating committees shall apply to the committee.

Prior to the issuance of any subpoena by the committee with respect to any matter before the committee, it shall by a resolution adopted by a vote of two members of the committee from each house of the Legislature define the nature and scope of its investigation in the matter before it.

(c) Funds for the support of the committee shall be provided from the Contingent Funds of the Assembly and the Senate in the same manner that such funds are made available to other joint committees of the Legislature.

(d) The committee shall have power, pursuant to the provisions of this rule, to investigate and make findings and recommendations concerning alleged violations by Members of the Legislature of the provisions of Rule 44.

(e) Any person may: (a) file with the committee a verified complaint in writing which shall state the name of the Member of the Legislature alleged to have committed the violation complained of, and which shall set forth the particulars thereof, or (b) file a complaint concerning the alleged violation by a Member of the Legislature with the district attorney of the appropriate county.

If a person files a complaint with respect to any alleged violation by a Member of the Legislature with the committee, he or she may

not thereafter file a complaint to institute a criminal prosecution for such violation until the committee has rendered its report or until a period of 120 days has elapsed since the filing of the complaint. If a complaint is filed with the appropriate district attorney by any person concerning an alleged violation by a Member of the Legislature of any provision of Rule 44, such person may not thereafter file a complaint with respect to such alleged violation with the committee

If a complaint is filed with the committee, the committee shall promptly send a copy of the complaint to the Member of the Legislature alleged to have committed the violation complained of, who shall thereafter be designated as the respondent.

No complaint may be filed with the committee after the expiration of six months from the date upon which the alleged violation occurred.

(f) If the committee determines that the verified complaint does not allege facts, directly or upon information and belief, sufficient to constitute a violation of any of the provisions of Rule 44, it shall dismiss the complaint and notify the complainant and respondent thereof. If the committee determines that such verified complaint does allege facts, directly or upon information and belief, sufficient to constitute a violation of any of the provisions of Rule 44, the committee shall promptly investigate the alleged violation and, if after such preliminary investigation, the committee finds that probable cause exists for believing the allegations of the complaint, it shall fix a time for a hearing in the matter, which shall be not more than 30 days after such finding. If, after the preliminary investigation, the committee finds that probable cause does not exist for believing the allegations of the complaint, the committee shall dismiss the complaint. In either event the committee shall notify the complainant and respondent of its determination.

(g) After the complaint has been filed the respondent shall be entitled to examine and make copies of all evidence in the possession of the committee relating to the complaint.

(h) If a hearing is to be held pursuant to subdivision (f) the committee, before the hearing has commenced, shall issue subpoenas and subpoenas duces tecum at the request of any party in accordance with the provisions of Chapter 4 (commencing with Section 9400), Part 1, Division 2, Title 2 of the Government Code. All of the provisions of Chapter 4, except Section 9410, shall be applicable to the committee and the witnesses before it.

(i) At any hearing held by the committee:

(1) Oral evidence shall be taken only on oath or affirmation.

(2) Each party shall have these rights: to be represented by legal counsel; to call and examine witnesses; to introduce exhibits; and to cross-examine opposing witnesses.

(3) The hearing shall be open to the public.

(j) Any official or other person whose name is mentioned at any investigation or hearing of the committee and who believes that

testimony has been given which adversely affects him, shall have the right to testify or, at the discretion of the committee, to file a statement of facts under oath relating solely to the material relevant to the testimony of which he complains.

(k) After the hearing the committee shall state its findings of fact. If the committee finds that the respondent has not violated any of the provisions of Rule 44, it shall order the action dismissed, and shall notify the respondent and complainant thereof and shall also transmit a copy of the complaint and the fact of dismissal to the Attorney General and to the district attorney of the appropriate county. If the committee finds that the respondent has violated any of the provisions of Rule 44, it shall state its findings of fact and submit a report thereon to the house in which the respondent serves, send a copy of such findings and report to the complainant and respondent, and the committee shall also report thereon to the Attorney General and to the district attorney of the appropriate county.

(*l*) Nothing in this rule shall preclude any person from instituting a prosecution for violation of any provision of Rule 44 unless such person has filed a complaint with the committee concerning such violation, in which case such person may not file a complaint with the district attorney of the appropriate county to institute a criminal prosecution for such violation until the committee has made its determination of the matter or a period of 120 days has elapsed since the filing of the complaint with the committee.

(m) The filing of a complaint with the committee pursuant to this rule suspends the running of the statute of limitations applicable to any violation of the provisions of Rule 44 while such complaint is pending.

(n) The committee shall maintain a record of its investigations, inquiries, and proceedings. All records, complaints, documents, reports filed with or submitted to or made by the committee, and all records and transcripts of any investigations, inquiries or hearings of the committee under this rule shall be deemed confidential and shall not be open to inspection by any person other than a member of the committee, an employee of the committee, or a state employee designated to assist the committee, except as otherwise specifically provided in this rule. The committee may, by adoption of a resolution, authorize the release to the Attorney General or to the district attorney of the appropriate county of any information, records, complaints, documents, reports, and transcripts in its possession material to any matter pending before the Attorney General or the district attorney. All matters presented at a public hearing of the committee and all reports of the committee stating a final finding of fact pursuant to subdivision (k) shall be public records and open to public inspection. Any employee of the committee who divulges any matter which is deemed to be confidential by this subdivision is punishable as provided in Section 8953 of the Government Code.

(o) All actions of the committee shall require the concurrence of two members of the committee from each house.

(p) The committee may render advisory opinions to Members of the Legislature with respect to the provisions of Rule 44 and their application and construction. The committee may secure an opinion from the Legislative Counsel for this purpose or issue its own opinion.

Designating Legislative Sessions

50. Regular sessions shall be identified with the odd-numbered year subsequent to each general election, followed by a hyphen, and then the last two digits of the following even-numbered year. For example: 1973–74 Regular Session.

Days and Dates

50.5. (a) As used in these rules, "day" means a calendar day, unless otherwise specified.

(b) When the date of a deadline, recess, other requirement, or circumstances, falls on a Saturday, Sunday, or Monday that is a holiday, such date shall be deemed to refer to the preceding Friday. When such a date falls on a holiday on a weekday other than a Monday, such date shall be deemed to refer to the preceding day.

Legislative Calendar

51. (a) The Legislature shall observe the following calendar during the first year of the regular session:

(1) Organizational Recess—The Legislature shall meet on the first Monday in December following the general election to organize. Thereafter, each house shall be in recess from such time as it determines, but not later than the following Friday until the first Monday in January, except when the first Monday is January 1, in which case, the following Tuesday.

(2) Easter Recess—The Legislature shall be in recess from the 10th day prior to Easter until the Monday after Easter.

(3) Summer Recess—The Legislature shall be in recess from the last Friday in June until the first Monday in August. This recess shall not commence until the Budget Bill is enacted.

(4) Interim Study Recess—The Legislature shall be in recess from September 15 until the first Monday in January, except when the first Monday is January 1, in which case, the following Tuesday.

(b) The Legislature shall observe the following calendar for the remainder of the legislative session:

(1) Easter Recess—The Legislature shall be in recess from the 10th day prior to Easter until the Monday after Easter.

(2) Summer Recess—The Legislature shall be in recess from the last Friday in June until the first Monday in August. This recess shall

not commence until the Budget Bill is enacted.

(3) Final Recess—The Legislature shall be in recess on September 1 until adjournment sine die on November 30th.

(c) Recesses shall be from the hour of adjournment on the day specified to reconvene at the time designated by the respective houses.

(d) The recesses specified by this rule shall be designated as joint recesses.

## Recall from Recess

52. Notwithstanding the power of the Governor to call a special session, the Legislature may be recalled from joint recess and reconvene in regular session by any of the following means:

(1) It may be recalled by joint proclamation, which shall be entered in the journal, of the Senate Rules Committee and the Speaker of the Assembly or, in his absence from the state, the Assembly Rules Committee.

(2) Ten or more Members of the Legislature may present a request for recall from joint recess to the Chief Clerk of the Assembly and the Secretary of the Senate. The request shall immediately be printed in the journal. Within 10 days thereafter the Speaker of the Assembly, or if the Speaker is absent from the state, the Assembly Rules Committee, and the Senate Rules Committee shall act upon the request. If they concur in desiring to recall the Legislature from joint recess, they shall issue their joint proclamation entered in the journal no later than 20 days after publication of the request in the journal.

(3) If either or both of the parties specified in subdivision (2) does not concur, 10 or more Members of the Legislature may request the Chief Clerk or Secretary of the respective house to petition the membership of that house. The petition shall be entered in the journal and shall contain a specified reconvening date commencing not later than 20 days after the date of the petition. If two-thirds of the members of the house or each of the two houses concur, the Legislature shall reconvene on the date specified. The necessary concurrences must be received at least 10 days prior to date specified for reconvening.

## Procedure on Suspending Rules by Single House

53. Whenever these rules authorize suspension of the joint rules as to a particular bill by action of a single house after approval by the Rules Committee of that house, the following procedure shall be followed:

(a) A written notice of intention to suspend the joint rule shall be filed with the Chief Clerk of the Assembly or the Secretary of the Senate, as the case may be, and shall be transmitted to the Rules

Committee of the appropriate house. The notice shall be printed in the journal of that house.

(b) The Rules Committee of the Assembly or Senate, as the case may be, shall determine whether there exists an urgent need for the suspension of the joint rule with regard to the bill.

(c) If the Rules Committee recommends that the suspension be permitted, the member may offer a resolution, without further reference thereof to committee, granting permission to suspend the joint rule. The adoption of the resolution granting such permission shall require an affirmative recorded vote of the elected members of the house in which the request is made.

As used in this rule "bill" includes constitutional amendments but does not include joint or concurrent resolutions.

Introduction of Bills

54. (a) Bills may be introduced at any time except as provided in subdivision (d) and when a house is in joint recess. Each house may provide for introduction of bills during a recess other than a joint recess. Bills shall be numbered consecutively during the regular session.

(b) A member may not author a bill during a session that would have substantially the same effect as a bill he or she had previously introduced. An objection may be raised at any time and be referred to the Rules Committee of the house considering the bill for a determination. The Rules Committee may obtain such assistance as it may desire from the Legislative Counsel as to the similarity of a bill or amendments to a prior bill. This joint rule may be suspended by approval of the Rules Committee and three-fourths vote of the house.

(c) During a joint recess, the Chief Clerk or Secretary shall order the preparation of preprint bills when so ordered by any of the following:

(1) The Speaker.

(2) The Committees on Rules of the respective houses

(3) A committee with respect to bills within the subject matter jurisdiction of the committee.

Preprint bills shall be designated as such and shall be printed in the order received and numbered in the order printed. To facilitate subsequent amendment, preprint bills shall be so prepared that when introduced as a bill, the page and the line numbers will not change. The Chief Clerk and Secretary shall publish a list periodically of such preprint bills showing the preprint bill number, the title, and the Legislative Counsel's Digest. The Speaker and Senate Rules Committee may refer preprint bills to committee for study.

(d) On April 15 of each year, the Legislative Counsel shall record his request number of the last request for a bill draft received in his office by 5 o'clock of that day. The Chief Clerk and Secretary shall

not process a bill bearing a higher request number until May 16. This subdivision of this joint rule may be suspended as to a particular bill by approval of the Rules Committee and two-thirds vote of the house. The intent of this provision is to allow time for the 30-day waiting period and to permit hearings on bills in the policy committee before the June 15 deadline, with respect to bills that are intended to take effect at the end of the first year of the two-year session. With respect to the second year, it is intended to facilitate the orderly processing of legislation. It shall not be construed as a limitation on the introduction of bills.

### 30-Day Waiting Period

55. No bill other than the Budget Bill may be heard or acted upon by committee or either house until the bill has been in print for 30 days. The date a bill is returned from the printer shall be entered in the history. This rule may be suspended concurrently with the suspension of the requirement of Section 8 of Article IV of the Constitution or if such period has expired, this rule may be suspended by approval of the Rules Committee and two-thirds vote of the house in which the bill is being considered. If this rule is suspended, such suspension shall also suspend subdivision (d) of Joint Rule 54, if applicable. This rule shall not apply to joint or concurrent resolutions.

### Return of Bills

56. Bills introduced in the first year of the regular session and passed by the house of origin on or before the January 30th constitutional deadline are "carryover bills." Immediately after January 30, bills introduced in the first year of the regular session that do not become "carryover bills" shall be returned to the Chief Clerk of the Assembly or Secretary of the Senate, respectively.

### Appropriation Bills

57. Appropriation bills that may not be sent to the Governor shall be held, after enrollment, by the Chief Clerk of the Assembly or Secretary of the Senate, respectively. The bills shall be sent to the Governor immediately after the Budget Bill has been enacted.

### Urgency Clauses

58. An amendment to add a section to a bill to provide that the act shall take effect immediately as an urgency statute shall not be adopted unless the author of the amendment has first secured the approval of the Rules Committee of the house in which the amendments are offered.

## Vetoes

58.5. The Legislature may consider a Governor's veto for only 60 days, not counting days when the Legislature is in joint recess.

## Publications

59. During periods of joint recess, weekly, at least, the following documents shall be published: files, histories, and journals showing, among other matters, committee consideration, committee action, assignment of subjects of study to committees, attendance of members at committee meetings, notices of scheduled hearings, and other appropriate matters.

## Hearings in Sacramento

60. (a) No standing committee or subcommittee thereof may take action on a bill at any hearing held outside of Sacramento.

(b) A committee may hear the subject matter of a bill during a period of recess. Nine days' notice in the daily file after its publication is required prior to any such hearing.

(c) No bill may be acted upon by a committee during a joint recess.

## Deadlines

61. (a) Bills in the house of origin not acted upon by the deadlines imposed by subdivisions (b) and (c) of this rule may be passed by the house during the session when the session reconvenes after the Legislature's interim study joint recess, or any time the Legislature is recalled from such joint recess.

(b) After June 15, no committee of either house other than the fiscal and Rules Committees of each house may report for passage a bill introduced in that house.

(c) After August 15, the fiscal committee of each house may not report for passage a bill introduced in that house.

(d) The deadlines imposed by this rule shall not apply to urgency bills.

(e) This rule may be suspended as to any particular bill by approval of the Rules Committee and two-thirds vote of the members of the house.

## Committee Procedure

62. (a) Notice of a hearing on a bill by the committee of first reference in each house shall be published in the file at least six days prior to the hearing. Otherwise, notice shall be published in the file two days prior to the hearing. Such notice may be waived by a majority vote of the house in which the bill is being considered. A bill

may be set for hearing in a committee only three times. A bill is "set" for purposes of this subdivision whenever notice of the hearing has been published in the file for one or more days. If a bill is set for hearing, and the committee, on its own initiation and not the author's, postpones the hearing on the bill, such hearing shall not be counted as one of the three times a bill may be set. After hearing the bill, the committee may vote on the bill. If the hearing notice in the file specifically indicates that "testimony only" will be taken, such hearing shall not be counted as one of the three times a bill may be set. A committee may not vote on a bill so noticed until it has been heard in accordance with this rule. After a committee has voted on a bill, reconsideration may be granted only one time. Reconsideration may be granted within 15 days or prior to the interim study joint recess, whichever first occurs. A vote on reconsideration cannot be taken without the same notice required to set a bill unless such vote is taken at the same meeting at which the vote to be reconsidered was taken and the author is present. When a bill fails to get the necessary votes to pass it out of committee or upon failure to receive reconsideration, it shall be returned to the Chief Clerk of the Assembly or Secretary of the Senate of the house of the committee and may not be considered further during the session.

This subdivision may be suspended with respect to a particular bill by approval of the Rules Committee and two-thirds vote of the members of the house.

(b) If the committee adopts amendments other than those offered by the author and orders the bill reprinted prior to its further consideration, the hearing shall not be the final time a bill may be set under subdivision (a) of this rule.

(c) When a standing committee takes action on a bill, the vote shall be by rollcall vote only. All rollcall votes taken by a standing committee shall be recorded by the committee secretary on forms provided by the Chief Clerk of the Assembly and the Secretary of the Senate. The chairman or chairwoman of each standing committee shall promptly transmit a copy of the record of the rollcall votes to the Chief Clerk of the Assembly or the Secretary of the Senate, respectively, who shall cause the votes to be published as prescribed by each house.

"Bill" as used in this subdivision shall include constitutional amendments but shall not include resolutions, except those relating to voting procedures on the floor or in committee. The provisions of this subdivision shall also apply to action of a committee on a subcommittee report. The rules of each house shall prescribe the procedure as to rollcall votes on amendments.

Any committee may, with the unanimous consent of the members present, substitute a rollcall from a prior bill, provided that the members whose votes are substituted are present at the time of the substitution.

At no time shall a bill be passed out by a committee without a

quorum being present.

The provisions of this subdivision shall not apply to:

(1) Procedural motions which do not have the effect of disposing of a bill.

(2) Withdrawal of a bill from a committee calendar at the request of an author.

(3) Return of bills to the house where the bills have not been voted on by the committee.

(4) The assignment of bills to committee.

(d) The chairman or chairwoman of the committee hearing a bill, may, at any time, order a call of the committee. Upon a request by any member of a committee or the author in person, the chairman or chairwoman shall order the call.

In the absence of a quorum a majority of the members present may order a quorum call of the committee and compel the attendance of absentees. The chairman or chairwoman shall send the Sergeant at Arms for those members who are absent and not excused by their respective house.

When a call of a committee is ordered by the chairman or chairwoman with respect to a particular bill, he or she shall send the Sergeant at Arms or any other person to be appointed for that purpose for those members who have not voted on that particular bill and are not excused.

A quorum call or a call of the committee with respect to a particular bill may be dispensed with by the chairman or chairwoman without objection by any member of the committee, or by a majority of the members present.

If a motion is adopted to adjourn the committee while the committee is operating under a call, the call shall be dispensed with and any pending vote announced.

The committee secretary shall record the votes of members answering a call. The rules of each house may prescribe additional procedures for a call of a committee.

## Uniform Rules

63. No standing committee of either house shall adopt or apply any rule or procedure governing the voting upon bills which is not equally applicable to the bills of both houses.

## Votes on Bills

64. Every meeting of each house and standing committee or subcommittee thereof where a vote is to be taken on a bill, or amendments to a bill, shall be public.

Conflicting Rules

65. The provisions of Rule 50 and following of these rules prevail over any conflicting joint rule with a lesser number.

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## RESOLUTION CHAPTER 33

*Assembly Concurrent Resolution No. 25—Relative to a Frank P. Belotti Memorial Redwood.*

[Filed with Secretary of State April 12, 1973 ]

WHEREAS, When the new Highway 101 freeway in southern Humboldt County was completed, the late Assemblyman Frank P. Belotti sponsored legislation which retained the old highway through the redwood parks in the state-maintained system with the name of the "Avenue of the Giants"; and

WHEREAS, It would thus be fitting to plant a noble Sequoia sempervirens in Capitol Park in tribute to the memory of that distinguished legislator and public servant; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the members request the Department of General Services to plant a Sequoia sempervirens in Capitol Park in memory of Frank P. Belotti; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit a copy of this resolution to the Director of General Services.

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## RESOLUTION CHAPTER 34

*Senate Concurrent Resolution No. 25—Relative to memorializing Ray W. Hays.*

[Filed with Secretary of State April 23, 1973 ]

WHEREAS, The Members of the Senate were deeply grieved to learn of the passing of Ray W. Hays, a most distinguished soldier, state legislator, attorney, grandfather, and citizen of California, who gave much of his active life in the service of his state and his country; and

WHEREAS, He was born in Mineral Point, Wisconsin, on July 9, 1889, and moved with his family to California where they bought a farm near Clovis in 1890; and

WHEREAS, Ray Hays received his BA in 1911 and his JD in 1913 from the University of California, practicing law in San Francisco and Fresno before enlisting in the Army in 1916; and

WHEREAS, He served in General Pershing's Mexican expedition, and in 1917 reentered the Army's 91st Infantry Division in World

War I and took part in all its campaigns in Belgium and France; and

WHEREAS, He was discharged a captain at war's end, returned to his law practice in Fresno, and was later instrumental in forming the 185th Infantry Regiment of the California National Guard; and

WHEREAS, His regiment was called to active duty in March 1941, and two years later he was appointed Adjutant General of the State of California with the rank of brigadier general; and

WHEREAS, Ray Hays also served as a member of the State Senate from 1930 to 1942, and as inheritance tax appraiser from 1946 to 1958; and

WHEREAS, He was, during his active and varied career, a member of the Masons, Elks, and Fresno Lions Clubs; and

WHEREAS, He was the devoted husband of Marie Hays, and together they raised two sons, James and Robert, who are both attorneys, and two daughters, the present Mrs. Lee Lassotovitch and Mrs. Sally O'Neill, and is survived by 11 grandchildren; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the members join in memorializing an outstanding Californian and a loving husband and father, Ray W. Hays, and desire by this resolution to convey sincere condolences to his family; and be it further

*Resolved,* That the Secretary of the Senate transmit a suitably prepared copy of this resolution to Mrs. Marie Hays.

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## RESOLUTION CHAPTER 35

*Assembly Concurrent Resolution No. 58—Relative to the anniversary of the Cinco de Mayo as Mexican-American Week.*

[Filed with Secretary of State April 26, 1973 ]

WHEREAS, While the United States was engaged in the tragic Civil War testing the principle upon which this nation was founded, that "all men are created equal . . . that they are endowed by their Creator with certain inalienable rights," its neighbor, the Republic of Mexico, was invaded by an army of foreign troops from Europe; and

WHEREAS, This invading foreign army was met at Guadalupe Hill near the City of Puebla on the fifth day of May 1862, by an outnumbered and untrained Mexican force, under the command of Ignacio Zaragoza; and

WHEREAS, The soldiers of Mexico through their great courage and self-sacrifice defeated this invading force in this great battle; and

WHEREAS, This victory stands as an encouragement and a symbol in the long struggle of Mexico against this foreign invader which eventually culminated in the ousting of a monarchy, which was established by these foreign troops, and the reestablishment of

Mexico as a sovereign independent nation; and

WHEREAS, Cinco de Mayo has since been celebrated the world over as a day symbolizing the opposition of free peoples to foreign domination and triumph of freedom over oppression; and

WHEREAS, This day is recorded in the annals of history along with the Fourth of July and Bastille Day as one of the great days in the advancement of human liberty and self-government; and

WHEREAS, Concerned citizens of Mexican ancestry will be observing the 111th anniversary of this event and will commemorate the triumph at Guadalupe Hill, Cinco de Mayo; and

WHEREAS, Numerous Chicano organizations and the Spanish-speaking community will sponsor appropriate observances during the week of Cinco de Mayo; and

WHEREAS, During this week it will be fitting for all Californians to contemplate the historical contributions of Mexican culture and character to the history of this state which enriched and advanced our multiracial culture and to acknowledge the contributions of Mexican-American citizens in areas of education, labor, industry, government, and the professions; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Legislature hereby proclaims April 29 through May 5, 1973, as "Mexican-American Week" in California and further urges the California public schools to sponsor appropriate programs during this week and urges all the people of this state to take advantage of this opportunity to learn the role that the Mexican culture has played in the development of the United States and the State of California; and be it further

*Resolved,* That the Members of the Legislature of the State of California extend, on behalf of the people of this state, their congratulations and felicitous greetings to our Mexican-American citizens and our neighbors to the south in the Republic of Mexico on the anniversary of the Battle of Guadalupe, Cinco de Mayo, and convey to them our warmest expression of friendship; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit suitably prepared copies of this resolution to Assemblymen Alatorre, Chacon, Garcia, Gonzales, and Montoya for appropriate distribution.

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## RESOLUTION CHAPTER 36

*Assembly Joint Resolution No. 13—Relative to retirement compensation.*

[Filed with Secretary of State April 30, 1973 ]

WHEREAS, In accordance with Public Law 92-603, the state's program of aid to the aged will become a federal program with state supplementation; and

WHEREAS, Such supplemental income for the recipients' security could be misconstrued as simply public assistance to the elderly; and

WHEREAS, There could perhaps be a certain stigma attached to the use of the title "Old Age Assistance or Pension"; and

WHEREAS, Such a title certainly would not tend to build morale for our senior citizens, or others receiving such retirement compensation because of a disability not related to age; 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 memorializes the Congress of the United States to consider renaming this program "Citizens Retirement Income"; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 37

*Senate Concurrent Resolution No. 28—Relative to memorializing Della Bradley.*

[Filed with Secretary of State May 1, 1973 ]

WHEREAS, Della Bradley, wife of State Senator Clark L. Bradley, passed away on March 7, 1973, in a San Jose hospital, following a long illness; and

WHEREAS, The Senator, who was at her side when she passed on, took her as his wife in 1967, after she had served as his administrative assistant in Sacramento for four years; and

WHEREAS, Previously she had been secretary and administrative assistant for about 14 years to Senator Bradley's predecessor; and

WHEREAS, Born November 15, 1919, in Scipio, Utah, Mrs. Bradley attended secretarial school in her native Utah, worked for the United States Navy as a civilian secretary on Treasure Island and for the Army Air Corps at Monterey during World War II; and

WHEREAS, She was a devout member of the Church of Jesus Christ of Latter Day Saints; and

WHEREAS, Mrs. Bradley pursued her hobby of gardening avidly and had developed extremely successful talents in that pursuit, adding to the beauty of the world; and

WHEREAS, She is also survived by her mother, Mrs. Dora Bradfield of Scipio, Utah, a brother, Dr. Terry Bradfield of Sacramento, two sisters, Mrs. Leona Hunter of Ogden, Utah, and Mrs. Bonnie Bosh of

Levan, Utah; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the members express their deepest sympathies at the passing of Della Bradley and extend their sincerest condolences to her bereaved family and especially their fellow legislator Senator Clark L. Bradley; and be it further

*Resolved,* That a suitably prepared copy of this resolution be transmitted to Senator Clark L. Bradley, Mrs. Dora Bradfield, Dr. Terry Bradfield, Mrs. Leona Hunter, and Mrs. Bonnie Bosh.

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## RESOLUTION CHAPTER 38

*Assembly Concurrent Resolution No. 35—Relative to the creation of the Joint Committee on Sir Francis Drake Celebration.*

[Filed with Secretary of State May 1, 1973.]

WHEREAS, The 400th anniversary of Sir Francis Drake's historic circumnavigation of the earth in the years 1577 to 1580 will be internationally celebrated; now, therefore, be it

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

1. The Joint Committee on Sir Francis Drake Celebration is hereby created and authorized and directed to ascertain, study, and analyze all facts relating to the subject of participation by the state in the celebration of the 400th anniversary of Sir Francis Drake's circumnavigation of the earth, 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 consist of three Members of the Senate, appointed by the Committee on Rules thereof, and three Members of the Assembly, appointed by the Speaker thereof. Vacancies occurring in the membership of the committee shall be filled by the appointing power.

3. The committee is authorized to act until, and with authority to file its final report not later than, February 1, 1974.

4. The committee and its members shall have and exercise all of the rights, duties, and powers conferred upon investigating committees and their members by the provisions of the Joint Rules of the Senate and Assembly as they are adopted and amended from time to time, which provisions are incorporated herein and made applicable to this committee and its members.

5. The committee has the following additional powers and duties:

(a) To contract with such other agencies, public or private, as it deems necessary for the rendition and affording of such services, facilities, studies, and reports to the committee as will best assist it

to carry out the purposes for which it is created.

(b) To report its findings and recommendations to the Legislature and to the people from time to time and at any time, not later than herein provided.

(c) To do any and all other things necessary or convenient to enable it fully and adequately to exercise its powers, perform its duties, and accomplish the objects and purposes of this resolution.

(d) To accept donations or grants of money, property, or personal services.

6. The committee shall not expend moneys from any source other than donations.

7. The committee shall appoint an advisory commission consisting of a president and 24 members. Membership on the advisory commission shall consist of representatives of any governmental or private agency or institution that has a historical interest in Sir Francis Drake, and shall include men and women of good reputation, who are civic, business, and government leaders, academicians, cognoscenti, liberati, and others who have an avid interest in Sir Francis Drake and who subscribe to the great good appertaining from his accomplishments. The advisory commission shall elect from its membership a vice president, a secretary, and a treasurer.

8. The advisory commission shall study and give its recommendations as to the advisability of planning and executing, in celebration and commemoration of the voyage of Sir Francis Drake, publications, including books, maps, broadsides, pamphlets, and other documents; plays, parades, pageants, programs, and other public events; exhibitions and displays; voyages; and radio and television programs; and the commissioning of writings and works of art. The advisory commission shall study and give its advice regarding proposals for executing publicity and promotion in celebration and commemoration of the voyage with particular reference to its significance in world history and with special reference to the role of Sir Francis Drake in California.

9. Neither the committee nor the advisory commission shall lend its name or prestige to commercial ventures, including, but not limited to, the manufacture and sale of bracelets and replicas. Further, the committee shall not by any of its actions or activities or by actions or activities commissioned by it, designate or attempt to designate any single site as the actual location of the landing of Sir Francis Drake in California, unless or until such site is designated by the Historical Landmarks Advisory Committee.

10. The members of the committee and of the advisory commission may travel within or without the state in the performance of their duties.

# RESOLUTION CHAPTER 39

*Senate Concurrent Resolution No. 7—Relative to the California Law Revision Commission.*

[Filed with Secretary of State May 3, 1973 ]

WHEREAS, Section 10335 of the Government Code provides that the California Law Revision Commission shall file a report at each regular session of the Legislature which shall contain a calendar of topics selected by it for study, including a list of the studies in progress; and

WHEREAS, The commission in its annual report covering its activities for 1972 lists the following topics, all of which the Legislature has previously authorized or directed the commission to study, as studies in progress:

Topics Under Active Consideration

(1) Whether the law relating to attachment, garnishment, execution, repossession of property (including the claim and delivery statute, Chapter 2 (commencing with Section 509) of Title 7 of Part 2 of the Code of Civil Procedure, self-help repossession of property, and the Commercial Code repossession of property provisions), civil arrest, confession of judgment procedures, default judgment procedures, and related matters should be revised;

(2) Whether the law and procedure relating to condemnation should be revised with a view to recommending a comprehensive statute that will safeguard the rights of all parties to such proceedings;

(3) Whether the law relating to the right of nonresident aliens to inherit should be revised;

(4) Whether the law relating to liquidated damages in contracts generally, and particularly in leases, should be revised;

(5) Whether Section 1698 of the Civil Code (oral modification of a written contract) should be repealed or revised;

(6) Whether the law relating to the rights and duties attendant upon termination or abandonment of a lease should be revised;

Other Topics Authorized for Study

(1) Whether the law relating to custody of children, adoption, guardianship, freedom from parental custody and control, and related matters should be revised;

(2) Whether the law relating to nonprofit corporations should be revised;

(3) Whether the various sections of the Code of Civil Procedure relating to partition should be revised and whether the provisions of the Code of Civil Procedure relating to the confirmation of partition

sales and the provisions of the Probate Code relating to the confirmation of sales of real property of estates of deceased persons should be made uniform and, if not, whether there is need for clarification as to which of them governs confirmation of private judicial partition sales;

(4) Whether the parol evidence rule should be revised;

(5) Whether the law relating to the award of prejudgment interest in civil actions and related matters should be revised;

(6) Whether the law relating to arbitration should be revised;

Topics Continued on Calendar for Further Study

(1) Whether the doctrine of sovereign or governmental immunity in California should be abolished or revised;

(2) Whether the Evidence Code should be revised;

(3) Whether the decisional, statutory, and constitutional rules governing the liability of public entities for inverse condemnation should be revised (including but not limited to liability for damages resulting from flood control projects) and whether the law relating to the liability of private persons under similar circumstances should be revised;

(4) Whether the law relating to counterclaims and cross-complaints should be revised;

(5) Whether the law relating to joinder of causes of action should be revised;

(6) Whether the law relating to the escheat of property and the disposition of unclaimed or abandoned property should be revised;

(7) Whether the law relating to a power of appointment should be revised;

(8) Whether the law relating to suit by and against partnerships and other incorporated associations should be revised and whether the law relating to the liability of such associations and their members should be revised; and

WHEREAS, The commission in its annual report covering its activities for 1972 has recommended that the following topics, previously approved for study, be removed from its agenda:

(1) Whether the law relating to the use of fictitious names should be revised;

(2) Whether the law relating to quasi-community property and property described in Section 201.5 of the Probate Code should be revised; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the Legislature approves the topics listed above as studies in progress for continued study by the California Law Revision Commission and approves the removal from the commission's agenda of the topics listed above that the commission has recommended be removed from its agenda; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the California Law Revision Commission.

## RESOLUTION CHAPTER 40

*Assembly Joint Resolution No. 6—Relative to the Channel Islands National Monument.*

[Filed with Secretary of State May 7, 1973 ]

WHEREAS, The Channel Islands National Monument consists of Anacapa and Santa Barbara Islands; and

WHEREAS, California coastal sites in Ventura County are being considered by the National Park Service for the construction of a headquarters for its operations involving the islands and as a gateway to the islands; and

WHEREAS, Federal funding is necessary for the development of whatever site is designated as gateway and headquarters for the Channel Islands National Monument; 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 memorializes the President and the Congress of the United States to support and enact legislation to provide federal funds for the development of a California coastal site as a gateway to the Channel Islands National Monument and as headquarters for National Park Service operations involving the islands; and be it further

*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Director of the National Park Service, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 41

*Assembly Joint Resolution No. 22—Relative to United States Senate Bill 630 concerning the United States mail.*

[Filed with Secretary of State May 9, 1973 ]

WHEREAS, Senator Gaylord Nelson has introduced legislation in Congress to encourage and support the dissemination of news, opinion, scientific, cultural, and educational matter through the mails; and

WHEREAS, From this country's inception, the national leadership has recognized that the essential service of educating the American people is best served by the widest distribution of newspapers, periodicals, and journals; and

WHEREAS, The "little press", the thousands of daily and weekly newspapers, opinion magazines and independent journals, whose role is to supplement the mass media by giving the public a source of new information concerning untested ideas, minority thoughts,

and the wide range of human experience, has always been a part of the democratic tradition; and

WHEREAS, Congress for 178 years has encouraged the education of the American people through the widest distribution of newspapers and periodicals by means of a national subsidy in the form of lower postal rates; and

WHEREAS, The National Commission on the Causes and Prevention of Violence recommended in 1969 that private and governmental institutions encourage the development of competing news media and discourage increased concentration of control over existing media; and

WHEREAS, In a time of great national controversy when a free and diverse flow of information is demanded, the small papers and independent journals of this country have been saddled with an oppressive increase of 143 percent in postal rates; and

WHEREAS, Senator Nelson's legislation would freeze the postal rates of the first 250,000 issues of newspapers and magazines at the level of June 1, 1972, and to require that any increase in the second-class postal rates over the 250,000-issue level would be phased in during a 10-year period; 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 memorializes the Congress and President of the United States to support Senator Nelson's legislation with its commendable goals; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 42

*Assembly Concurrent Resolution No. 19—Relative to the Joint Committee on Siting of Teaching Hospitals.*

[Filed with Secretary of State May 15, 1973.]

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Joint Committee on Siting of Teaching Hospitals is continued in existence until June 30, 1974, notwithstanding the provisions of any prior concurrent resolution affecting such committee. The committee shall continue to have the powers and duties granted and imposed by the resolution creating or continuing it. The committee may expend any funds heretofore or hereafter made available and further allocations may be made by the Joint Rules Committee; provided that, in accordance with Joint Rule 36.8, any expenditure of funds shall be made in compliance with

policies set forth by the Joint Rules Committee and shall be subject to the approval of the Joint Rules Committee.

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## RESOLUTION CHAPTER 43

*Assembly Concurrent Resolution No. 40—Relative to compiling a history of women in the State Legislature.*

[Filed with Secretary of State May 15, 1973 ]

WHEREAS, It is important that the citizens of this nation be aware of the part women legislators have played in the history of state legislative bodies; and

WHEREAS, The members of the National Order of Women Legislators have called upon each and every state legislature in the United States to compile a history of all women who have served and who are serving in their legislative bodies since the beginning of its history; and

WHEREAS, The purpose of these state histories of women legislators will be for inclusion in a book for publication by the National Order of Women Legislators before the nation's 200th anniversary; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the members readily concur with the National Order of Women Legislators in the need for compiling a history of women legislators to make citizens more aware of the important role women have played in the nation's history; and be it further

*Resolved,* That the Joint Rules Committee shall have the history of women legislators in California compiled for inclusion in the national compilation; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit a copy of this resolution to the National Order of Women Legislators.

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## RESOLUTION CHAPTER 44

*Assembly Joint Resolution No. 11—Relative to acquiring land in the Lake Tahoe Basin for public purposes.*

[Filed with Secretary of State May 16, 1973 ]

WHEREAS, The Fibreboard Corporation is offering to the United States Forest Service, United States Department of Agriculture, 10,120 acres of land lying mainly within the Lake Tahoe Basin, in exchange for national forest timber in the State of California; and

WHEREAS, The County of Placer has approved this transaction by

resolution dated January 23, 1973, as being in the interest of Placer County; and

WHEREAS, The Tahoe Regional Planning Agency has approved this exchange by resolution dated January 24, 1973, as meeting the objectives of the Interstate Compact which was approved by this Legislature, the State of Nevada, and ratified by the Congress of the United States; and

WHEREAS, The Congress of the United States, in approving the Tahoe Regional Planning Compact between the States of California and Nevada directed the Secretary of Agriculture to cooperate with the regional agency in all respects compatible with the duties of his department in attaining the goals for the Lake Tahoe region; and

WHEREAS, The acquisition by the United States Forest Service of the lands offered by the Fibreboard Corporation will materially aid the Tahoe Regional Planning Agency in achieving the goals under its adopted general plan for the Lake Tahoe Basin, will bring about more desirable land ownership patterns, provide additional recreational opportunities, protect the environmental qualities of the basin, and yield other public benefits; now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California, in recognition of the benefits which would arise from public ownership of the lands offered by the Fibreboard Corporation, urges the Secretary of Agriculture and the Chief of the United States Forest Service to give the utmost favorable consideration to the proposal and to expedite consummation of the proposed land exchange; and be it further

*Resolved,* That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to take appropriate steps to reimburse local governments for any loss of funds they would otherwise receive from the sale of the timber involved in such exchange; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of Agriculture, the Chief of the United States Forest Service, the Regional Forester for the California Region of the United States Forest Service, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 45

*Assembly Joint Resolution No. 16—Relative to the retirement benefits of prisoners of war.*

[Filed with Secretary of State May 16, 1973 ]

*Resolved by the Assembly and Senate 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 enact statutes providing two years of retirement credit for each year of imprisonment for veterans of the Vietnam War; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 46

*Assembly Concurrent Resolution No. 17—Relative to the California hunt for the handicapped child.*

[Filed with Secretary of State May 16, 1973 ]

WHEREAS, There exists a need to identify all of the handicapped of California who are not presently served; and

WHEREAS, A united citizens' group will undertake and maintain a campaign and registry as a basis for seeking assistance for these handicapped citizens; and

WHEREAS, Cooperation of all California public and private agencies is imperative to the success of the "Hunt for the Handicapped Child in California"; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the members pledge support in this humanitarian effort, thereby exemplifying leadership in urging all California citizens to join in the "Hunt for the Handicapped Child."

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## RESOLUTION CHAPTER 47

*Senate Joint Resolution No. 13—Relative to payments to members of the Philippine Scouts.*

[Filed with Secretary of State May 22, 1973 ]

WHEREAS, Legislation has been introduced in the Congress of the United States, by Congressman Talcott, to provide adequate benefits for members and survivors of the Philippine Scouts; and

WHEREAS, The battlefields of Bataan and Corregidor are living testimony to the heroism and valor of the Philippine Scouts during World War II; and

WHEREAS, The Philippine Scouts were established in 1901 as part of the United States Army after valiantly serving the Army as guides

and as fighting men; and

WHEREAS, In World War II, members of the Philippine Scouts were permitted to and did enlist in the United States Army, and served side by side with the American Soldiers in the fight for democracy; now, therefore, be it

*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California supports legislation to provide adequate benefits for members and survivors of the Philippine Scouts, and urges the Congress of the United States to enact such legislation; and be it further

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

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## RESOLUTION CHAPTER 48

*Assembly Concurrent Resolution No. 90—Approving a certain amendment to the Charter of the City of Pasadena, State of California, ratified by the qualified electors of said city at a special municipal election held therein on April 17, 1973.*

[Filed with Secretary of State May 23, 1973.]

WHEREAS, The City of Pasadena, a municipal corporation in the County of Los Angeles, State of California, contains a population of over 50,000 inhabitants, and has been, ever since the year 1901, and now is, organized, existing and acting under and by virtue of a freeholders' charter, adopted under and by virtue of Section 3, Article XI, of the Constitution of the State of California, which charter was duly ratified by a majority of the qualified electors of said city at a special election held for that purpose on the 20th day of November, 1900, and approved by the Legislature of the State of California, on the 29th day of January, 1901 (Statutes of 1901, page 884), and amendments thereto duly ratified by the qualified voters of said city and approved by resolutions of said Legislature as set out in the certificate of the Chairman of the Board of Directors and City Clerk of said City of Pasadena, hereinafter set forth; and

WHEREAS, Proceedings have been had for the proposal, adoption and ratification of one amendment to the Charter of said City of Pasadena, as set out in the certificate of the Chairman of the Board of Directors and City Clerk of said City of Pasadena, as follows, to wit:

## CERTIFICATE OF RATIFICATION BY ELECTORS OF THE CITY OF PASADENA OF ONE CHARTER AMENDMENT

State of California
County of Los Angeles } ss
City of Pasadena

We, the undersigned, Donald F. Yokaitis, Chairman of the Board of Directors of the City of Pasadena, State of California, and Harriett C. Jenkins, City Clerk of said city, do hereby certify and declare as follows:

That the City of Pasadena, a municipal corporation in the County of Los Angeles, State of California, now is and at all times herein mentioned was a city containing a population of more than 3,500 inhabitants, and now has a population of over 50,000 inhabitants, and ever since the year 1901 has been and now is organized, existing and acting under and by virtue of a freeholders' charter, adopted under and by virtue of Section 3 of Article XI of the Constitution of the State of California, which charter was duly ratified by a majority of the qualified electors of said city at a special election held for that purpose on the 20th day of November, 1900, and approved by the Legislature of the State of California, on the 29th day of January, 1901 (Statutes of 1901, page 884), and amendments thereto duly ratified by the qualified voters of said city and approved by the Legislature.

That in accordance with the provisions of Section 8 of Article XI of the Constitution of the State of California, the Board of Directors of the City of Pasadena, being the legislative body thereof, on its own motion, by Ordinance No. 5105 adopted by said board on the 27th day of February, 1973, duly and regularly proposed that there be submitted to the qualified electors of the City of Pasadena one proposal for the amendment of the Charter of said city, designated as Proposition "A", to be voted upon by said qualified electors at a special election called and held for that purpose in said city on the 17th day of April, 1973. That said election was duly and regularly called, authorized and provided for by said Board of Directors by Resolution No. 1687, adopted on the 13th day of March, 1973, which said resolution called said special election, for the submission of said amendment, to be held in said city on the 17th day of April, 1973, and that by said resolution the said special election was by said Board of Directors duly and regularly consolidated with the general municipal election to be held on said date. That said election was duly and regularly called and held on said 17th day of April, 1973, which day was not less than forty, and not more than sixty days after the completion of the publication and advertising of the proposed amendments aforesaid in the official newspaper.

That said proposed amendments were published and advertised in accordance with Section 3 of Article XI of the Constitution of the State of California, and in accordance with the provisions of the Charter of the City of Pasadena in the Pasadena Star-News, a daily

newspaper of general circulation, published in said City of Pasadena, and the official newspaper of said city and in each edition thereof during the day of publication.

That copies of said proposed amendment were printed in convenient pamphlet form and in type of not less than ten point, and until the day fixed for the said election, and as required by Section 3 of Article XI of the Constitution and by the Charter of the City of Pasadena, a notice was advertised and published in the Pasadena Star-News, the same being a newspaper of general circulation in said city, that copies thereof might be had upon application therefor at the office of the City Clerk of the City of Pasadena

That such copies could be had upon application therefor at the office of the City Clerk of said city until the day fixed for said election. That a copy thereof was mailed to each of the qualified electors of said city as required by law.

That in accordance with the provisions of Section 3 of Article XI of the Constitution and of the Charter of said City of Pasadena and said ordinances of the legislative body thereof, said special election was held in the said City of Pasadena on the 17th day of April, 1973, and that pursuant to the provisions of Section 3 of Article XI of the Constitution and of said Charter and said ordinance and resolution the said proposed Charter amendment was submitted to the qualified electors of said city for their ratification at said election, and that at said election a majority of the qualified electors voting thereon voted in favor of the ratification of and did ratify the said proposed amendment to the Charter of said city hereinafter set forth.

That, in accordance with law, the City Clerk of the City of Pasadena, did duly and regularly canvass the returns of said election and on the 24th day of April, 1973, did certify to the Board of Directors of the City of Pasadena the result of such canvass; that said Board of Directors on the 1st day of May, 1973, did duly find, determine and declare the result of said special election as determined from the canvass of the returns thereof aforesaid to be that a majority of the qualified electors of said city voting on said proposed amendment had voted for, ratified and adopted said amendment.

That the said amendment to the Charter so ratified by the electors of the City of Pasadena are in words and figures as follows:

Proposition "A"

Section 1. Section 1503 of the Charter of the City of Pasadena is amended to read:

"Section 1503. Actuarial Tables, Rates and Valuations. The mortality, service and other tables and rates of contributions for members as recommended from time to time by the actuary and the valuations determined by him from time to time and approved by the Retirement Board shall be final and conclusive and the

contributions of the City and members to the Retirement System shall be based thereon.

The actuary shall, in valuing the system for any purpose hereunder, reflect as an asset all moneys in the unallocated interest earnings in excess of 2 per cent of total assets excluding unallocated interest earnings."

Section 2. Section 1504 of the said Charter is amended by amending subsections (a), (b), (d), (f), and (m) to read:

"(a) "Compensation", as distinguished from benefits under the Workmen's Compensation laws of the State of California, shall mean the remuneration prescribed by the city in cash, without deduction except for absence from duty, for time during which the member, as herein defined, receiving such remuneration is in the employ of the city. Compensation based on overtime put in by a member shall be excluded from all computations in which compensation is a factor.";

"(b) "Service" shall mean time during which a member is employed by city for compensation, excluding compensated time prior to becoming a member. Absence from duty without compensation due to any cause other than disability retirement as hereinafter provided, shall not be deemed service for the city. The legislative body, however, may fix the number of months per year to be required for a year of service and proportionate parts thereof, but not more than one year shall be credited for all service in any year.";

"(d) "Retirement allowance", "death allowance", or "allowance" shall mean equal monthly payments for life unless a different term of payment is provided by the context, provided that any person to whom or on whose account benefits are payable, may elect to have the actuarial equivalent of the portion of such benefits which is not continued automatically to the member's surviving spouse or children, paid in different form, all subject to such restrictions, regulations and conditions as may be prescribed by the legislative body, but the action of the legislative body shall not prevent such benefits when elected by a member, from taking the form of cash refund annuities, as applied to the member's accumulated contributions only, or reversionary annuities, these terms to have the meaning commonly accepted in standard life insurance practice.";

"(f) "Final compensation" shall mean the highest average monthly compensation earnable by a member during any period of 12 consecutive months. In the calculation of "final compensation", periods of service separated by breaks in service may be aggregated to constitute a period of 12 consecutive months, if the periods of service are consecutive except for such breaks. If a break in service did not exceed 6 months in duration, time included in the break and compensation earnable during such time shall be included in the computation of final compensation. If a break in service exceeded 6 months in duration, only the first 6 months thereof and the compensation earnable during those 6 months shall be included in the computation of final compensation. For the purposes of this

paragraph, absence from duty without compensation, because of disability retirement, is not a break in service."; and

"(m) For the purposes of the Retirement System, "member of the Fire Department" or "member of the Police Department", shall include any officer or employee of either of such departments whose principal duties are to prevent and extinguish fire or to preserve the peace, prevent injury to life and property, or to suppress crime or disorder, and shall exclude persons whose principal duties are those of civilian personnel such as, but not limited to, administrative analyst, training coordinator, technical specialist, housing inspector, telephone operator, clerk or stenographer, machinist or mechanic, or other similar duties clearly not falling within the foregoing regular fire or police duties, even though such persons may be called upon occasionally to perform such regular fire or police duties; provided that the foregoing exclusions shall not apply to members of the System who are reassigned to perform any of the excluded duties or transferred to another City department. After the effective date hereof, the maximum age at which any person, except a person employed as Chief of the Fire Department or Chief of the Police Department may become or reenter as a member of either the Fire or Police Department, shall be thirty-four years notwithstanding any of the other provisions of this Charter".

Section 3. Section 1504 of the said Charter is further amended by adding subsections (n) and (o) to read:

"(n) Spouse shall mean a male or female person legally married to a member and otherwise entitled to benefits as further provided herein"; and

"(o) "Handicapped Dependent Child" shall mean an unmarried natural child or an unmarried legally adopted child of a member who is physically or mentally handicapped as determined by standards established by ordinance, and who prior to reaching 21 years of age was so handicapped. Provided, that in order to be eligible for any benefits herein, an adopted handicapped dependent child must have been legally adopted by the member not less than 12 months preceding the retirement of the member or be legally adopted by the member at the time of his or her death occurring prior to retirement."

Section 4. Section 1507 of the said Charter is amended to read:

"Section 1507. Reduction of Benefits. That portion of any allowance or other benefit which is provided by contributions of the City, payable by the Retirement System because of the death or retirement of any member, shall be reduced, in the manner fixed by the legislative body, by the amount of any pension, except social security payments or pensions paid on account of service in the military or naval forces of the United States, paid to or on account of the death of such member, from funds of the United States, State of California or any political subdivision thereof, on account of, or on the basis of service credited under the Retirement System."

Section 5. Subsection (b) of Section 1509.15 of the said Charter

is amended to read:

"(b) The following table of age at retirement and actuarial equivalents shall be operative in whole or in part to the calculations set forth in subsection (a) of this Section when the cost to the City as contributions for current and past service (including benefits added by modification of the System from time to time), excluding contributions of City concerning charter provisions in effect prior to July 1, 1935, does not exceed 15.50 per cent of members' compensation paid during the said year the following table becomes operative. If as the result of a periodical actuarial valuation and investigation taking into consideration reductions in prior service obligations of City and the earnings of the Fund, the foregoing conditions are met, the Board of Directors shall, by ordinance or resolution, establish the effective date of the new retirement rates which date shall be within 90 days of the filing of the said actuarial report.

Said equivalents shall be applicable only to those members retiring after said valuation, investigation and determination by the said Board of Directors and subject to the formula and limitations of subsection (a) of this Section:

| Age at Retirement | Actuarial Equivalent |
|---|---|
| 52 | 1.1078 |
| 53 | 1.1692 |
| 54 | 1.2336 |
| 55 and over | 1.3099" |

Section 6. Section 1509.3 of the said Charter is amended to read:

"Section 1509.3. Service Connected Disability Retirement. Members shall be retired for disability, regardless of age or amount of service, if incapacitated for the performance of duty as the result of injury or illness incurred in the performance of duty. A member may accept a transfer or reassignment to another City department. Such transfer or reassignment shall not prejudice the member's right to such disability retirement upon his subsequent separation from service with the City. In event of reassignment, the member shall retain the classification held at time of reassignment and shall receive the salary attached to that classification."

Section 7. Section 1509.31 of the said Charter is amended to read:

"Section 1509.31. Service Connected Disability Retirement; Allowance. Upon retirement for disability resulting from injury or illness incurred in performance of duty, members shall receive a disability retirement allowance of 50 percentum of the member's final compensation. Provided, if such member might otherwise elect to retire for service at a greater retirement allowance pursuant to the provisions hereof, and should said member elect to receive a disability allowance, then the disability retirement allowance payable to the member shall be in an amount not less than that sum

the member would have received had an election been made to receive a retirement for service allowance. Such election shall be irrevocable by the member thereafter."

Section 8. Section 1509.32 of the said Charter is amended to read:

"Section 1509.32. Non-Service Connected Disability Retirement. Members shall be retired regardless of age but only after ten years of service to the city in either or both the Fire and Police Departments if incapacitated for the performance of duty as the result of an injury or illness not incurred in the performance of duty. A member may accept a transfer or reassignment to another City department. Such transfer or reassignment shall not prejudice the member's right to such disability retirement upon his subsequent separation from service with the City. In event of reassignment, the member shall retain the classification held at time of reassignment and shall receive the salary attached to that classification."

Section 9. Section 1509.33 of the said Charter is amended to read:

"Section 1509.33. Non-Service Connected Disability Retirement; Allowance. Upon retirement for disability resulting from injury or illness not incurred in the performance of duty, a member shall receive a disability retirement allowance of 1½ percentum of the member's final compensation, multiplied by the number of years of service credited to the member if such allowance exceeds ¼ of the member's final compensation; otherwise, 1½ percentum of the member's final compensation, multiplied by the number of years which would be creditable to the member were the member's service to continue until the member's attainment of the age of 55 years, but such allowance shall not exceed ¼ of the member's final compensation. If such member might otherwise elect to retire for service at a greater retirement allowance pursuant to the provisions hereof, he shall elect either the higher service retirement allowance or the disability retirement. Such election shall be irrevocable by the member thereafter."

Section 10. Section 1509.6 of the said Charter is amended to read:

"Section 1509.6. Retirement Allowance; Dependent Continuation of at Death of Member. (a) Upon the death of any member receiving a retirement allowance pursuant to the provisions of Sections 1509.1, 1509.12, 1509.15, 1509.33 or 1509.4 hereof, 60% of the member's retirement allowance shall, if not modified in accordance with one of the optional settlements now or hereafter specified by ordinance, be continued throughout life or until remarriage, to the surviving spouse.

(b) Upon the death of any member receiving a service connected disability retirement allowance pursuant to the provisions of Sections 1509.3 and 1509.31 hereof, 100% of the member's retirement allowance shall be continued throughout life or until remarriage, to the surviving spouse.

(c) If there be no surviving spouse or if he or she dies or remarries before every unmarried child of such deceased member attains the age of 21 years, then the allowance which would otherwise be paid

to the surviving spouse had he or she qualified and lived and not remarried, shall be paid to such child or children under said age of 21 years, collectively, to continue until every such child dies or attains age 21 or marries, or unless the subsequent marriage of the spouse is terminated by the death of, annulment or divorce from a succeeding husband or wife; provided that no child shall receive any allowance after marrying or attaining the age of 21 years. No allowance shall be paid under this Section to a surviving spouse unless the surviving spouse was married to the member at least one year prior to said member's date of retirement.

The remarried spouse shall have the right to receive a continuation of his or her monthly allowance during any period of time in the future when he or she is unmarried by reason of the death of, annulment or divorce from a succeeding husband or wife."

Section 11. Section 1509.61 of the said Charter is amended to read:

"Section 1509.61. Refund of Dependent Contributions; to Dependent. If the payment of the allowance for surviving spouse or child or children of a member as set forth in Section 1509 6 hereof terminates by death of the spouse and because of the death, attainment of age 21 by or marriage of every child or children before the sum of the monthly payments made shall equal the sum of the member's dependent contributions, with interest thereon, as it was at the member's retirement, then an amount equal to the difference between said sums shall be paid in one amount to the surviving children of the deceased member, share and share alike."

Section 12. Section 1509.62 of the said Charter is amended to read:

"Section 1509.62. Refund of Dependent Contributions; to Member. If at the date of retirement for service or disability, service connected or non-service connected, a member has no spouse or child or children qualifying under this Article XV for dependent continuation allowance, the dependent contributions made by the member, with accumulated interest thereon, shall be paid to the member upon said date."

Section 13. Section 1509.71 of the said Charter is amended to read:

"Section 1509.71. Service Connected Death; Prior to Retirement. If, in the opinion of the Retirement Board, the death of a member, prior to retirement be the result of injury or illness, incurred in the performance of duty, the Retirement System shall be liable for and shall pay as follows:

(a) An amount sufficient, when added to the amounts provided in Section 1509.7 (a) and (b), but excluding the member's accumulated additional contributions, to provide when applied according to the tables and rates recommended by the actuary and approved by the Retirement Board, a monthly death benefit allowance equal to ½ of the member's final compensation, to be paid to the surviving spouse to whom said member was married at the time of sustaining the said

injury or illness, to continue throughout his or her life or until he or she remarries; or if there be no surviving spouse, or if he or she dies or remarries before every unmarried child or such deceased member shall have attained the age of 21 years, then to such child or children under said age collectively, to continue until every such child dies, attains said age, or marries, or unless the subsequent marriage of the spouse is terminated by the death of, annulment or divorce from the succeeding husband or wife; provided that no child shall receive any allowance after attaining the age of 21 years or marriage. If payment of the allowance be stopped because of the death of the surviving spouse and attainment of the age of 21 years by or marriage of a child before the sum of the monthly payments shall equal the sum of the amounts provided in Section 1509.7 (a) and (b), then an amount equal to the difference between said sum shall be paid in one amount to the surviving children of the deceased member share and share alike.

The remarried spouse shall have the right to receive a continuation of his or her monthly allowance during any period of time in the future when he or she is unmarried by reason of the death of, annulment or divorce from a succeeding husband or wife. The spouse shall have no right to withdraw the said remaining balance, if any, of Sections 1509.7 (a) and (b)."

Section 14. Subsection (a) of Section 1509.72 of the said Charter is amended to read:

"(a) If, in the opinion of the Retirement Board, the death of a member, prior to retirement hereunder, be not the result of injury or illness incurred in the performance of duty, and if said member be qualified at the date of death for retirement for service, pursuant to this Article XV, then, the Retirement System shall be liable for and shall pay an amount sufficient, when added to the amounts provided in Section 1509.7 (a) and (b) hereof, to provide an allowance to be paid to the surviving spouse to whom said member was married at least one (1) year prior to his or her death, to be equal in amount to the allowance which would have been payable to the spouse if the said member had retired for service at the time of the said member's death and had died instantly thereafter, and to continue throughout the spouse's life or until remarriage, or if there be no surviving spouse, or if he or she dies or remarries before every unmarried child of such deceased member shall have attained the age of 21 years, then to such child or children under said age collectively, to continue until every child dies, attains said age, or marries, or unless the subsequent marriage of the spouse is terminated by the death of, annulment or divorce from a succeeding husband or wife; provided that no child shall receive any allowance after attaining the age of 21 years or marriage. If payment of the allowance be stopped because of death of the spouse and attainment of the age of 21 years by or marriage of every child before the sum of the monthly payments shall equal the sum of the amounts provided in Section 1509.7 (a) and (b), then an amount equal to the difference between said sum shall

be paid in one amount to the surviving children of the deceased member, share and share alike.

The remarried spouse shall have the right to receive a continuation of his or her monthly allowance during any period of time in the future when he or she is unmarried by reason of the death of, annulment or divorce from a succeeding husband or wife. The spouse shall have no right to withdraw the said remaining balance, if any, of Sections 1509.7 (a) and (b)."

Section 15. Said Charter is amended by adding a new section between Section 1509.72 and 1509.8 to read:

"Section 1509.73. Continuation or Extension of Benefits to Handicapped Dependent Children. Notwithstanding anything to the contrary herein, any benefits payable herein to an unmarried child under the age of 21 years shall not terminate or otherwise be withheld or denied regardless of age, if such person shall be a handicapped dependent child as defined in Section 1504. Should said child be determined to be a handicapped dependent child then benefits otherwise payable to an unmarried child under the age of 21 years shall continue or be initiated regardless of age, for so long as said child remains an unmarried handicapped dependent child. The Board of Directors shall establish, by ordinance, standards and procedures for the determination and termination of eligibility for benefits payable herein to handicapped dependent children. The Retirement Board shall determine eligibility for benefits payable to a handicapped dependent child in accordance with the aforesaid ordinance standards and procedures."

Section 16. Effective Date of Amendment. The foregoing Charter amendment shall take effect and be operative on July 1, 1973.

That we have compared the foregoing amendments with the original proposals proposed by said Ordinance No. 5105 to be submitted to the electors of said city, and find that the foregoing is a full, true, correct and exact copy thereof.

That as to said amendments this certificate shall be taken as a full and complete certification as to the regularity of all proceedings had and done in connection therewith.

In witness whereof, we have hereunto set our hands and caused the seal of the said City of Pasadena to be affixed hereto this 1st day of May, 1973.

DONALD F. YOKAITIS
(SEAL) Chairman of the Board of Directors
of the City of Pasadena
HARRIETT C. JENKINS
City Clerk

and

WHEREAS, Said proposed amendment to the Charter of the City of Pasadena, ratified by the electors of said city, as aforesaid has been, and is now, submitted to the Legislature of the State of California, for approval or rejection without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That said amendment to the Charter of the City of Pasadena, as proposed to and adopted and ratified by, the qualified electors of the city, as hereinabove fully set forth, is hereby approved as a whole, without alteration or amendment, for and as an amendment to, and as a part of, the Charter of the City of Pasadena.

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## RESOLUTION CHAPTER 49

*Assembly Concurrent Resolution No. 44—Relative to the Joint Committee on Telecommunications.*

[Filed with Secretary of State May 23, 1973 ]

WHEREAS, The rapid growth of public, private, and governmental telecommunications systems is leading toward inefficient utilization of these resources through lack of coordinated planning and duplication of effort, and

WHEREAS, Failure to provide coordination of developing telecommunications systems in the state can result in the waste of substantial sums of both public and private funds; and

WHEREAS, The use of telecommunications as a primary mode of instruction by the public schools, colleges, and universities, and the application of telecommunications by governmental agencies for manpower development, personnel inservice training, public education in crime prevention, social welfare, and other programs has a potential that has largely been unexplored in California; and

WHEREAS, There is need for detailed planning in connection with emerging telecommunications systems to insure the most effective use of the limited number of channels of communications while providing full service to the people of California and the agencies that will use those facilities; and

WHEREAS, Several successful programs outside of California have clearly demonstrated that the open university concept using

telecommunications as a primary mode of instruction is educationally sound and cost effective; and

WHEREAS, The most extensive open university program now in operation in Great Britain has demonstrated that it is providing a significant service to the adult working population thereby upgrading their skills and their capacity to contribute more to their society; and

WHEREAS, A legislative study by the Joint Committee on Textbooks and Curriculum completed in 1972 of the instructional television system serving the elementary and secondary level of public education in California recommended modifications in the administration of the program and identified a need to provide assistance in the development of uniform evaluation procedures, including cost-effective measurements; and

WHEREAS, The survival of public television may depend on the development of a systematic state policy for public television; and

WHEREAS, It is necessary to protect the rights of over two million subscribers to cable television, with an expected major increase in the number of such subscribers in the next few years; now, therefore, be it

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

1. The Joint Committee on Telecommunications is hereby created and authorized and directed to conduct such research as is necessary to fully investigate all aspects of telecommunications and to develop such policies as may be required to maximize the use of telecommunications in the public interest. The committee shall familiarize itself with similar and related investigations, if any, currently underway in other communities and shall investigate the uses of telecommunications by public agencies as may be germane to its inquiry. The committee shall report thereon to the Legislature, including in the report its recommendations for appropriate state plans, regulations, and legislation.

2. The committee shall consist of three Members of the Senate, appointed by the Committee on Rules thereof, and three Members of the Assembly, appointed by the Speaker thereof. Vacancies occurring in the membership of the committee shall be filled by the appointing power.

3. The committee is authorized to act during this session of the Legislature, including any recess, and after final adjournment through the 30th day of December 1974, with authority to file its final report not later than the 15th day of December, 1974. The committee shall cease to exist on the 30th day of December, 1974.

4. The committee and each subcommittee thereof is authorized to leave the State of California in the performance of its duties.

5. The committee and its members shall have and exercise all of the rights, duties and powers conferred upon investigating committees and their members by the provisions of the Joint Rules of the Senate and Assembly as they are adopted and amended from

time to time, which provisions are incorporated herein and made applicable to this committee and its members.

6. The committee has the following additional powers and duties:

(a) To contract with such other agencies, public or private, as it deems necessary for the rendition and affording of such services, facilities, studies and reports to the committee as will best assist it to carry out the purposes for which it is created.

(b) To cooperate with and secure the cooperation of county, city, city and county, and other local law enforcement agencies in investigating any matter within the scope of this resolution and to direct the sheriff of any county to serve subpoenas, orders and other process issued by the committee.

(c) To report its findings and recommendations to the Legislature and to the people from time to time and at any time, not later than herein provided.

(d) To do any and all other things necessary or convenient to enable it fully and adequately to exercise its powers, perform its duties, and accomplish the objectives and purposes of this resolution.

7. The Joint Rules Committee may make such money available from the Contingent Funds of the Assembly and Senate as it deems necessary for the expenses of the committee and its members. In accordance with Joint Rule 36.8, any such expenditure of funds shall be made in compliance with policies set forth by the Joint Rules Committee and shall be subject to the approval of the Joint Rules Committee.

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## RESOLUTION CHAPTER 50

*Assembly Concurrent Resolution No. 57—Relative to commending Stanley Arnold.*

[Filed with Secretary of State May 29, 1973.]

WHEREAS, The Members of the Assembly have learned that the Honorable Stanley Arnold, Superior Court Judge of Lassen County, has retired after nearly a quarter century of public service; and

WHEREAS, A native of Crown Point, Indiana, he came to Susanville in 1922, and has resided there ever since; and

WHEREAS, At the age of 42, after many years of work in the heavy steel, construction, railroad and lumber industries, he embarked on a new career in the field of law; and

WHEREAS, In 1945, he entered Hastings College of Law of the University of California, and upon admission to practice in 1949, he opened a law office in Susanville, and later that year was appointed District Attorney of Lassen County; and

WHEREAS, Stanley Arnold was elected to the California State Senate in 1955, where he served with distinction, and there he sponsored numerous pieces of legislation, including that which

established California's Correctional Conservation Center program to preserve and develop our national resources and aid in the rehabilitation process of forestry camp inmates; and

WHEREAS, He also introduced legislation that brought about the first revision of the California juvenile court laws in 40 years, and served on the Senate Rules Committee, and he was Chairman of the Senate Fact Finding Committee on Governmental Administration, among many other committees on which he served; and

WHEREAS, Since his appointment to the bench of Lassen County in July 1965, Judge Arnold has demonstrated a profound understanding of the law, and his integrity, industry, and dedication as judge have won him wide respect and admiration from members of the bar and bench alike; and

WHEREAS, His long and distinguished career of public service has immeasurably benefited the citizens of Lassen County and the State of California, and his many contributions are richly deserving of special recognition and tribute; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the members join in commending a most distinguished gentleman of Susanville, Stanley Arnold, former Judge of the Superior Court of Lassen County, former State Senator, and prominent citizen of northern California, for outstanding public service, and congratulate him on the occasion of his retirement, hereby conveying sincere best wishes for many years of happiness and pleasure; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit a suitably prepared copy of this resolution to Stanley Arnold.

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## RESOLUTION CHAPTER 51

*Assembly Concurrent Resolution No. 43—Relative to the Sister City Program, and encouraging California cities to support and participate in the program.*

[Filed with Secretary of State May 29, 1973 ]

WHEREAS, The "People-to-People Program" was inaugurated by the late President Dwight D. Eisenhower at the White House in 1956 to establish greater friendship and understanding between the peoples of the United States and other nations through the medium of direct personal contact, which has become known as the Sister City Program; and

WHEREAS, All succeeding U.S. Presidents have endorsed the Sister City Program, conducted for the broad purposes of the exchange of ideas and people between the citizens of the United States of America and the people of other nations; and

WHEREAS, President Eisenhower saw the Sister City Program as a massive form of citizen diplomacy, involving as many citizens and

cities as possible, aimed at aiding the cause of world peace through such people-to-people contacts and understanding; and

WHEREAS, Although the program now involves nearly 500 U.S. cities in sister city relationships with foreign cities around the world, and although California is the leading state in the nation for such relationships, only a fraction (approximately 25 percent) of the cities in California have actively entered into this worthy program; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Legislature hereby expresses its support and endorsement of the sister city movement, and that all cities in California be encouraged to join and participate in this program in support of international peace, friendship, and understanding; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to each city government in California.

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## RESOLUTION CHAPTER 52

*Senate Concurrent Resolution No. 54—Approving amendments to the Charter of the City of Oakland, County of Alameda, State of California, ratified by the qualified electors of the city at a municipal nominating election held therein on the 17th day of April, 1973.*

[Filed with Secretary of State May 30, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City of Oakland, a municipal corporation in the County of Alameda, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

State of California
County of Alameda } ss:
City of Oakland

We, the undersigned, John H. Reading, Mayor of the City of Oakland, State of California, and Robert C. Jacobsen, City Clerk of said City, do hereby certify and declare as follows:

That the City of Oakland, a municipal corporation in the County of Alameda, State of California, now is and at all times herein mentioned was a city containing a population of more than three thousand five hundred inhabitants, and has been, and is now, organized, existing and acting under a new revised charter adopted under and by virtue of Article XI of the Constitution of the State of California, which charter was duly ratified by a majority of the

qualified electors of said city at an election held for that purpose on the fifth day of November, 1968, and approved by the Legislature of the State of California, by Senate Concurrent Resolution filed with the Secretary of State on the twenty-eighth day of January, 1969 (Statutes of 1969, Res. Ch. 21, p. 3528).

That in accordance with the provisions of Section 3 of Article XI of the Constitution of the State of California, and Government Code §§34450, et seq., the Council of the City of Oakland, being the governing body of said City, on its own motion by its Resolutions Nos. 52801 C.M.S. and 52919 C.M.S., passed November 21, 1972 and January 25, 1973, respectively, duly and regularly proposed and submitted to the qualified electors of said City certain proposals designated as Measure (1) and Measure (2) for amending the Charter of said City, to be voted upon by said qualified electors at the Municipal Nominating Election called and held in said City on the seventeenth day of April, 1973.

That said Municipal Nominating Election was duly and regularly held in said City as required by law and in accordance with Section 3 of Article XI of the Constitution of the State of California, Government Code §§34450, et seq., and the Charter of the City of Oakland, on the seventeenth day of April, 1973, which said day was not less than forty nor more than sixty days after the completion of the publication and advertisement of the aforementioned proposed amendments in the "Oakland Tribune", a daily newspaper of general circulation published in the City of Oakland, and the official newspaper of said City.

That said proposed amendments were published on the fifth day of March, 1973, in the "Oakland Tribune", in each edition thereof, during the day of publication.

That copies of said proposed amendments were printed in convenient pamphlet form, and in type of not less than ten point, and copies thereof were mailed to each of the qualified electors in said City, and an advertisement that copies thereof could be had upon application therefor at the office of the City Clerk of the City of Oakland was published in said "Oakland Tribune", a newspaper of general circulation published in said City, on the eighth day of March, 1973, and on each day thereafter to and including the seventeenth day of April, 1973, the date of said election

That in accordance with the provisions of the Charter of the City of Oakland and Oakland City Ordinance No. 8732 C.M.S., the City Attorney of said City prepared an impartial analysis of each of the proposed amendments not exceeding five hundred words in length; that a copy of each said analysis was mailed and distributed by the City Clerk of the City of Oakland to each voter of the City of Oakland, in connection with the sample ballots and the aforementioned printed copies of said proposed amendments.

That in accordance with the provisions of the Charter of the City of Oakland and Oakland City Ordinance No. 8732 C.M.S., the City Auditor of said City prepared an impartial financial impact analysis

of each of the proposed amendments not exceeding five hundred words in length; that a copy of each said analysis was mailed and distributed by the City Clerk of the City of Oakland to each voter of the City of Oakland, in connection with the sample ballots and the aforementioned printed copies of said proposed amendments.

That in accordance with Sections 5010–5014 of the Elections Code of the State of California, the Charter of the City of Oakland, and Oakland City Ordinance No. 8732 C.M.S., notice of the date fixed for submission of arguments for and against each of said proposed amendments was published on the second day of February, 1973, in the "Oakland Tribune", and arguments, if any, in favor of and against each said proposed amendment were mailed and distributed by the City Clerk of the City of Oakland to each voter of the City of Oakland, in connection with the sample ballots and the aforementioned printed copies of said proposed amendments.

That the Council of said City framed a synopsis of each said proposed amendment and, on March 6 and March 13, 1973, caused a notice containing each said synopsis to be published in the "Oakland Tribune".

That as to each of the said amendments to the Charter of the City of Oakland hereinafter set forth, this certificate shall be taken as a full and complete certification as to the regularity of all proceedings had and done in connection therewith, and that all provisions of law applicable thereto have been fully conformed to and complied with.

That in accordance with the provisions of law applicable thereto, the Clerk of the City of Oakland did duly and regularly canvass the votes cast at said Municipal Nominating Election, which canvass was confirmed by Oakland City Council Resolution No. 53105 C.M.S., and did determine a result of said election to be that a majority of the qualified electors of said City voting on each of the proposed amendments to the Charter of the City of Oakland hereinafter set forth and designated as Measure (1) and Measure (2) had voted for and adopted each of the said amendments.

That the proposed amendments to the Charter of the City of Oakland, which were so ratified by a majority of the electors of said City at said Municipal Nominating Election held April 17, 1973, are in words and figures as follows:

Measure (1)

Add Section 810 to Article VIII of the Charter of the City of Oakland to read as follows:

Section 810. Arbitration for Uniformed Members of the Police and Fire Departments.

(a) It is hereby declared to be the policy of the voters of the City to endeavor to establish and maintain, without labor strife and dissension, wages, hours, and other terms and conditions of employment for the uniformed members of the Police and Fire Departments which are fair and comparable to similar private and

public employment. To such purpose, the voters of the City hereby recognize the efficiency of and adopt the principle of binding arbitration as an equitable alternative means to arrive at a fair resolution of terms of wages, hours, and other terms and conditions of employment for such employees when the parties have been unable to resolve these questions through negotiations.

(b) Pursuant to the public policy hereinabove declared, the City or the recognized employee organization for the uniformed members of the Police and Fire Departments may, as the result of an impasse after meeting and conferring in good faith on matters within the scope of representation as required by applicable State law, refer any such matters which are unresolved to binding arbitration under the provisions of this Section; except that the Charter provisions concerning the Police and Fire Retirement System and such other provisions of this Charter which specifically govern wages, hours and other terms and conditions of employment of uniformed members of the Police and Fire Departments shall not be subject to change by arbitration. In any such arbitration, the arbitrator is directed to take into consideration the City's purpose and policy to create and maintain wages, hours and other terms and conditions of employment which are fair and comparable to similar private and public employment and which are responsive to changing conditions and changing costs and standards of living. The arbitrator shall also consider: the interest and welfare of the public; the availability and sources of funds to defray the cost of any changes in wages, hours and conditions of employment; and all existing benefits and provisions relating to wages, hours and terms and conditions of employment of the uniformed members of the Police and Fire Departments, whether contained in this Charter or elsewhere.

(c) Any unresolved dispute or controversy arising under the provisions of this Section, or any unresolved dispute or controversy pertaining to the interpretation or application of any negotiated agreement covering uniformed members of the Police and Fire Departments shall be submitted to an impartial arbitrator. Representatives designated by the City and representatives of the recognized employee organization affected by the dispute or controversy shall select the arbitrator. In the event that said parties cannot agree upon the selection of the arbitrator within five days from the date of any impasse, then the California State Conciliation Service shall be requested to nominate five (5) persons, all of whom shall be qualified and experienced as labor arbitrators. If the representatives of the recognized employee organization and the City cannot agree on one of the five to act as arbitrator, they shall strike names from the list of said nominees alternately until the name of one nominee remains who shall thereupon become the arbitrator. The first party to strike a name from the list shall be chosen by lot. Every effort shall be made to secure an award from the impartial arbitrator within thirty (30) calendar days after submission of all

issues to him.

(d) The arbitration proceedings herein provided shall be governed by Sections 1280, et seq., of the California Code of Civil Procedure. The arbitrator's award shall be submitted in writing and shall be final and binding on all parties. The City and the affected employee organization shall take whatever action is necessary to carry out and effectuate the award. The expenses of arbitration, including the fee for the arbitrator's services, shall be borne equally by the parties. All other expenses which the parties may incur individually are to be borne by the party incurring such expenses.

(e) Nothing herein shall be construed to prevent the parties from submitting controversies or disputes to mediation, fact-finding or other reasonable method to finally resolve the dispute should the City and the recognized employee organization in the controversy or dispute so agree. An impasse may be declared by either the City or the recognized employee organization in the event the parties fail to reach agreement on matters within the scope of representation after meeting and conferring in good faith as required by applicable State law, or after other mutually agreed-upon settlement methods fail to result in agreement between the parties.

Measure (2)

Amend Section 218 of the Charter of the City of Oakland to read as follows:

Section 218. The Mayor. The Mayor shall be nominated and elected from the City at large and shall receive an annual salary of $15,000 payable in equal monthly installments, and without any additional compensation or fees provided for by Section 202 of this Charter. This amendment shall be effective July 1, 1973.

And we further certify that we have compared each of the foregoing proposed and ratified amendments to the Charter of the City of Oakland with the respective original proposals submitting the same to the electors of said City, and find that each of the foregoing is a full, true and correct copy thereof.

In witness whereof, we have hereunto set our hands and caused the seal of the said City of Oakland to be affixed hereto this 30 day of April, 1973.

JOHN H. READING
(SEAL) Mayor of the City of Oakland
ROBERT C. JACOBSEN
City Clerk of the City of Oakland

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment,

in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City of Oakland, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City of Oakland.

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## RESOLUTION CHAPTER 53

*Assembly Concurrent Resolution No. 80—Relative to declaring the month of May 1973, as "Senior Citizens' Month."*

[Filed with Secretary of State May 31, 1973 ]

WHEREAS, California's two million senior adults have provided much of the historic, social and economic value to the present status of this progressive state; and

WHEREAS, The total population has an increasing need to understand the problems, utilize the potential, and upgrade the position of all older Americans; and

WHEREAS, There is growing recognition in the fields of education, government, industry, and social action that the older adult contributes greatly to the advancement and status of their interest; and

WHEREAS, Californians of all ages recognize the countless voluntary and civic efforts of older citizens as one of the state's most valued resources; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the members hereby designate the month of May 1973, as "Senior Citizens' Month" and that the California Commission on Aging, the Joint Legislative Committee on Aging, and all state, county, and local agencies respond to this resolution through their interest, participation and support of all programs and services essential to the continued well-being of Californians' later years.

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## RESOLUTION CHAPTER 54

*Assembly Joint Resolution No. 31—Relative to the Office of Saline Water.*

[Filed with Secretary of State May 31, 1973 ]

WHEREAS, The Office of Saline Water of the United States Department of the Interior has for many years been actively engaged in the quest for new water supplies through the development of the technology necessary to enable the desalination of sea water and the demineralization of brackish water; and

WHEREAS, The efforts of the Office of Saline Water have resulted in continuing improvements in the technology of desalination and demineralization of sea and brackish water; and

WHEREAS, Water from these sources can constitute a valuable supplemental supply in the future if the technology of demineralization and desalination can continue to be advanced; and

WHEREAS, Cuts in the budget of the Office of Saline Water will inhibit the development of this essential technology by necessitating the immediate closing of the San Diego, California, Roswell, New Mexico, and Freeport, Texas, test facilities; and

WHEREAS, Pioneering technology in the demineralization of brackish waters by the process of reverse osmosis has been developed at the Roswell Test Facility, thus enabling the production of fresh water with a technology completely unknown only 12 years ago; and

WHEREAS, Research in the technology of the reverse osmosis process must continue if essential further improvements are to be realized and supplies from this source made available to help meet the water requirements of the people of the United States; and

WHEREAS, The process of reverse osmosis also offers great potential as a means of reclaiming waste water and of attaining the goals of clean water established by the Congress of the United States in the Federal Water Pollution Control Act Amendments of 1972; and

WHEREAS, The technology being developed in the desalination of sea water through the operation of the San Diego Test Facility is essential if the world oceans are to one day become a viable source of meeting our ever-increasing water requirements; and

WHEREAS, The efficient operation of desalination facilities is, additionally, dependent upon essential technical knowledge being gained through research conducted at the Materials Test Center at Freeport, Texas; and

WHEREAS, Continuing development of the technology necessary for the economic production of fresh water from sea and brackish sources is essential if the water supply and water quality requirements of the people of the United States are to be fulfilled; 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 memorializes the President and Congress of the United States to restore the budget of the Office of Saline Water to a level sufficient to continue the operation of the above-named facilities, in order that the development of the technology of desalination and demineralization of sea and brackish waters might be continued and

enhanced; and, be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of the Interior, to the Director of the Office of Saline Water, to the Speaker of the House of Representatives, to the Chairmen of the Senate and House Committees on Interior and Insular Affairs, to the Chairmen of the Senate and House Committees on Appropriations, to Chairmen of the Senate and House Subcommittees on Water and Power Resources of the Committees on Interior and Insular Affairs, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 55

*Assembly Joint Resolution No. 8—Relative to flood protection studies.*

[Filed with Secretary of State June 1, 1973 ]

WHEREAS, The flooding of Brannan-Andrus Island during June 1972 resulted in the inundation of the town of Isleton, causing substantial damage and disruption of essential services; and

WHEREAS, The town of Isleton is subject to similar flooding at any time in the event of failure of a nonproject levee on Brannan-Andrus Island; and

WHEREAS, A levee constructed to project grade and section between the project levee of the Sacramento River and the project levee of Georgiana Slough would protect the town of Isleton and increase flood protection; and

WHEREAS, The Army Corps of Engineers is currently authorized to study flood problems of the Sacramento-San Joaquin Delta by Senate Public Works Committee Resolution of June 1, 1948 and by Section 205 of the 1950 Flood Control Act, although no funds are provided for such studies in the President's Budget for fiscal year 1973–74; 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 memorializes the Senate and House Committees on Appropriations to augment the 1973–74 budget of the Army Corps of Engineers in an amount determined by their capability for the resumption of the currently authorized Sacramento-San Joaquin Delta study, with the view to determining if additional flood protection can be provided for the town of Isleton; and be it further

*Resolved,* That such study be undertaken in coordination with the Delta Multiple-Purpose Levee Study now being carried out by the Department of Water Resources of the State of California pursuant to Senate Concurrent Resolution No. 151 of the 1969 Regular Session; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Chief of the Army Corps of Engineers, to the Speaker of the House of Representatives, to the Chairmen of the Senate and House Committees on Appropriations, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 56

*Assembly Joint Resolution No. 10—Relative to the definition of tax effort under the State and Local Assistance Act of 1972.*

[Filed with Secretary of State June 1, 1973 ]

WHEREAS, The current formula for allocation of funds to local government under the State and Local Assistance Act of 1972 places a major emphasis on the tax effort factor in local communities; and

WHEREAS, The tax effort factor is based on the amount of eligible taxes collected by a local community, this being recognized as the measure of a local government's effort to fully utilize the financial resources available in the local community; and

WHEREAS, In formulating the State and Local Assistance Act of 1972, the Congress failed to take into consideration the status of California cities which receive municipal services from special districts which are the direct recipients of taxes paid by the citizens of these cities; and

WHEREAS, As a result of this special district taxation, cities are thus deprived of credit for tax effort under the present definition of tax effort in the State and Local Assistance Act of 1972; and

WHEREAS, This results in cities receiving a reduced amount of revenue on a per capita share basis, the inequity amounting to as much as 1,000 (one thousand) percent between the lowest and highest city per capita allocation, despite the fact that taxpayers in these cities may pay approximately the same average tax rate; 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 memorializes the Congress of the United States to remove such an inequity either by amending the State and Local Assistance Act of 1972 or by administrative ruling specifically defining what constitutes "tax effort" by a city, so as to include the total amount of eligible taxes "paid" by the taxpayers of a city for municipal services and functions and levied by or on behalf of neither a county nor another city, rather than taxes "collected" by the city government, the former being a truer measure of local effort to fully utilize the financial resources available in the local community; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United

States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 57

*Assembly Concurrent Resolution No. 97—Approving an amendment to the Charter of the City of Gilroy, State of California, ratified by the qualified electors of the city at a general municipal election held therein on the 10th day of April, 1973.*

[Filed with Secretary of State June 1, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of an amendment to the Charter of the City of Gilroy, a municipal corporation in the County of Santa Clara, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

### CERTIFICATE OF PROCEEDINGS HAD BY THE CITY OF GILROY IN AMENDING THE CHARTER

State of California
County of Santa Clara
City of Gilroy

We, the undersigned, Norman B. Goodrich, Mayor of the City of Gilroy, and Susanne E. Steinmetz, City Clerk of the City of Gilroy, do certify and declare as follows:

That the City of Gilroy, a Municipal Corporation in the County of Santa Clara, State of California, now is and at all times herein mentioned was a city containing a population of more than 3,500 and less than 50,000 inhabitants, as ascertained by the last preceding census taken under the authority of the Congress of the United States or of the Legislature of the State of California;

That the City Council of the said City of Gilroy, on its own motion proposed a charter amendment which it filed in the Office of the City Clerk on the 5th day of February, 1973, and ordered that the proposal for the amendment to the charter be submitted to the electors of the said city at a general municipal election to be held on the 10th day of April, 1973;

That on the 16th day of February, 1973, which was within 15 days after the filing of the charter amendment in the Office of the City Clerk, the proposed charter amendment was published in the Gilroy Dispatch, which is the official newspaper of the City of Gilroy and is a newspaper of general circulation printed and published within the said city;

That the said election called as aforesaid, was duly and legally held on the 10th day of April, 1973, which date was not less than 40 nor more than 60 days after completion of the advertising in the said Gilroy Dispatch, and that at the said election a majority of the qualified voters voting thereon voted in favor of the proposed charter amendment and for the adoption thereof;

That all the proceedings for the proposed charter amendment were had in accordance with the provisions of Section 3 of Article XI of the Constitution of the State of California and Sections 34450 et. seq. of the Government Code of the State of California, and of other applicable state and local laws; and

That the charter amendment so ratified by the electors is in the words and figures following:

Section 1400. General Municipal Elections. A general municipal election shall be held on the third tuesday of April of each odd numbered year, commencing with the year 1975, for the election of officers and for such other purposes as the Council may prescribe.

We further certify that the foregoing is a full and exact copy of the charter amendment submitted to the electors, and a true statement of the proceedings had for the adoption of said charter amendment.

(SEAL)

NORMAN B. GOODRICH
Mayor of the City of Gilroy
SUSANNE E. STEINMETZ
City Clerk of the City of Gilroy

and

WHEREAS, The proposed amendment to the charter, as adopted and ratified as hereinabove set forth, has been and now is duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendment to the Charter of the City of Gilroy, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, is hereby approved as a whole, without alteration or amendment, for and as an amendment to, and as part of, the Charter of the City of Gilroy.

# RESOLUTION CHAPTER 58

*Assembly Concurrent Resolution No. 88—Approving amendments to the Charter of the City of Fresno, State of California, ratified by the qualified electors of the city at a general municipal election held therein on the 17th day of April, 1973.*

[Filed with Secretary of State June 8, 1973.]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City of Fresno, a municipal corporation in the County of Fresno, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

## CERTIFICATE OF RATIFICATION OF AMENDMENTS TO THE CHARTER OF THE CITY OF FRESNO

State of California
County of Fresno } ss.
City of Fresno

We, Ted C. Wills, Mayor of the City of Fresno, and Jacqueline L. Ryle, City Clerk of the City of Fresno, do hereby certify and declare as follows:

That the City of Fresno, in the County of Fresno, State of California, is now, and was at all of the times herein mentioned, a city containing a population of more than fifty thousand (50,000) inhabitants as ascertained by the last preceding census taken under the authority of the Congress of the United States.

That the City of Fresno is now, and was at all of the times herein mentioned, organized and existing under a charter adopted under the provisions of former Section 8, Article XI of the Constitution of the State of California, which charter was duly ratified by a majority of the electors of the City at a general municipal election held for that purpose on the 8th day of April, 1957, and approved by the Legislature of the State of California by concurrent resolution filed with the Secretary of State on the 10th day of June, 1957 (Assembly Concurrent Resolution No. 163, Chapter 277, Statutes 1957, Page 4680).

That in accordance with the provisions of Section 3, Article XI of the Constitution of the State of California, and Chapter 3, Part 1, Division 2 of Title 4 of the California Government Code, the Council of the City of Fresno, being the legislative body of the City, on its own motion, by Resolution Nos. 73-110, 73-111, 73-112, 73-113, 73-114, 73-115 and 73-116, all adopted on March 1, 1973, duly and regularly submitted to the electors of the City proposals for certain amendments to the charter of the City, and the Council ordered that the proposed charter amendments as particularly set forth in said

resolutions be submitted to the electors of the City at the general municipal election to be held in the City on the 17th day of April, 1973.

That on March 3, 1973, all of said charter amendments were published and advertised in accordance with said Government Code in The Fresno Bee—The Republican, a newspaper of general circulation within the City, and in each edition thereof during the day of publication.

That copies of the proposed charter amendments were printed in convenient pamphlet form in type not less than 10-point, and were mailed to each of the qualified electors of the City; that copies thereof could be had upon application therefor at the office of the City Clerk on and from March 12, 1973, to and including April 17, 1973; and that a notice was advertised and published on and from March 11, 1973, to and including April 17, 1973, in The Fresno Bee—The Republican, a newspaper of general circulation within the City, that copies thereof might be had at the office of the City Clerk of the City upon application therefor.

That pursuant to the provisions of Section 1400 of the charter of the City of Fresno, a general municipal election was required to be held in the City of Fresno, on the 17th day of April, 1973, which date was not less than forty (40) days, and not more than sixty (60) days, after the completion of the publication of the proposed charter amendments as aforesaid.

That the said general municipal election was held in the City of Fresno on the 17th day of April, 1973, and said proposed charter amendments were designated upon the ballot therefor, and voted upon by the electors voting at said election, as Measures D, E, F, G, H, I, and J.

That thereafter the Council of the City of Fresno did, in the manner provided by law, duly and regularly cause to be canvassed the returns of the said general municipal election and did, by resolution adopted on April 24, 1973, duly declare the results of the said general municipal election as determined from the canvass of the returns thereof, and did find, determine, and declare that each of said proposed amendments, except Measure E, did receive a majority vote of the qualified voters voting in said election in favor thereof, and are therefore deemed ratified.

That the said proposed charter amendments so submitted by the Council of the City of Fresno and so ratified by the qualified voters of the City are in words and figures as follows:

1. [Measure D]. Section 304 of the Charter of the City of Fresno is amended to read:

Section 304. Eligibility. No person shall be eligible to hold an elective office unless he is, and shall have been for a period of at least one year immediately preceding his election or appointment, a resident of the City or of territory outside the City which was annexed to the City at least ninety days prior to his election or appointment, and unless he is, and shall have been at the time of

assuming such office, an elector of the City. Residence in such territory and residence in the City may be combined to constitute such one-year period.

2. [Measure F]. Section 502 of the Charter of the City of Fresno is amended to read:

Section 502. Meetings. The Council shall hold regular meetings at least once each week and shall provide the time, place and manner of holding its meetings by ordinance. All meetings of the Council shall be open to the public, except executive sessions permitted by the law of the State.

3. [Measure G]. Section 600 of the Charter of the City of Fresno is amended to read:

Section 600. Enactment of Ordinances. Legislative action, including the establishment of a fine or other penalty or the grant of a franchise, shall be taken by the Council only by means of an ordinance, as follows:

(a) Each ordinance shall be introduced in writing, and its enacting clause shall be substantially as follows: "The Council of the City of Fresno does ordain as follows:".

(b) No ordinance shall be adopted by the Council on the day of its introduction, or on the day it is altered after introduction, nor within five days thereafter, except as follows:

(1) An ordinance which takes effect upon adoption;

(2) An ordinance changing the land use zoning district of property, or adopting, amending, or repealing a specific plan or a redevelopment plan, when the adoption of such ordinance has been the subject of a noticed public hearing by the Council;

(3) An alteration necessary only to correct a typographical or clerical error.

(c) No ordinance, except an emergency ordinance, shall be adopted at any time other than a regular or adjourned regular meeting.

(d) Upon the demand of a member of the Council at the time of the adoption of an ordinance, it shall be read in full, unless the reading thereof is waived by the Council.

(e) No ordinance changing the land use zoning district of property shall be adopted in conflict with any specific plan adopted by ordinance.

4 [Measure H]. Section 705 of the Charter of the City of Fresno is amended to read:

Section 705. Powers and Duties. The Chief Administrative Officer shall be the Chief Executive Officer of the City. He shall be responsible to the Council for the proper administration of all affairs of the city not otherwise assigned in this Charter. He shall have the power and be required to.

(a) See that the laws of the State pertaining to the City, the provisions of this Charter and the ordinances of the City are executed and enforced;

(b) Exercise control over all departments, offices and agencies

under his jurisdiction;

(c) Advise the Council concerning the creation, organization, conduct, operation, alteration, or abolition of the various departments, offices and agencies of the city government;

(d) Appoint, and he may suspend or remove, subject to the Civil Service System provisions of this Charter, all department heads and officers of the city except elective officers and officers the power of whose appointment is vested by this Charter in the Council, provided, however, that the appointment, removal and suspension of the Controller shall be subject to the approval of the Council; approve or disapprove all proposed appointments and removals of deputies, assistants and subordinate employees by department heads or officers except those officers the power of whose appointment is vested by this Charter in the Council, and such appointments and removals by such department heads or officers shall be subject to his approval;

(e) Prepare the budget annually for submission to the Council and administer the same after adoption;

(f) Establish such financial and accounting records and procedures as will reflect the current financial status of all municipal activities;

(g) Establish a central purchasing system for all city offices, departments and agencies;

(h) Keep the Council advised of the financial affairs and conditions and future needs of the city and make recommendations to the Council concerning the administration of city affairs;

(i) Prepare and submit to the Council reports in answer to requests for information made to him by the Council;

(j) Perform such other duties as may be prescribed by this Charter or required of him by the Council, not inconsistent with this Charter;

(k) Attend all meetings of the Council, unless excused therefrom, with the right to participate in its deliberations but without a vote.

5. [Measure I]. Section 810 of the Charter of the City of Fresno is amended to read:

Section 810. Hours of Work. There shall not be established for any position in the city service a regularly scheduled work day of more than eight hours or a regularly scheduled work week of more than five days, except that there may be established a regularly scheduled work day of up to ten hours for any position for which the regularly scheduled work week is not more than four days, and except that members of the city fire fighting force shall be required to work, on a twenty-four hour day basis, not more than fifty-six hours per week on an average, said average to be determined in multiples not to exceed ninety days.

6. [Measure J]. Section 811 of the Charter of the City of Fresno is amended to read:

Section 811. Holidays. All employees, except temporary employees, shall be entitled to or shall receive credit for all holidays

during each fiscal year without loss of compensation. The word "holiday," as used in this section, shall mean every state holiday, including that day in November known as Thanksgiving Day, but not including Sundays or any other day appointed by the President of the United States or the Governor of the State as a public fast, thanksgiving, or holiday, unless such appointed day is also declared to be a holiday pursuant to ordinance or resolution of the Council.

The amendment of this section to specify the exclusion of Sunday as a "holiday" under this section is declared to be a restatement, for the purpose of clarification only, of the law of the section in effect prior to such amendment.

We, and each of us, further certify that we have compared the test of each of the foregoing charter amendments with the original proposal submitting the same to the electors of the City, and find that the foregoing is a full, true, correct, and exact copy thereof; and that as to said charter amendments this certificate shall be taken as a full and complete certification of the regularity of all proceedings had and done in connection therewith.

In witness whereof, we have hereunto set our hands and caused the corporate seal of the City of Fresno to be affixed hereto this 3rd day of May, 1973.

(SEAL)

TED C. WILLS
Mayor of the City of Fresno
JACQUELINE L. RYLE
City Clerk of the City of Fresno

Approved as to form:
SPENCER THOMAS, JR.
City Attorney
By ALAN D. DAVIDSON
Assistant
Date: May 3rd, 1973

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City of Fresno, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City of Fresno.

# RESOLUTION CHAPTER 59

*Assembly Concurrent Resolution No. 89—Approving an amendment to the Charter of the City of Los Angeles, State of California, ratified by the qualified electors of the city at a primary nominating election held therein on the third day of April, 1973.*

[Filed with Secretary of State June 8, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of an amendment to the Charter of the City of Los Angeles, a municipal corporation in the County of Los Angeles, State of California, as hereinafter set forth in the certificate of the President of the Council of the City of Los Angeles and city clerk of the city, as follows:

CERTIFICATE OF AMENDMENT TO THE CHARTER OF THE CITY OF LOS ANGELES, CALIFORNIA

State of California
County of Los Angeles } ss.
City of Los Angeles

We, John S. Gibson, Jr., President of the Council of the City of Los Angeles, and Rex E. Layton, City Clerk of the City of Los Angeles, do hereby certify and declare as follows:

That said City of Los Angeles, in the County of Los Angeles, in the State of California, is now, and was at all times herein mentioned: (a) a city containing a population of more than two million eight hundred thousand inhabitants as ascertained by the last preceding census taken under the authority of the Congress of the United States; (b) a city organized and existing under a freeholders' charter, adopted under the provisions of former Section 8, Article XI of the Constitution of the State of California, which charter was heretofore duly ratified by a majority of the electors of said city at a special election held for that purpose on the 6th day of May, 1924, and approved by the Legislature of the State of California by concurrent resolution filed with the Secretary of State on the 26th day of January, 1925 (Senate Concurrent Resolution No. 2, Chapter No. 5, Statutes 1925, P. 1024).

That in accordance with the provisions of Article XI, Section 3 of the Constitution of the State of California and of Section 34459 of the California Government Code, the Council of the City of Los Angeles, being the legislative body of said city, on its own motion, duly and regularly submitted to the qualified electors of the City of Los Angeles a proposal for the amendment of the Charter of said city to be voted upon by said qualified electors at an election held on the 3rd day of April, 1973, all as required by law, which said proposal was designated as proposed charter amendment No. 1.

That on the 15th day of February, 1973, the said proposed amendment was published and advertised in accordance with Section 34461 of the California Government Code, in each and every edition of said day of February 15, 1973, in "The Los Angeles Daily Journal," a daily newspaper of general circulation printed and circulated in said city, and being the official newspaper for said purpose; all as shown by the affidavit of publication on file in the office of the City Clerk of said city.

That copies of said proposed charter amendment were printed in convenient pamphlet form in type of ten-point, and were mailed to each of the qualified electors of said city; and copies thereof could be had upon application therefor at the office of the City Clerk on and from February 15, 1973, to and including April 3, 1973; and a notice was advertised and published on and from February 20, 1973, to and including April 3, 1973, in "The Los Angeles Daily Journal," a newspaper of general circulation in said city, that copies thereof might be had at the office of the City Clerk of said city upon application therefor.

Such proposed charter amendment was submitted to the electors of said city for adoption and ratification at an election held on April 3, 1973, which was not less than forty, nor more than sixty, days after completion of the advertising in the official paper of the proposed charter amendment aforesaid.

As said election a majority of the qualified electors voting upon the proposed charter amendment voted in favor thereof and adopted and ratified the same, as appears by the official canvass of the returns thereof by the City Clerk of the City of Los Angeles dated April 13, 1973, and by the declaration of the Council of said City of Los Angeles, which pursuant to law met on April 13, 1973, at its usual time and place of meeting, and duly declared the result of said election in accordance with the canvass of the returns as certified by said City Clerk.

That the said amendment to the Charter of the City of Los Angeles, so adopted and ratified by the qualified electors of said city, and which shall be submitted to the Legislature for approval or rejection, is in words and figures as follows:

Proposed Charter Amendment 1

The Charter of the City of Los Angeles is hereby amended by repealing subsections (9) and (10) of Section 3; Section 37½; Sections 65, 65 1, 65.2, 65 3 and 65.4; Section 116; Section 179; Sections 219.2, 224, 226 and 227; Sections 238.1, 238.2, and 239.1; Section 389; Sections 427, 428 and 429; Sections 435, 438, 439 and 443 thereof; and by repealing Articles XII, XXIX, XXX and XXXIII thereof; and by amending Sections 7, 25 and 33; subsection (7) of Section 47; Sections 50 and 51; subsection (7) of Section 59; Sections 103, 111 and subsection (1) of Section 123; Sections 174 and 228; subsection (a) of Section 290, Sections 393, 431 and the sixth paragraph of Section 504

thereof to read as follows:

Sec. 7. The Mayor, City Attorney, Controller, members of the City Council, and members of the Board of Education shall hold their offices for a term of four years.

The terms of all such officials shall commence on the first day of July next succeeding their election.

Sec. 25. Two-thirds of the members of the Council shall constitute a quorum for the transaction of business; but a smaller number may adjourn from time to time until a quorum be present, and may compel the attendance of absentees; and nothing in this charter shall prevent a smaller number from transacting business by a majority vote of members present to the extent necessary to fill vacancies in the membership of the Council in the manner provided in Section 267 where no quorum can be assembled except by filling such vacancies. Except as otherwise in this charter provided, action by the Council shall be taken by a majority vote of the entire membership of the Council. Whenever in this charter a certain proportion of the Council is required for the performance of any act, except as otherwise provided, it shall mean such proportion of the entire membership of the Council.

Sec. 33. The Council shall provide, except as to those departments given control of their own definite revenues or funds, suitable quarters, equipment and supplies for the various departments and offices of the city government. It shall create the necessary positions in addition to those created by this charter in said departments and offices, authorize the necessary deputies, assistants and employees, and provide the necessary funds for carrying on the work of said departments and offices. It shall fix the salaries of all officers and employees except as otherwise provided in this charter; provided, however, that no ordinance fixing the salary of any position shall be adopted except by a vote of two-thirds of the whole Council, unless such ordinance shall first have been recommended for adoption by a committee composed of the Mayor, City Administrative Officer and the Chairman of the Finance Committee of the Council. Upon request from any department given control of its own definite revenues or funds, the Council may assist such department in the performance of its functions with appropriations of money or otherwise.

Sec. 47 (7). He shall report to the Mayor and Council, at times established by law, the condition of each fund in the books of his office, and shall make such other or special reports as the Mayor or Council may from time to time request.

Sec. 50. City Administrative Officer.

There shall be a City Administrative Officer who shall be appointed by the Mayor, exempt from Article IX of this Charter, subject to confirmation by the Council.

The City Administrative Officer shall have administrative and executive ability as demonstrated by five years' experience at the executive or administrative level, within ten years immediately

preceding appointment to the position of City Administrative Officer.

He shall be paid a salary commensurate with his responsibilities as the City Administrative Officer of the City.

The City Administrative Officer shall be appointed by the Mayor, subject to the approval of the Council. The City Administrative Officer may be removed by the Mayor subject to the consent of the Council by majority vote of its members or by the Council by a vote of two-thirds of all of its members without the consent of the Mayor. Before removal by either the Mayor or the Council, the City Administrative Officer must be served with a written notice setting forth the grounds for his removal. Within five days from the receipt of such notice the City Administrative Officer may demand in writing that he be afforded a public hearing on the matter of his removal. The Mayor, or the Council if the notice is given by the Council, shall set a date for a public hearing not less than ten days nor more than twenty days from the receipt of the written demand by the City Administrative Officer for a public hearing. Within five days after the conclusion of such public hearing the Mayor, or the Council if the public hearing is before the Council, shall make and file with the City Clerk a written order for the removal of the City Administrative Officer, otherwise the written notice setting forth the grounds for removal shall be ineffectual for any purpose. If the order for removal is made by the Council, it must be authorized by a vote of two-thirds of all of its members. The removal of the City Administrative Officer after a public hearing shall become effective upon the filing of the written order for removal with the City Clerk. If the City Administrative Officer does not demand a public hearing, as provided in this section, his removal shall become effective at the expiration of five days from service upon him of the written notice setting forth the grounds for his removal. Service of such notice may be personal or by registered mail addressed to the City Administrative Officer at his official office address.

The City Administrative Officer shall have the power to appoint and remove as many Assistant City Administrative Officers, exempt from Article IX of this charter, as may be authorized by ordinance.

Sec. 51. (1) The City Administrative Officer shall keep the Mayor and the Council advised of the condition, finances and future needs of the City, and, from time to time, make such recommendations concerning the same as he shall deem expedient. He shall assist in the preparation of the annual budget in accordance with such policies as may be prescribed by the Mayor, and in directing the development of work programs and standards required in the proper planning thereof.

(3) The City Administrative Officer shall plan and direct:

(a) A system of budgetary administration to assure the proper and effective expenditure of funds;

(b) Research in administrative management for the improvement of the organization, policies and practices of the City

Government;

(c) Procedures and establish forms which will provide efficiency and economy in the conduct of City business.

(5) The City Administrative Officer, subject to the approval of the Mayor, shall prescribe rules and standards governing the matters under his jurisdiction and all officers and departments of the City shall comply therewith.

(6) The powers and duties of the City Administrative Officer and the provisions of this section shall not extend or apply to the Departments of Water and Power, Harbor, or Airports.

(7) The Council shall, by ordinance, fix the salary of the City Administrative Officer and the Assistant City Administrative Officers provided for in Section 50.

(8) The City Administrative Officer shall have power and it shall be his duty to investigate the administration of the various departments of the city for the purpose of recommending to the Mayor and Council concerning the duties of the various positions in said departments, the methods of said departments, the standards of efficiency therein, and such changes as in his judgment will promote economy and efficiency in the conduct of the city government.

(9) The City Administrative Officer shall assist the Mayor and Council in the preparation of the annual budget and in the consideration of any appropriations subsequent thereto, as set forth elsewhere in this charter, and throughout the year shall conduct studies and investigations that will assist in the preparation of the budget.

(10) The City Administrative Officer shall furnish the Mayor or Council such aid, information or recommendation as shall be requested of him in writing by the Mayor or Council.

(11) The City Administrative Officer shall perform such other duties as may be required of him by the Mayor, or the Council by ordinance, consistent with this charter.

Sec. 59. (7) He shall be the custodian of all securities bought by the city for the account of any fund. In the event of the sale of any bonds by the city, as by law provided, he shall deliver the same, and receive from the purchaser the amount of money due from such sale, and credit the same to the proper fund or accounts in the same manner as other deposits in his department, and report such action to the Council.

Sec. 103. All applicants for office, places, or employments in said classified civil service shall be subject to examination, which shall be public, competitive and open to all, with specified limitations as to residence, age, sex, health, habits, experience and moral character. Such examinations shall be practical in their character, and shall relate to those matters which will fairly test the relative capacity of the persons examined to discharge the duties of the position to which they seek to be appointed and, when appropriate, shall include, or exclusively consist of, tests of physical qualifications, health and manual skill No question in any examination shall relate to political

or religious opinions or affiliations. No limitation or restriction whatsoever shall be imposed, excepting in the departments of fire and police, fixing a maximum age in excess of which persons shall be deprived from taking examinations for or being employed in the classified civil service. The board shall control all examinations, and may whenever an examination is to take place, obtain the assistance of a suitable person or number of persons to aid it in preparing for and conducting such examinations.

Sec. 111. The provisions of this Article shall apply to all departments, divisions and offices of the city government including therein all employees of the city, except that the following shall be exempt therefrom, to-wit:

All officers elected by the people.

All members of the several boards

Members of the Board of Zoning Adjustment.

The secretary to the Mayor and such other persons employed in positions established by the Council in the Office of the Mayor, except clerks, stenographers and secretaries other than the secretary to the Mayor

Such persons employed in positions established by the Council for the purpose of assisting the members of the Council in the performance of their duties, except clerks, stenographers, secretaries and administrative analysts.

The chief deputy of the Controller.

The City Superintendent of Schools and assistants and deputies, and all teachers and employees in the School Department.

The assistants, deputies, clerks and stenographers of the City Attorney.

The General Manager who is the Chief Engineer of the Department of Water and Power, and two deputies of said General Manager; provided that if the work of that Department be divided into two bureaus as provided elsewhere in this Charter, then there shall be exempted the General Manager who is the Chief Engineer of the Bureau of Water Works and Supply and the General Manager who is the Chief Electrical Engineer of the Bureau of Power and Light, and a Deputy of the General Manager of each of the two Bureaus.

The Auditor and the Cashier of the Department of Water and Power.

Four persons employed to render services in the Department of Water and Power as assistants or deputies, at a position level in any supervisory line of authority in said Department higher than any position existing under the classified civil service in said line of authority, or as members of the staff of the General Manager of that department, or as they may be divided by action of the Board of Water and Power Commissioners between the respective General Managers if the work of that department be divided into two bureaus; provided that each such person must, at the inception of such exempt employment, hold a position in the Department of

Water and Power under the classified civil service provisions of this charter, and must have held one or more such positions for an aggregate period of fifteen years or more, and provided further that the exemption of each such person shall be declared by the Board of Water and Power Commissioners.

The General Manager of the Department of Airports.

The City Administrative Officer and Assistant City Administrative Officers.

The Traffic Manager and the Port Warden of the Harbor Department.

The Inspector of Public Works.

All physicians appointed by the Health Board other than those employed on a regular full-time permanent basis.

All physicians appointed on or after January 1, 1955, to render services in the Department of Water and Power; provided that such appointments shall be without prejudice to those appointed subject to this article before said date.

All officers of election.

Persons specially employed by the City Clerk, as authorized by the provisions of Section 305 hereof, to assist in the conduct of any election. The Police Surgeon and assistant police surgeons.

Persons or positions elsewhere specifically exempted by the provisions of this charter.

Persons employed to render professional, scientific, technical or expert services of an exceptional character upon the request of the head of the department, division or office in which such persons are to be employed, approved by resolution of the Council, and by the Board of Civil Service Commissioners.

Any of the following may be exempted from the provisions of this article upon the request of the head of the department, division, or office in which they are employed, by order of the Board of Civil Service Commissioners, approved by the Council by resolution, to wit: (a) persons employed as the first and second deputies where not exempt as above provided; (b) positions of unskilled laborers, including drivers; (c) positions the occupants of which are workmen, mechanics or craftsmen (including foremen) employed exclusively as such on the construction of public works, improvements or buildings; (d) any position requiring the services of one individual for not more than half time and paying a salary not to exceed three-fourths of the monthly rate established by the salary fixing authority of such department, division or office for entering level clerical positions. Any exemption made under the provisions of this paragraph may be terminated at any time by resolution of the Board of Civil Service Commissioners.

Each and every person exempted by or pursuant to the provisions of this section or occupying a position exempted by the provisions of this section shall, during the period of such exempt employment, be considered as being on leave of absence from the classified civil service if at the time of such exemption he holds a position in the

classified civil service, or is entitled to hold a position therein, and shall continue, during such period, to acrue seniority credit the same as though serving in the position in the classified civil service from which he is deemed to be on leave.

Sec. 123. (1) The Council and every other authority authorized to fix salaries or wages shall each appoint a representative of its body, all of whom, with the City Administrative Officer, shall constitute the Salary Standardization Committee. Said committee shall grade, and from time to time regrade the salaries of all classes of employees embraced in the classified civil service in all the offices and departments of the city government, to the end that like salaries shall be paid for like duties.

Sec. 174. The Board of Recreation and Park Commissioners shall have the power:

(a) To control, appropriate, and expend, as in this charter provided, all money coming into the Recreation and Parks fund; and may invest any surplus funds under their control in bonds or other evidences of indebtedness of the United States, or of the State of California, or any political subdivision thereof; and the income derived from any such investment shall be deposited in the City Treasury to the credit of the Recreation and Parks fund.

(b) To organize and reorganize the work of the department into divisions, and to appoint an administrative officer for each division, or for any group of divisions, or for the department.

Sec. 228. In the exercise of the powers granted by this Article the Department of Water and Power may acquire and take, by purchase, lease, condemnation or otherwise, and hold, in the name of the city, any and all property, real or personal, that may be necessary or convenient for the purpose of extending and increasing the electric business of the Department and promoting the sale of its products through the conducting and holding of annual expositions for the encouragement of domestic and foreign trade, through and for industrial, commercial and cultural development, or purposes incidental thereto.

Sec. 290. (a) A petition signed by qualified electors equal in number to at least twenty per cent of the entire vote cast for all candidates for the office, the incumbent of which is sought to be removed, at the last preceding general municipal election, or primary nominating election, at which an incumbent of such office was elected, demanding the submission to the electors of the city of the question whether the incumbent of such office shall be removed by vote of such electors, and if so removed, the election of a successor of such incumbent, shall be addressed to the Council and filed with the City Clerk. If said petition demands the submission of the question of the removal of a member of the Board of Education, said twenty per cent shall be computed upon the total number of votes cast for all candidates for the Board of Education at the last preceding general municipal election, or primary nominating election, at which members of the Board of Education were elected,

divided by the number of members of the Board of Education elected at said election. In the case of Councilmen, the twenty percent above provided for shall be computed upon said total number of votes cast within the district from which the Councilman, for whose recall the petition asks, was elected, and only the signatures of registered voters living within the district, as provided in Section 6 (2) (a) of this charter, shall be counted in computing said twenty percent, and only voters residing within such district shall be entitled to vote at the recall election. Such petition shall contain a general statement of the grounds for which such removal is sought, of not more than three hundred words in length, and the sufficiency of such statement shall not be subject to review; provided, however, that no petition for the removal of any elective officer shall be so filed until he has actually held his office for three months.

Sec. 393. Any real property owned by the City of Los Angeles that is no longer required for the use of the city may, subject to the limitations and exceptions elsewhere prescribed in this charter, be sold, either in the whole or in part, under such terms and conditions, and under such procedure as the Council may by ordinance prescribe; provided, however, that any real property proposed to be sold that is under the control of any board or commission authorized by this charter or by law to acquire, hold or control real property shall not be sold except at the request or with the approval of the board, commission or officer having the management of such department, and the proceeds of such sale shall be paid into the city treasury and placed in the fund of the department having control of such property.

Sec. 431. All persons employed in the operating service of any public utility hereafter acquired by the city, or any department thereof, at, and for at least one year immediately prior to, the date of such acquisition, may be retained and employed by the city, or such department, in their respective positions, as nearly as may be, and, so long as continuously so retained and employed in such positions, shall be exempt from the civil service provisions of this charter; provided, however, that persons so retained and employed shall, within three months after such acquisition, conform to any residence requirements applicable to employees of said city, or department, in like positions.

Sec. 504. [Sixth Paragraph]
Equity-type Securities.

The Board, upon the same terms and conditions and within the same limitations contained in the second paragraph, including subparagraphs "a" through "f" thereof, of Section 42 of Article XIII of the California Constitution as of the effective date of this section, may invest up to but not exceeding twenty-five percent of the fund determined on a cost basis, in equity-type securities, such as common stocks or preferred stocks but not limited thereto

We further certify that we have compared the text of the foregoing

amendment with the original proposal submitting the same to the electors of said city and find that the foregoing is a full, true, correct, complete and exact copy thereof. That as to said amendment, this certificate shall be taken as a full and complete certification of the regularity of all proceedings had and done in connection therewith.

In witness whereof, we have hereunto set our hands and have caused the corporate seal of the City of Los Angeles to be affixed hereto this 19th day of April, 1973.

JOHN S. GIBSON, JR.
John S. Gibson, Jr.
(SEAL) President of the Council
of the City of Los Angeles
REX E. LAYTON
Rex E. Layton
City Clerk of the
City of Los Angeles

and

WHEREAS, The said proposed amendment as ratified as hereinbefore set forth has been and is now duly presented and submitted to the Legislature of the State of California for approval or rejection as a whole without the power of alteration in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate concurring, a majority of all of the members elected to each house voting therefor and concurring therein,* That said amendment to the Charter of the City of Los Angeles as proposed to and adopted and ratified by the electors of said city. and as hereinbefore fully set forth, be and the same is hereby approved as a whole, without amendment or alteration, for and as an amendment to and as a part of the Charter of the said City of Los Angeles.

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## RESOLUTION CHAPTER 60

*Assembly Concurrent Resolution No. 91—Approving amendments to the Charter of the City of Redondo Beach, State of California, ratified by the qualified electors of the city at a general municipal election held therein on the 10th day of April, 1973.*

[Filed with Secretary of State June 8, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City of Redondo Beach, a municipal corporation in the County of Los Angeles, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

State of California
County of Los Angeles } ss
City of Redondo Beach

We, the undersigned, William F. Czuleger, Mayor of the City of Redondo Beach, State of California, and Fred M. Arnold, City Clerk of said city, do hereby certify and declare as follows:

The City of Redondo Beach, in the County of Los Angeles, State of California, was at all times mentioned herein and now is a City of the State of California, existing and acting under a Charter duly adopted and approved under and by virtue of the Constitution of the State of California.

The legislative body of said city on its own motion submitted to the electors of said city, at a general municipal election, to wit, a General Municipal Election, held within said city on the 10th day of April, 1973, certain proposed amendments to the City Charter of said city.

Said proposed amendments were published in the South Bay Daily Breeze, a newspaper having a general circulation in said city, and being the official newspaper of said city, on the 22nd day of February, 1973, and the 1st day of March, 1973, and in each edition thereof on said days, and said publication was made at the time and in the manner prescribed by the Constitution of the State of California.

Said election was duly and regularly held on the 10th day of April, 1973, which said date of the said election was not less than forty nor more than sixty days after the completion of the advertising in said newspaper of said proposed amendments, and at said election a majority of the qualified voters voting thereon voted in favor thereof and did ratify said proposed amendments to said City Charter.

Said proposed amendments were duly and regularly submitted to and duly ratified by the said qualified voters of said city, and all and singular requirements of the Constitution and laws of the State of California and the Charter of said city have been complied with.

Said amendments are as follows:

Sections 16.1 and 16.3, Article XVI, are amended to read as follows:

Article XVI

Sec. 16.1 Board members.

The government and control of the public schools shall be vested in the Board of Education, consisting of five (5) members who shall have been residents of the territory included in the Redondo Beach City School District at least two (2) years next preceding the day of their election. They shall be elected at large by the qualified voters of the district and shall serve for a four (4) year term, (except as hereinafter provided for the transition from three year terms to four year terms), without compensation, except necessary expenses contracted when acting as a designated representative of the Board of Education as provided in the Education Code of the State of

California.

At the Redondo Beach City School District election held in April of 1974, two members of the Board of Education shall be elected for terms of three years to fill the offices expiring June 30, 1974.

At the Redondo Beach City School District election held in April of 1974, one member of the Board of Education shall be elected for a term of four years to fill the office expiring June 30, 1975.

At the Redondo Beach City School District election held in April of 1976, two members of the Board of Education shall be elected for terms of three years to fill the offices expiring June 30, 1976.

At the Redondo Beach City School District election held in April of 1977, two members of the Board of Education shall be elected for terms of four years to fill the offices expiring June 30, 1977.

At the Redondo Beach City School District election held in April of 1979, three members of the Board of Education shall be elected for a term of four years to fill the offices expiring June 30, 1979.

Sec. 16.3 Elections.

The election of members to the Board of Education shall be held in the Redondo Beach City School District on the same date as is provided in the Education Code of the State of California, as it now exists or may later be changed.

Section 18, Article XVIII, is amended to read as follows:

Article XVIII

Section 18. General Municipal Elections.

General Municipal Elections to fill elective offices shall be held in said City on the third Tuesday in April in each odd numbered year beginning with April 1975.

We further certify that the facts set forth in the preamble preceding said amendments to said Charter, and each of them, are true.

In witness whereof, we have hereunto set our hands and caused the corporate seal of the City of Redondo Beach to be attached on this 30th day of April, 1973.

WILLIAM F. CZULEGER
William F. Czuleger
Mayor of the City of Redondo Beach, California

(SEAL)

Attest:
FRED M. ARNOLD
Fred M. Arnold
City Clerk of the City of Redondo Beach, California

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City of Redondo Beach, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City of Redondo Beach.

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## RESOLUTION CHAPTER 61

*Assembly Joint Resolution No. 29—Relative to federal earthquake detection and prevention programs.*

[Filed with Secretary of State June 8, 1973 ]

WHEREAS, The recent earthquakes in southern California and the disastrous earthquake in Managua, Nicaragua, in December of 1972, reaffirmed the constant threat of serious damage from earthquakes in California; and

WHEREAS, Scientists are constantly reporting progress in providing early-warning systems and in constructing quake-resistant buildings; and

WHEREAS, The National Oceanic and Atmospheric Administration (NOAA) has maintained an earthquake information center, and has developed programs on earthquake engineering, earthquake hazard assessment, and earthquake forecasting; and

WHEREAS, Proposed federal budget cuts threaten to stop such research or compel the NOAA to give up its programs; and

WHEREAS, The continuation of such experiments and research is vital to the health and safety of the residents of California; now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly*, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to provide sufficient moneys in the 1973–74 fiscal year federal budget to fund the earthquake detection and prevention programs of the National Oceanic and Atmospheric Administration or, alternatively, to ensure that such programs continue under other appropriate federal agencies; and be it further

*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Director of the Office of Management and Budget, to the Administrator of the National Oceanic and Atmospheric Administration, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 62

*Senate Concurrent Resolution No. 4—Relative to the Ventura Freeway.*

[Filed with Secretary of State June 8, 1973 ]

*Resolved by the Senate of the State of California, the Assembly thereof concurring*, That State Highway Route 101 between State Highway Route 1 immediately east of the City of Ventura and the Ventura-Santa Barbara county line is hereby officially designated and named the Ventura Freeway; and be it further

*Resolved*, That the Division of Highways in the Department of Public Works is hereby requested to erect and maintain signs on the highway, upon its construction as a freeway, showing the official designation; and be it further

*Resolved*, That the Secretary of the Senate transmit a copy of this resolution to the Director of Public Works.

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## RESOLUTION CHAPTER 63

*Assembly Concurrent Resolution No. 96—Relative to the death of Robert W. Crown.*

[Filed with Secretary of State June 14, 1973.]

WHEREAS, The death of a friend is always a cause of grief, but when death strikes a man who possesses a unique sensitivity to the inequities in society, and that man has attained a position in life which offers him a rare opportunity to remedy those inequities, an opportunity which he seizes unhesitatingly, the loss becomes a tragedy for everyone; and

WHEREAS, So it is with the death of Assemblyman Robert W. Crown, friend not only to those who knew him, but also to the untold thousands of Californians who benefit from the measures which he sponsored during his more than 17 years as a legislator; and

WHEREAS, Among these measures were acts providing for expanded educational opportunities, offering scholarship programs, fostering economic growth, supplying the health and welfare needs of the elderly and underprivileged, protecting the consumer, providing state financial assistance to help equip and train local law enforcement officers, making illegal possession of explosives a mandatory felony, and expanding the coverage of the state's Crippled Children's Services Program; and

WHEREAS, Robert Crown's interests were limited only by time and were as varied as his many talents; and

WHEREAS, He championed the cause of civil rights and civil liberties throughout his career, and provided a key vote on the Rumford Act which assured equal opportunities in housing for minority groups; and

WHEREAS, He was the author of the bill which established California's Office of Tourism and Visitor Services, and in recognition of his leadership in the areas of world trade, tourist promotion, and economic development, he became the guest of the governments of West Germany and Japan; and

WHEREAS, During his many years as Chairman of the Ways and Means Committee, he steered adoption of budgetary reforms that saved California's taxpayers millions of dollars; and

WHEREAS, Robert Crown received many honors during his career, including being singled out by the members of the Capitol Press Corps as one of the most effective and energetic members of the Assembly, a tribute which he cherished and of which he was justly proud; and

WHEREAS, He was also proud of his membership on the Board of Trustees of San Francisco Law School; and

WHEREAS, Legislator, attorney, teacher, world traveler, but above all, humanitarian, Robert Crown will long be remembered in the corridors of the Capitol and throughout the state, and the fruits of his life's work will live on, bringing countless benefits to the people of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Members of the Legislature express their deep sense of loss at the death of their friend and colleague, Robert W. Crown; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit suitably

prepared copies of this resolution to Robert Crown's aunts, Helen Chaim and Lulua Commons, to Senator Nicholas C. Petris and Assemblyman John T. Knox, to former Assemblymen Charles Meyers and Jess M. Unruh, to Louis J. Angelo, Edward FitzSimmons, Abe Kaufman, Judge Myron Martin, and Helen Willson, and to the members of Robert Crown's staff.

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## RESOLUTION CHAPTER 64

*Assembly Concurrent Resolution No. 78—Relative to the joint rules.*

[Filed with Secretary of State June 15, 1973 ]

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Temporary Joint Rules of the Senate and Assembly for the 1973–74 Regular Session are amended as follows:

First—That Rule 4 is amended to read:

### Definition of Word Bill

4. Whenever the word "bill" is used in these rules, it shall include constitutional amendments, resolutions ratifying proposed amendments to the United States Constitution, and resolutions calling for constitutional conventions.

Second—That Rule 6 is amended to read:

### Resolutions Treated as Bills

6. Concurrent and joint resolutions, other than resolutions ratifying proposed amendments to the United States Constitution and resolutions calling for constitutional conventions, shall be treated in all respects as bills except as follows:

(a) They shall be given only one formal reading in each house.

(b) They shall not be deemed bills within the meaning of subdivision (a) of Section 8 of Article IV of the Constitution.

(c) They shall not be deemed bills for the purposes of Rules 10.8, 53, 55, and 61, and subdivision (d) of Rule 54 and subdivisions (a) and (b) of Rule 62.

(d) They shall not, except for those relating to voting procedures on the floor or in committee, be deemed bills for the purposes of subdivision (c) of Rule 62.

Third—That Rule 10.8 is amended to read:

Consideration of Bills

10.8. The limitation contained in subdivision (a) of Section 8 of Article IV of the Constitution may be dispensed with as follows:

(a) A written request for such dispensation entitled "Request to Consider and Act on Bill Within 30 Calendar Days" shall be filed with the Chief Clerk of the Assembly or the Secretary of the Senate, as the case may be, printed in the Journal and transmitted to the Rules Committee of the appropriate house.

(b) The Rules Committee of the Assembly or Senate, as the case may be, shall determine whether there exists an urgent need for dispensing with the 30-calendar-day waiting period following the bill's introduction.

(c) If the Rules Committee recommends that the waiting period be dispensed with, the member may offer a resolution, without further reference thereof to committee, authorizing hearing and action upon the bill before the 30 calendar days have elapsed. The adoption of the resolution shall require an affirmative recorded vote of three-fourths of the elected members of the house in which the resolution is presented.

Fourth—That Rule 53 is amended to read:

Procedure on Suspending Rules by Single House

53. Whenever these rules authorize suspension of the Joint Rules as to a particular bill by action of a single house after approval by the Rules Committee of that house, the following procedure shall be followed:

(a) A written notice of intention to suspend the joint rule shall be filed with the Chief Clerk of the Assembly or the Secretary of the Senate, as the case may be, and shall be transmitted to the Rules Committee of the appropriate house. The notice shall be printed in the Journal of that house.

(b) The Rules Committee of the Assembly or Senate, as the case may be, shall determine whether there exists an urgent need for the suspension of the joint rule with regard to the bill.

(c) If the Rules Committee recommends that the suspension be permitted, the member may offer a resolution, without further reference thereof to committee, granting permission to suspend the joint rule. The adoption of the resolution granting such permission shall require an affirmative recorded vote of the elected members of the house in which the request is made.

Fifth—That Rule 55 is amended to read:

30-Day Waiting Period

55. No bill other than the Budget Bill may be heard or acted upon by committee or either house until the bill has been in print for 30 days. The date a bill is returned from the printer shall be entered in

the history. This rule may be suspended concurrently with the suspension of the requirement of Section 8 of Article IV of the Constitution or if such period has expired, this rule may be suspended by approval of the Rules Committee and two-thirds vote of the house in which the bill is being considered. If this rule is suspended, such suspension shall also suspend subdivision (d) of Joint Rule 54, if applicable.

Sixth—That Rule 62 is amended to read:

Committee Procedure

62. (a) Notice of a hearing on a bill by the committee of first reference in each house shall be published in the file at least four days prior to the hearing. Otherwise, notice shall be published in the file two days prior to the hearing. Such notice may be waived by a majority vote of the house in which the bill is being considered. A bill may be set for hearing in a committee only three times. A bill is "set" for purposes of this subdivision whenever notice of the hearing has been published in the file for one or more days. If a bill is set for hearing, and the committee, on its own initiation and not the author's, postpones the hearing on the bill or adjourns the hearing while testimony is being taken, such hearing shall not be counted as one of the three times a bill may be set. After hearing the bill, the committee may vote on the bill. If the hearing notice in the file specifically indicates that "testimony only" will be taken, such hearing shall not be counted as one of the three times a bill may be set. A committee may not vote on a bill so noticed until it has been heard in accordance with this rule. After a committee has voted on a bill, reconsideration may be granted only one time. Reconsideration may be granted within 15 days or prior to the interim study joint recess, whichever first occurs. A vote on reconsideration cannot be taken without the same notice required to set a bill unless such vote is taken at the same meeting at which the vote to be reconsidered was taken and the author is present. When a bill fails to get the necessary votes to pass it out of committee or upon failure to receive reconsideration, it shall be returned to the Chief Clerk of the Assembly or Secretary of the Senate of the house of the committee and may not be considered further during the session.

This subdivision may be suspended with respect to a particular bill by approval of the Rules Committee and two-thirds vote of the members of the house.

(b) If the committee adopts amendments other than those offered by the author and orders the bill reprinted prior to its further consideration, the hearing shall not be the final time a bill may be set under subdivision (a) of this rule.

(c) When a standing committee takes action on a bill, the vote shall be by rollcall vote only. All rollcall votes taken by a standing committee shall be recorded by the committee secretary on forms

provided by the Chief Clerk of the Assembly and the Secretary of the Senate. The chairman or chairwoman of each standing committee shall promptly transmit a copy of the record of the rollcall votes to the Chief Clerk of the Assembly or the Secretary of the Senate, respectively, who shall cause the votes to be published as prescribed by each house.

The provisions of this subdivision shall also apply to action of a committee on a subcommittee report. The rules of each house shall prescribe the procedure as to rollcall votes on amendments.

Any committee may, with the unanimous consent of the members present, substitute a rollcall from a prior bill, provided that the members whose votes are substituted are present at the time of the substitution.

At no time shall a bill be passed out by a committee without a quorum being present.

The provisions of this subdivision shall not apply to:

(1) Procedural motions which do not have the effect of disposing of a bill.

(2) Withdrawal of a bill from a committee calendar at the request of an author.

(3) Return of bills to the house where the bills have not been voted on by the committee.

(4) The assignment of bills to committee.

(d) The chairman or chairwoman of the committee hearing a bill, may, at any time, order a call of the committee. Upon a request by any member of a committee or the author in person, the chairman or chairwoman shall order the call.

In the absence of a quorum a majority of the members present may order a quorum call of the committee and compel the attendance of absentees. The chairman or chairwoman shall send the Sergeant at Arms for those members who are absent and not excused by their respective house.

When a call of a committee is ordered by the chairman or chairwoman with respect to a particular bill, he or she shall send the Sergeant at Arms or any other person to be appointed for that purpose for those members who have not voted on that particular bill and are not excused.

A quorum call or a call of the committee with respect to a particular bill may be dispensed with by the chairman or chairwoman without objection by any member of the committee, or by a majority of the members present.

If a motion is adopted to adjourn the committee while the committee is operating under a call, the call shall be dispensed with and any pending vote announced.

The committee secretary shall record the votes of members answering a call. The rules of each house may prescribe additional procedures for a call of a committee.

# RESOLUTION CHAPTER 65

*Senate Joint Resolution No. 15—Relative to fishing industry.*

[Filed with Secretary of State June 18, 1973 ]

WHEREAS, The position of the United States in world fisheries has declined from first to seventh place among the major fishing nations; and

WHEREAS, There has been a continuing decline in domestic production of food fish and shellfish for the last five years; and

WHEREAS, The fishing boats in many communities in the State of California and the nation have become obsolete and inefficient; and

WHEREAS, Intensive foreign fishing along the coast of the State of California has brought about declines in stocks in a number of species with resulting economic hardship to local fishermen dependent upon such stocks; and

WHEREAS, Rising costs and extremely high insurance rates have made fishing uneconomic in some areas of the state; and

WHEREAS, Assistance to fishermen is very limited as contrasted to federal aid to industrial, commercial, or agricultural interests; and

WHEREAS, The fishermen cannot successfully compete against imported fish products in the market because a number of foreign fishing countries subsidize their fishing industry to a greater extent; and

WHEREAS, Approximately 60 percent of the seafood requirements of the United States is being supplied by imports; and

WHEREAS, The fisheries and fishing industry in this state is a valuable natural resource supplying employment and income to thousands of people in all of our coastal communities; and

WHEREAS, Our fisheries are beset with almost insurmountable production and economic problems; and

WHEREAS, Certain of our coastal stocks of fish are being decimated by foreign fishing fleets; now, therefore, be it

*Resolved by the Senate and Assembly of the State of California, jointly,* That the State of California respectfully memorializes the President and Congress of the United States and the Secretary of the Interior to take all the necessary and possible steps to provide all the necessary support to strengthen the fishing industry, and to provide adequate protection for the coastal fisheries against excessive foreign fishing; and be it further

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

# RESOLUTION CHAPTER 66

*Assembly Concurrent Resolution No. 16—Relative to environmental protection.*

[Filed with Secretary of State June 21, 1973 ]

WHEREAS, Preservation of the environment is a matter of utmost concern to all Californians and can be accomplished by the enactment of legislation to effect statewide coordination of environmental protection efforts; and

WHEREAS, The need for such legislation has been documented by the State Environmental Quality Study Council, the Assembly Science and Technology Advisory Council, and various other groups; and

WHEREAS, The serious problems of environment quality control are proposed to be met by legislation on both the federal and state levels with respect to solid waste management, open space, land use planning and regulation, air pollution, water pollution, and pesticide regulation; and

WHEREAS, The Legislative Analyst in his report on the State Air Resources Board has recommended a long-range objective of establishing one state agency to regulate all forms of pollution and waste, including air pollution, water pollution, and solid waste; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Legislative Analyst be directed to conduct studies and make findings and recommendations on alternative statutory methods of achieving statewide coordination of environmental protection, including proposed legislation, regarding the creation and organization of a state environmental resources control board, set forth in two separate reports, one report to consider such a board as empowered to plan and regulate the control of air and water pollution, the management of solid waste, and the use of pesticides, and the other report to consider such a board as empowered to plan and regulate both the aforementioned subject areas and land use; and be it further

*Resolved,* That such studies shall include, but shall not be limited to, the following:

1. Organization and composition of the board itself;
2. Statutory language required for effecting code section revisions;
3. A plan for the organization of such a state agency, including specific division level functions and composition;
4. Impact and effect on local government;
5. Costs of such a proposal; and be it further

*Resolved,* That the Legislative Analyst submit his findings and recommendations to the Legislature no later than January 7, 1974; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit a copy of

this resolution to the Legislative Analyst.

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## RESOLUTION CHAPTER 67

*Assembly Concurrent Resolution No. 106—Approving amendments to the Charter of the City of Los Angeles, State of California, ratified by the qualified electors of the city at a general municipal election held therein on the 29th day of May 1973.*

[Filed with Secretary of State June 21, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City of Los Angeles, a municipal corporation in the County of Los Angeles, State of California, as hereinafter set forth in the certificate of the president of the city council, and city clerk of the city, as follows

CERTIFICATE OF AMENDMENT TO THE CHARTER OF THE CITY OF LOS ANGELES, CALIFORNIA

State of California
County of Los Angeles } ss.
City of Los Angeles

We, John S. Gibson, Jr., President of the Council of the City of Los Angeles, and Rex E. Layton, City Clerk of the City of Los Angeles, do hereby certify and declare as follows:

That said City of Los Angeles, in the County of Los Angeles, in the State of California, is now, and was at all times herein mentioned: (a) a city containing a population of more than two million eight hundred thousand inhabitants as ascertained by the last preceding census taken under the authority of the Congress of the United States; (b) a city organized and existing under a freeholders' charter, adopted under the provisions of former Section 8, Article XI of the Constitution of the State of California, which charter was heretofore duly ratified by a majority of the electors of said city at a special election held for that purpose on the 6th day of May, 1924, and approved by the Legislature of the State of California by concurrent resolution filed with the Secretary of State on the 26th day of January, 1925 (Senate Concurrent Resolution No. 2, Chapter No. 5, Statutes 1925, P. 1024).

That in accordance with the provisions of Article XI, Section 3 of the Constitution of the State of California and of Section 34459 of the California Government Code, the Council of the City of Los Angeles, being the legislative body of said city, on its own motion, duly and regularly submitted to the qualified electors of the City of Los

Angeles proposals for the amendment of the Charter of said city to be voted upon by said qualified electors at an election held on the 29th day of May, 1973, all as required by law, which said proposals were designated as proposed charter amendments Nos. 1, 2, 3, 4 and 5.

That on the 17th day of April, 1973, the said proposed amendments were published and advertised in accordance with Section 34461 of the California Government Code, in each and every edition of said day of April 17, 1973, in "The Los Angeles Daily Journal," a daily newspaper of general circulation printed and circulated in said city, and being the official newspaper for said purpose; all as shown by the affidavit of publication on file in the office of the City Clerk of said city.

That copies of said proposed charter amendments were printed in convenient pamphlet form in type of ten-point, and were mailed to each of the qualified electors of said city; and copies thereof could be had upon application therefor at the office of the City Clerk on and from April 17, 1973, to and including May 29, 1973; and a notice was advertised and published on and from April 17, 1973, to and including May 29, 1973, in "The Los Angeles Daily Journal," a newspaper of general circulation in said city, that copies thereof might be had at the office of the City Clerk of said city upon application therefor.

Such proposed charter amendments were submitted to the electors of said city for adoption and ratification at an election held on May 29, 1973, which was not less than forty, nor more than sixty, days after completion of the advertising in the official paper of the proposed charter amendments aforesaid.

At said election a majority of the qualified electors voting upon the proposed charter amendments voted in favor thereof and adopted and ratified the same, as appears by the official canvass of the returns thereof by the City Clerk of the City of Los Angeles dated June 7, 1973, and by the declaration of the Council of said City of Los Angeles, which pursuant to law met on June 7, 1973, at its usual time and place of meeting, and duly declared the result of said election in accordance with the canvass of the returns as certified by said City Clerk.

That the said amendments to the Charter of the City of Los Angeles, so adopted and ratified by the qualified electors of said city, and which shall be submitted to the Legislature for approval or rejection, are in words and figures as follows:

Proposed Charter Amendment No. 1

The charter of the City of Los Angeles is hereby amended by adding Section 53 thereto, to read as follows:

Sec. 53. Management Audits and Investigations.

Notwithstanding the provisions of Section 51, the City Administrative Officer shall have power and it shall be his duty to investigate the administration of the various departments and other

agencies of city government for the purpose of recommending to the Mayor, the City Council, and to the respective departments and agencies concerning the duties of the various positions, the methods and the standards of efficiency in the departments and other agencies, and he shall recommend such changes as in his judgment will promote economy and efficiency in the conduct of city government.

Proposed Charter Amendment No. 2

Subsection (c) of Section 170 of the charter of the City of Los Angeles is hereby amended to read as follows:

(c) The Department of Recreation and Parks shall operate, manage, and control any municipal auditorium, municipal auditorium center, arena, or sports center, and the facilities in connection therewith, owned or controlled by the City; and shall have power to design and construct the same and, in the name of The City of Los Angeles, to acquire and take by purchase, lease, condemnation, gift, in trust or otherwise, any and all property necessary or convenient for such purposes.

The Board of Recreation and Park Commissioners may lease in whole or in part as set forth herein, such municipal auditorium, municipal auditorium center, arena, or sports center, or the facilities in connection therewith. The term of any such lease shall not exceed thirty-five years. Leases in excess of five years shall be approved by the Council by ordinance. Each lease shall provide that the lessee must operate the property or facility leased so as to furnish the public with the use for which it was acquired, constructed or completed, and, further, that the public must be entitled as of right to use and enjoy the property or facility so leased for the purposes for which it was acquired, constructed or completed. The Board of Recreation and Park Commissioners may prescribe such other terms and conditions of any such lease as it may deem proper and may enter into the same without inviting bids therefor.

All revenues derived from any such municipal auditorium, or municipal auditorium center, or the facilities in connection therewith, including the proceeds from any lease thereof, shall be paid into the "Auditorium Revenue Fund" of the Department of Recreation and Parks, which fund is hereby established. The expense of operation, management, maintenance and improvement of any such municipal auditorium, or municipal auditorium center, or the facilities in connection therewith, shall be defrayed solely from the Auditorium Revenue Fund and the revenues or other moneys paid into the same or credited thereto. Moneys in the Auditorium Revenue Fund shall be appropriated or used only as follows:

First: For the necessary expenses of operating, managing, maintaining and improving any such municipal auditorium, or municipal auditorium center, or facilities in connection with any such municipal auditorium, or municipal auditorium center, and

discharge of liabilities arising therefrom.

Second: For the payment of the principal and interest, or either, due or coming due, during the fiscal year in which the money in said fund is received, or to be received upon outstanding bonds or other evidences of indebtedness issued for the acquisition, construction, or completion of any municipal auditorium, or municipal auditorium center, or facilities in connection therewith.

Third: To transfer to the Reserve Fund in the manner provided in Section 382 of this charter; provided, however, that no such transfer shall be made so long as any bonds or other evidences of indebtedness payable out of said revenue fund shall be outstanding and unpaid, or so long as the city is obligated to make payments on a lease which guarantees debt service of bonds or other evidences of indebtedness issued to construct a municipal auditorium or municipal auditorium center and the facilities in connection therewith, or until there shall have been set apart in a special trust fund, established for such lease payments, bonds or other evidences of indebtedness, sums sufficient to pay, when due, rental payments for the unexpired term of any such lease, and the entire principal of any such indebtedness remaining unpaid together with interest accrued and to accrue thereon.

Proposed Charter Amendment No. 3

Section 268 of the charter of the City of Los Angeles is hereby amended to read as follows:

Sec. 268. Filling Vacancies—Alternate Method.

In lieu of filling a vacancy in any elective office, other than Member of the Board of Education, as provided in Section 267, the Council may, if it so desires, call a special election by ordinance for the purpose of filling such vacancy and provide in such ordinance the time for holding such election and its consolidation with any other election and the procedure for nominating candidates, including the amount of the filing fee to be paid by candidates and other matters pertaining to such election. The candidate receiving the highest number of votes shall be declared elected to fill such vacancy in office upon the same terms and conditions as if appointment thereto had been made by the Council pursuant to Section 267. In the case of a tie vote the Council shall decide which candidate receiving an equal number of votes is elected to so fill such vacancy in office. No person may be nominated as a candidate to be voted for at such special election who does not possess the necessary qualifications for election to the office as provided in Section 307.

Proposed Charter Amendment No. 4

The Charter of The City of Los Angeles is hereby amended by amending the third paragraph of Section 220.1 (1) (e) thereof to read as follows:

That said Board of Administration, subject to such rules, regulations and instructions as may from time to time be prescribed by the Board of Water and Power Commissioners, shall have exclusive power and authority over the administration and investment of those certain funds which pertain to said plan and system and which are hereinafter more particularly specified in subdivision (f) hereof, and, notwithstanding anything in this Charter to the contrary, the procedure to be followed in connection with such investments, including, without limitation, all matters relating to the purchase, sale, payment for, transfer, exchange, registration, delivery, receipt, custody, and servicing of securities acquired by such funds; provided, however, that any money in such funds shall be kept on deposit with the Treasurer of the city, or be invested in bonds or securities, but not limited thereto, legal for investment by savings banks or public funds in the State of California; or in bonds or securities, but not limited thereto, legal for investment by savings banks in the State of New York, or the State of Massachusetts; or in bonds issued by the Department of Water and Power, whether in its own name or in the name of the City of Los Angeles, and made payable out of the Water Revenue Fund or the Power Revenue Fund; or in common or preferred stock or shares of any corporation, to the extent of not to exceed 40% of the assets of each of the funds specified in subdivision (f) hereof determined on the basis of cost, provided, with regard to such common or preferred stock, that, (1) such stock is registered on a national securities exchange, as provided in the Securities Exchange Act of 1934, or (i) is the common stock of a bank which is a member of the Federal Deposit Insurance Corporation and has capital funds represented by capital, surplus and undivided profits of at least 50 million dollars, or (ii) is the common stock of an insurance company which has capital funds represented by capital, special surplus funds and unassigned surplus of at least 50 million dollars, or (iii) is preferred stock, (2) such corporation has total assets of at least 100 million dollars, (3) there are no arrears of dividend payments on preferred stock of such corporation, (4) such corporation has paid a cash dividend on its common stock in each of its 5 fiscal years next preceding the date of investment and the aggregate net earnings available for dividends on its common stock for such period have been at least equal to the amount of such dividends paid, provided, that if such corporation acquired its property or assets or any substantial portion thereof within such period by consolidation or merger with, or by purchase or otherwise from, any other corporation or unincorporated business enterprise, the earnings and dividends of the several predecessor or constituent corporations or enterprises may be consolidated and adjusted in accordance with generally accepted accounting principles in order to ascertain whether such requirements have been met, (5) such investment in any one corporation by all of the funds specified in subdivision (f) hereof may not exceed 5% of the common stock or shares outstanding, and (6) such investment in the common stock of

any one corporation may not exceed 2% of the assets of each of the funds specified in subdivision (f) hereof determined on the basis of cost; or in bonds or notes secured by first mortgages or first deeds of trust on real property to the extent of not to exceed 15% of the assets of each of the funds specified in subdivision (f) hereof determined on the basis of cost, or in bonds or other evidences of indebtedness not otherwise expressly authorized by this section, to the extent of not to exceed 20% of the assets of each of the funds specified in subdivision (f) hereof determined on the basis of cost, in which in the informed opinion of the Board of Administration it is prudent to invest retirement funds. In investing, reinvesting, purchasing, acquiring, exchanging, selling and managing the assets of each of the funds specified in subdivision (f) hereof, the Board of Administration shall exercise the same degree of judgment, care, good faith, reasonable prudence, discretion and intelligence as is required of a trustee by the provisions of subdivisions (1) and (2) of Section 2261 of the Civil Code of the State of California. The Board of Administration may contract for servicing any mortgages and deeds of trust in which it has invested only with banks and corporations that have and maintain a net worth of at least 1 million dollars. Nothing herein shall be construed to prohibit investment in convertible securities provided such securities would otherwise qualify for investment hereunder without such conversion feature and provided further that the Board of Administration shall not exercise any conversion option unless the securities to be issued upon such conversion qualify for investment hereunder. In making the factual determinations necessary under the provisions of this paragraph relating to qualification for investment hereunder, the Board of Administration may rely upon the last financial statement audited by independent certified public accountants issued by it next preceding the date of investment or conversion, and upon the last annual report to stockholders issued by the corporation concerned next preceding the date of investment or conversion;

## Proposed Charter Amendment No. 5

The Charter of the City of Los Angeles is hereby amended by amending Section 82, Section 385 and Section 386 to read as follows:

Sec. 82. Any action by any of said departments named in Section 70 authorizing the acquisition or sale of real property, approving of contracts which obligate the city for a longer period of time than one year, or which involves values in excess of Twenty Thousand Dollars ($20,000.00), or which involves a rule of general application to be followed by the public, shall be taken by the head of such department by order or resolution. Every order or resolution adopting a rule of general application to be followed by the public shall be published once in a daily newspaper and shall take effect upon such publication. Such rules when adopted by orders of general managers of departments named in Section 70(c) shall be subject to the

approval of the Mayor.

Sec. 385. Every contract involving an expenditure of more than five hundred dollars ($500.00) shall, except in cases of urgent necessity, as provided in Section 386 of this charter, be made in writing, the draft whereof shall be approved by the board, officer or employee authorized to make the same, and signed on behalf of the city by the Mayor, or some other person authorized thereof by resolution of the Council in the case of a contract authorized by the Council, or, in the case of other contracts, by the board, officer or employee, as the case may be, authorized to make the same; provided, however, that the approval of the City Attorney of any such contract as to form, as required by this charter, except contracts for the purchase of materials or of labor and materials involving the sum of twenty thousand dollars ($20,000.00) or less, shall be endorsed thereon before the Council, or such board, officer or employee shall have power to approve the same.

Excepted from this provision are all contracts for purchases made by the Purchasing Agent under the provisions of Section 391.

Sec. 386. (a) The restrictions of this section shall not apply to contracts:

(1) For the performance of professional, scientific, expert or technical services of a temporary and occasional character; or

(2) For the furnishing of articles covered by letters patent granted by the government of the United States; or

(3) For leasing as lessee or purchasing real property when approved by majority vote of the Council; or

(4) For repairs, alterations, work or improvements under the charge of any board or officer of the city declared in writing by such board or officer to be of urgent necessity (giving the reasons therefor), when such declaration is approved by the Council and the Mayor. Their approval may be made conditional upon compliance with some, but less than all of the requirements established in this section; or

(5) For repairs to, or repair parts for, equipment where such repairs or repair parts are obtained from the manufacturer of the equipment or its exclusive agent, and where authorization for such purchase has been granted by order or resolution of the Council; or

(6) Involving the expenditure of not more than twenty-thousand dollars ($20,000.00) provided, however, that where the contract involves the expenditure of more than $5,000.00 but not more than $20,000.00 the Council, Board, officer or employee authorized to contract shall comply with the requirements of Subsection (c) herein except a performance bond need not be required.

(b) Except as provided in subparagraph (a) above, the City of Los Angeles shall not be, and is not bound by any contract involving the expenditure of more than twenty thousand dollars ($20,000.00) unless the officer, board, or employee authorized to contract shall first have complied with the procedure for competitive bidding established by this section.

(c) The Council, Board, officer or employee authorized to contract shall first cause notice to be published at least once in a daily newspaper printed and published in the city, inviting proposals for the work, services, information or property required to be furnished or supplied to the city or to be sold by the city Said notice shall specify the amount of the bond to be given for the faithful performance of the contract. The right to reject any and all proposals shall, in every case, be reserved, as shall the right to waive any informality in the bid when to do so would be to the advantage of the city or its taxpayers. Bidders may be required to submit with their proposals detailed specifications of any item to be furnished, together with guarantees as to efficiency, performance, characteristics, operating cost, useful life, time and delivery, and other appropriate factors. Such notice shall specify the time and place such bids will be received.

(d) Except as provided in subdivision (j), every proposal, bid or offer shall be accompanied by a certified check, or a cashier's check issued by a responsible bank, payable to the order of the City of Los Angeles for an amount not less than ten per cent of the aggregate sum of the bid, or, in lieu thereof, may be accompanied by a satisfactory surety bond in like amount, guaranteeing that the bidder will enter into the proposed contract if the same be awarded to him. In lieu of the foregoing an annual bid bond sufficient to cover any one proposal, bid or offer may be filed.

The bid likewise shall be supported by a non-collusion affidavit, as provided in Section 388. The officer, board or City Council, having jurisdiction over the bidding, may permit any informality in such affidavit to be remedied, so as to comply with requirements, at any time prior to award of the contract

After bids have been opened and declared, except with the consent of the officer, board or City Council having jurisdiction over the bidding, no bid shall be withdrawn, but the same shall be subject to acceptance by the city for a period of three months, or such lesser period as prescribed in the notice inviting proposals to contract.

(e) At the time set for receiving the bids, those presented will be publicly opened and declared by or on behalf of the officer or board or the City Council; and thereupon may be referred to any appropriate officer for report and recommendation at a specified time, prior to consideration by such officer, board or the Council for award.

(f) At the time specified for opening said bids, or at any time to which the matter thereafter may be continued, for report, the contract shall be let to the lowest and best regular responsible bidder furnishing satisfactory security for its performance. This determination may be made on the basis of the lowest ultimate cost of the items in place and use; and where the same are to constitute a part of a larger project or undertaking, consideration may be given to the effect on the aggregate ultimate cost of such project or undertaking. The bid of any bidder previously delinquent or

unfaithful in the performance of any former contract with the city may be rejected

(g) Except as provided in subdivision (j), within ten days after the contract is awarded to the successful bidder, said bidder shall execute the contract and post the faithful performance bond. The contract shall comply with Section 389, where the same is applicable.

(h) The bid bond or faithful performance bond, when a certified or cashier's check, payable to the city, is not furnished in lieu thereof, shall be executed by the contractor and by a responsible corporate surety company; or two or more individuals sureties if and when approved by the bidding authority.

In the discretion of the officer, board or the City Council, having jurisdiction over the bidding, deposit of cash by way of bond may be authorized, to be deposited with the City Treasurer under such procedure as may be approved by him and the City Controller.

(i) If the successful bidder fails to enter into the contract awarded him and to supply the necessary faithful performance bond within ten days after the award, then the sum posted in cash or by certified or cashier's check or guaranteed by the bid bond is forfeited to the city. Such forfeiture shall not preclude recovery of any sum over and above the amount posted or guaranteed to which the city sustains damage by reason of such default or failure to contract.

(j) The Purchasing Agent may, in his discretion, omit the requirement for the surety bond and the faithful performance bond or annual bid bond prescribed in subdivisions (d) and (g), when letting contracts for purchases of materials, supplies and equipment, and for equipment rental and repair and maintenance services as described in Section 391 of this charter.

In the event of the bidder's default, any cash deposit shall be paid to the city; or the certified or cashier's check shall be presented for payment and collected; or the surety bondsmen shall be required to pay the amount of their bond, and the City Attorney shall take appropriate action to collect the same if such bondsmen fail to pay the obligation of their bond within fifteen days after demand. Upon payment or collection the amount shall be paid into the general fund; or to the bond fund from which the contract is to be met; or, in the case of contracts made by departments having control of their own funds, into the appropriate fund of such department as designated by such department.

We further certify that we have compared the text of the foregoing amendments with the original proposals submitting the same to the electors of said city and find that the foregoing is a full, true, correct, complete and exact copy thereof. That as to said amendments, this certificate shall be taken as a full and complete certification of the regularity of all proceedings had and done in connection therewith.

In witness whereof, we have hereunto set our hands and have caused the corporate seal of the City of Los Angeles to be affixed hereto this 11th day of June, 1973.

(SEAL)

JOHN S. GIBSON, JR.
John S. Gibson, Jr.
President of the Council
of the City of Los Angeles
REX E. LAYTON
Rex E. Layton
City Clerk of the
City of Los Angeles

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City of Los Angeles, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City of Los Angeles.

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## RESOLUTION CHAPTER 68

*Senate Concurrent Resolution No. 66—Approving amendments to the Charter of the City of Watsonville, State of California, ratified by the qualified electors of the city at a special municipal charter amendment election held therein on the eighth day of May, 1973.*

[Filed with Secretary of State June 21, 1973.]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City of Watsonville, a municipal corporation in the County of Santa Cruz, State of California, as hereinafter set forth in the certificate of the vice mayor and city clerk of the city, as follows:

CERTIFICATE OF RATIFICATION BY ELECTORS OF THE CITY OF WATSONVILLE OF CERTAIN CHARTER AMENDMENTS

State of California
County of Santa Cruz } ss.
City of Watsonville

We, the undersigned, Rex Clark, Vice-Mayor of the City of

Watsonville, and Dorothy Bennett, City Clerk of the City of Watsonville, do hereby certify and declare as follows:

That the City of Watsonville, County of Santa Cruz, State of California, is a city containing a population of more than three thousand five hundred (3,500) and less than fifty thousand (50,000) inhabitants as ascertained by the last preceding census taken under the authority of the Congress of the United States, and ever since the year 1960 has been and now is organized, existing and acting under a freeholders charter adopted under and by virtue of Section 8 of Article XI, of the Constitution of the State of California, which Charter was duly ratified by the qualified electors of said City at a special election held for that purpose on the 16th day of February, 1960, and approved by the Legislature of the State of California by concurrent resolution filed with the Secretary of State on the 15th day of March, 1960.

That in accordance with the provisions of Section 3 of Article XI of the Constitution of the State of California, the Council of the City of Watsonville, being the legislative body of said city, on its own motion, by its Resolution No. 47-73 adopted on February 27, 1973, duly and regularly proposed and submitted to the qualified electors of said City certain proposals for amendment of the Charter of said City, to be voted on by said qualified electors at a special municipal charter amendment election held in said City on May 8, 1973.

That said proposed amendments were published and advertised for the time and in the manner prescribed by the laws of the State of California, on the 3rd day of March, 1973, in the Watsonville Register-Pajaronian and Sun, the official newspaper of said City of Watsonville, a newspaper of general circulation printed and published in said City of Watsonville, and in each edition thereof during said day of publication.

That said general election and said special municipal charter amendment election consolidated therewith were duly called, held and conducted in the time, form and manner required by the Charter of said City and by law on said 8th day of May, 1973, which day was not less than forty and nor more than sixty days after the completion of said publication and advertisement of the said proposed amendments in said Watsonville Register-Pajaronian and Sun.

That a majority of the qualified voters voting on said amendments voted in favor of the ratification of and did ratify said amendments to said charter.

That the Council of said City of Watsonville on May 15, 1973 officially confirmed the canvass of all ballots cast at said special municipal charter amendment election, and did by resolution, duly find and declare that a majority of the qualified voters voting on said Charter amendments, voted in favor thereof and that said Charter amendments were ratified.

That said Charter amendments so ratified by the majority of the qualified voters of said City voting at said special municipal charter

amendment election were to amend Section 408 of Article IV; to amend Section 604 of Article VI; and to amend Section 1117 of Article XI of the Charter of the City of Watsonville, in words and figures following, to wit:

1. By amending Section 408 of Article IV thereof, which Section now reads as follows:

"Section 408. Meetings of the Council. The Council shall provide for the time, place and manner of holding its meetings by ordinance, not inconsistent with the provisions of this Section. Copies of such ordinances shall be kept on file in the office of the City Clerk where they shall be available for public inspection. Except as is otherwise provided by the laws of this State, all meetings of the Council shall be open to the public, and all persons shall be permitted to attend any meeting thereof. The Council shall hold at least one (1) regular meeting each month.

A special meeting may be ordered at any time by the Mayor whenever in his opinion the public business may require it, or upon the written request of any three (3) members of the Council. Whenever a special meeting shall be called, notice of such meeting shall be given as provided in Chapter 9, Part 1, Division 2, Title 5 of the Government Code of the State of California."

2. By amending Section 604 of Article VI thereof, to read as follows:

"Section 604. Ordinances and Resolutions: Roll Call Vote. A roll call vote shall be taken upon the passage of all ordinances and resolutions and be entered upon the journal of the proceedings of the Council. Upon request of any member, a roll call vote shall be taken and recorded on any vote. Whenever a roll call vote of the Council is in order, the Clerk shall call the names of the members in alphabetical order except that the name of the Presiding Officer shall be called last. All members present shall be required to vote unless disqualified, in which case the disqualification shall be publicly declared and a record thereof made."

3. By amending Section 1117 of Article XI thereof, to read as follows:

"Section 1117. Public Bid Requirement. Every expenditure of City moneys for materials, supplies and equipment, and every expenditure of City moneys for public works construction as hereafter defined of more than that amount set forth in Section 37902 of the Government Code of the State of California, shall be let to the lowest responsible bidder after notice by publication in the official newspaper by one (1) or more insertions, the first of which shall be at least ten (10) days before time for opening bids. The council may reject any and all bids presented and may readvertise in its discretion.

The Council after rejecting bids, or if no bids are received, may declare and determine that, in its opinion, based on estimates approved by the City Manager the work in question may be performed better or more economically by the City with its own

employees and after the adoption of a resolution to this effect by at least five (5) affirmative votes of the Council may proceed to have said work done in the manner stated, without further observance of the provisions of this Section.

Such expenditures may be made without advertising for bids, if such expenditures shall be deemed by the Council to be of urgent necessity for the preservation of life, health or property and shall be authorized by resolution passed by at least five (5) affirmative votes of the Council and containing a declaration of the facts constituting the urgency.

All bids for public works construction shall be accompanied by either a certified or cashier's check or a bidder's bond executed by a corporate surety authorized to engage in such business in California, made payable to the City. Such security shall be in an amount not less than that specified in the notice inviting bids or in the specifications referred to therein, or if no amount be so specified, then in an amount not less than ten (10%) percent of the aggregate amount of the bid If the successful bidder neglects or refuses to enter into the contract within the time specified in the notice inviting bids or specifications referred to therein, the amount of the bidder's security may be declared forfeited to the City and may be collected and paid into its General Fund and all bonds so forfeited shall be prosecuted and the amount thereof collected and paid into such fund.

For the purposes of this Section, public works construction shall be defined as a project for the erection or improvement of public buildings, streets, drains, sewers, parking lots, parks or playgrounds, provided, however, that expenditures for the extension, improvement or development of the City water system shall be excepted from the requirements of this Section. Maintenance or repair of public buildings, streets, drains, sewers, parking lots, parks or playgrounds shall not be considered as public works construction. The provisions of this Section shall not apply to materials, supplies or equipment obtained or purchased from any governmental agency, or for materials, supplies or equipment which can be obtained from only one vendor.

All bids shall be sealed and be filed with the officer in charge of the purchasing function no later than the opening time specified in the notice inviting bids, who shall receive and be custodian of such bids and keep the same confidential until they are opened and declared.

All bids shall be publicly opened and declared at the time and at the place fixed in the notice inviting bids.

Thereafter, the bids shall be tabulated and analyzed by the officer in charge of the purchasing function, who shall submit them, together with recommendations thereon, to the City Manager. The City Manager shall review the bids and submit them to the Council, along with his recommendations, at the next regular meeting of the Council.

The Council shall have the right to waive any informality or minor irregularity in a bid."

And we and each of us further certify that we have compared the foregoing proposed and ratified amendents to the Charter of the City of Watsonville with the original proposals submitting the same to the electors of said City and find that the foregoing is a full, true and correct copy of said amendments.

In witness whereof, we have hereunto set our hands and caused the seal of the City of Watsonville to be affixed this 16th day of May, 1973.

(SEAL)

REX CLARK
Vice-Mayor of the
City of Watsonville
DOROTHY BENNETT
City Clerk of the
City of Watsonville

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City of Watsonville, as proposed to, and adopted and ratified by, the electors of the city as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City of Watsonville.

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## RESOLUTION CHAPTER 69

*Senate Concurrent Resolution No. 67—Approving amendments to the Charter of the City of Riverside, State of California, ratified by the qualified electors of the city at a general consolidated municipal election held therein on the 10th day of April 1973.*

[Filed with Secretary of State June 21, 1973]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City of Riverside, a municipal corporation in the County of Riverside, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

## CERTIFICATE OF ADOPTION OF AMENDMENTS TO THE CHARTER OF THE CITY OF RIVERSIDE

(Amending Section 1000, 1200, 1201 and 1204 and adding new Sections 1204.1, 1204.2 and 1204.3)

State of California
County of Riverside } ss
City of Riverside

We, the undersigned Ben H. Lewis, Mayor of the City of Riverside, State of California, and Virginia J. Strohecker, City Clerk of said City and ex-officio Clerk of the City Council of said City, do hereby certify and declare as follows:

That at all times since the 21st day of April, 1953, the City of Riverside has been and now is a municipal corporation and city in the County of Riverside, State of California, organized and existing under a charter adopted pursuant to the provisions of Sections 3 and 5 of Article XI, formerly Section 8 of Article XI, of the Constitution of the State of California and approved by the Legislature by Assembly Concurrent Resolution No. 8, adopted in Assembly January 12, 1953, and in Senate January 15, 1953, and filed with the Secretary of State on February 4, 1953.

That the legislative power of said City is vested in a City Council consisting of seven (7) members and a Mayor; and that the City Clerk of said City is ex-officio Clerk of the legislative body of said City.

There is no official newspaper of said City. The Press hereinafter mentioned is a daily newspaper of general circulation within said City and printed and published therein.

That at all times herein mentioned Ben H. Lewis has been and now is the duly elected, qualified and acting Mayor of said City of Riverside; and Virginia J. Strohecker has been and now is the duly appointed, qualified and acting City Clerk of said City.

That the City Council of said City on its own motion by Resolutions Nos. 12048 and 12067 adopted February 6, 1973, and March 6, 1973, respectively, submitted to the electors of said City proposals to amend its Charter as hereinafter mentioned, to be voted on as measures at the consolidated Municipal Election to be held in said City on April 10, 1973.

That at said consolidated election the following proposal to amend Section 1000 of the Charter of the City of Riverside was submitted to the electors:

Proposed Charter Amendment A—

"Section 1000. General Municipal Elections.

General municipal elections for the election of officers and for such other purposes as the City Council may prescribe shall be held in the city on the third Tuesday in April in each odd numbered year commencing with the year 1975."

and that the following proposal to amend Sections 1200, 1201 and 1204 of the Charter of the City of Riverside and to add Sections 1204.1, 1204.2 and 1204.3 to the Charter of the City of Riverside was submitted to the electors.

Proposed Charter Amendment B—

"Section 1200. Composition; qualifications of members.

The board of education shall consist of five members who shall be qualified electors of the Riverside Unified School District, and residing therein for at least two years preceding their election, and shall serve without compensation.

Section 1201. Continuation of existing board.

The members of the board of education of the existing Riverside Unified School District holding office when this section takes effect shall serve as the board of education provided for herein until their respective terms shall expire and until their successors shall be elected and qualified under this Charter.

Section 1204. Special election to fill vacancy.

Whenever a vacancy occurs, or when a resignation has been filed with the county superintendent of schools containing a deferred effective date, the superintendent of schools of Riverside County shall immediately call a special election to elect a successor to serve during the remainder of the term in which the vacancy occurs or will occur. The special election shall be conducted no later than the 120th day after the written resignation is filed with the county superintendent of schools. The election shall be called and conducted in as nearly the same manner as practicable as other governing board member elections.

Section 1204.1. Special election consolidated with regularly scheduled election.

Whenever a vacancy occurs within four months of a regularly scheduled election for the board of education in which the vacancy occurs, the special election shall be held at the same time as and shall be consolidated with that regularly scheduled election.

Whenever a vacancy in a position on the Riverside Unified School District Board of Education occurs within four months of the end of the term of that position, there shall be no election to fill the position. The position shall remain vacant until the person elected to serve during the succeeding term takes office.

Section 1204.2. Power of president of Riverside County Board

of Education when majority of offices vacant.

If for any reason vacancies should occur in a majority of the offices on the Riverside Unified School District Board of Education the president of the Riverside County Board of Education may appoint members of the Riverside County Board of Education to the Riverside Unified School District Board of Education until new members of the Board are elected.

Section 1204.3. Power of remaining board of education members and new electees.

Whenever any of the offices on the board of education is vacant, the remaining board of education member or members, if any, and any board of education member or members elected to fill the vacancies who have qualified, shall have all the powers and perform all the duties of the board of education."

That on the ballots used at said consolidated election the following measures were submitted to the electors of said City, to wit:

City of Riverside--Proposed Charter Amendment A

Shall Section 1000 of the Charter of the City of Riverside be amended to provide the following:

"Section 1000. General Municipal Elections.

General municipal elections for the election of officers and for such other purposes as the City Council may prescribe shall be held in the city on the third Tuesday in April in each odd numbered year commencing with the year 1975."?

City of Riverside—Proposed Charter Amendment B

Shall the Charter of the City of Riverside be amended to provide that vacancies on the board of education of the Riverside Unified School District be filled in accordance with present State law by special election rather than by appointment?

That the City Council caused said proposed charter amendments to be published in The Press on February 14, 1973 and February 21, 1973, and in each edition thereof during said day; and also caused copies of such proposed charter amendments to be printed in convenient pamphlet form in type of not less than 10-point and mailed to each of the qualified electors of said City, and also caused a notice that copies of said proposed charter amendments could be had upon application at the office of the City Clerk of said City to be published in every edition of The Press during the period of time beginning March 1, 1973, through April 10, 1973.

That the City Council adopted Resolution No. 12048 calling for a Special Municipal Election and Resolution No 12067 consolidating said Special Election with the regular General Municipal Election to be held in said City on April 10, 1973, and the City Clerk duly

published notice of election, which included said charter amendments as measures, in The Press on February 14, 1973 and February 21, 1973.

That said consolidated Municipal Election was duly held on April 10, 1973, and the voters voted on said measures to amend the Charter. That on Tuesday, April 17, 1973, pursuant to said Resolution No. 12067 adopted by the City Council on March 6, 1973, the City Clerk of the City of Riverside canvassed the returns of said election and certified the results to said City Council. It was found and determined that the voters voting on said measures at said election cast votes as follows:

| | Yes | No |
|---|---|---|
| Proposed Charter Amendment A..... | 18,760 | 3,822 |

That said Proposed Charter Amendment A received a majority of the votes cast and hence said Charter Amendment was ratified by the vote of a majority of the electors who voted on said measure.

| | Yes | No |
|---|---|---|
| Proposed Charter Amendment B..... | 14,165 | 8,851 |

That said Proposed Charter Amendment B received a majority of the votes cast and hence said Charter Amendment was ratified by the vote of a majority of the electors who voted on said measure.

That the City Council thereupon on April 17, 1973, adopted Resolution No. 12089 reciting the fact of said election and the matters enumerated in the Elections Code and the City Clerk thereupon entered upon the records of the City Council a statement of the result of such election.

That the amendments to the Charter so proposed and ratified are in words and figures as follows:

"Section 1000. General Municipal Elections.

General municipal elections for the election of officers and for such other purposes as the City Council may perscribe shall be held in the city on the third Tuesday in April in each odd numbered year commencing with the year 1975.

Section 1200. Composition; qualifications of members.

The board of education shall consist of five members who shall be qualified electors of the Riverside Unified School District, and residing therein for at least two years preceding their election, and shall serve without compensation.

Section 1201. Continuation of existing board.

The members of the board of education of the existing Riverside Unified School District holding office when this section takes effect shall serve as the board of education provided for herein until their respective terms shall expire and until their successors shall be elected and qualified under this Charter.

Section 1204. Special election to fill vacancy.

Whenever a vacancy occurs, or when a resignation has been filed with the county superintendent of schools containing a deferred effective date, the superintendent of schools of Riverside County shall immediately call a special election to elect a successor to serve during the remainder of the term in which the vacancy occurs or will occur. The special election shall be conducted no later than the 120th day after the written resignation is filed with the county superintendent of schools. The election shall be called and conducted in as nearly the same manner as practicable as other governing board member elections.

Section 1204.1. Special election consolidated with regularly scheduled election.

Whenever a vacancy occurs within four months of a regularly scheduled election for the board of education in which the vacancy occurs, the special election shall be held at the same time as and shall be consolidated with that regularly scheduled election.

Whenever a vacancy in a position on the Riverside Unified School District Board of Education occurs within four months of the end of the term of that position, there shall be no election to fill the position. The position shall remain vacant until the person elected to serve during the succeeding term takes office.

Section 1204.2. Power of president of Riverside County Board of Education when majority of offices vacant.

If for any reason vacancies should occur in a majority of the offices on the Riverside Unified School District Board of Education the president of the Riverside County Board of Education may appoint members of the Riverside County Board of Education to the Riverside Unified School District Board of Education until new members of the Board are elected.

Section 1204.3. Power of remaining board of education members and new electees.

Whenever any of the offices on the board of education is vacant, the remaining board of education member or members, if any, and any board of education member or members elected to fill the vacancies who have qualified, shall have all the powers and perform all the duties of the board of education.

We do further certify that the foregoing constitutes a full, true and correct statement of the actions and proceedings had by the City of Riverside and its City Council and City Clerk in the matter of submitting the proposals to amend the City Charter and in calling, noticing and conducting the election and certifying the canvass of the returns and declaring the results thereof.

In witness whereof we have hereunto set our hands and affixed the seal of the City of Riverside this 25th day of April, 1973.

BEN H. LEWIS
(SEAL) Mayor of the City of Riverside
Attest VIRGINIA J. STROHECKER
City Clerk of the City of Riverside

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City of Riverside, as proposed to, and adopted and ratified by, the electors of the city as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City of Riverside.

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## RESOLUTION CHAPTER 70

*Assembly Concurrent Resolution No. 77—Relative to memorializing former Assemblyman Seth Millington.*

[Filed with Secretary of State June 22, 1973 ]

WHEREAS, Notice has come that Seth Millington, prominent Gridley attorney and former California Assemblyman, has died at the age of 79; and

WHEREAS, Born on November 1, 1893, in Willows, California, he practiced law in Gridley a total of 54 years, serving as Gridley City Attorney from 1926 to 1968, and Biggs City Attorney from 1926 to 1951; and

WHEREAS, Elected to the California Legislature in 1937, Mr. Millington served with distinction until 1943; and

WHEREAS, A pillar of his community for many years, he was a member of North Butte Lodge 230, F. & A.M., Argonaut Parlor of the Native Sons of the Golden West of Oroville, Oroville Elks Lodge, Gridley Veterans of Foreign Wars, and many other civic organizations and fraternal groups; and

WHEREAS, He is survived by his widow, Valletta, two sons, Robert, of Gridley, and Richard, of Mt. Shasta, a brother, Wayne, of Redwood City, and eight grandchildren; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the members memorialize Seth Millington as a man who never hesitated to serve his fellow citizens when the opportunity arose, and desire by this resolution to convey most

sincere and profound condolences to his widow and family; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit a suitably prepared copy of this resolution to Mrs. Valletta Millington.

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## RESOLUTION CHAPTER 71

*Assembly Concurrent Resolution No. 105—Approving amendments to the Charter of the City of Chico, State of California, ratified by the qualified electors of the city at a general municipal election held therein on the third day of April, 1973.*

[Filed with Secretary of State June 22, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City of Chico, a municipal corporation in the County of Butte, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

State of California
County of Butte } ss
City of Chico

We, the undersigned, Eugene A. Ringel, Mayor of the City of Chico, and Barbara A. Evans, Clerk of the City of Chico, do hereby certify and declare as follows:

That the City of Chico in the County of Butte, State of California, has at all times mentioned herein been, and now is, a city of the State of California, containing a population of more than thirty-five hundred (3,500) inhabitants, and less than fifty thousand (50,000) inhabitants, as ascertained by the last preceding census taken under the authority of the Congress of the United States of America, and ever since the 2nd day of May, 1961, has been existing and acting under a freeholders charter adopted under and by virtue of the provisions of Section 8, Article XI of the Constitution of the State of California, which charter was duly ratified by the qualified electors of said city at an election held for that purpose on the 6th day of June, 1960, and approved by the Legislature of the State of California on the 16th day of January, 1961.

That the legislative body of the said city, namely, the Council of said city, of its own motion did, pursuant to the provisions of Section 3, Article XI of the Constitution of the State of California, by resolution adopted the 6th day of February, 1973 and duly published in the manner and form required by law, duly propose to the qualified electors of the City of Chico, certain amendments to the Charter of said city and ordered that said amendments be submitted

to the qualified electors of said city on the 3rd day of April 1973, at a general municipal election called by said resolution to be held on said day, which said day was fixed in said resolution as the date for voting on said proposed amendments.

That the proposed amendments as set out in said resolution and as submitted at the said election, all as hereinafter set out, were published; that said election was duly held pursuant to said call and after due and legal notice given, and a majority of the qualified electors voted thereon, voting in favor of said amendment as determined by a canvass of the returns of the said election duly made by the Council of the City of Chico, and said Council did, by Resolution No. 122 72–73, duly and regularly adopt and declare the results of said election in so far as it concerned the proposed charter amendments as follows:

Measure (B) (Amendment of Charter Section 602)

Total votes cast ..... 4,831
Total number of votes cast in favor of and against said Charter amendment was as follows:

| Yes | No |
|---|---|
| 4 414 | 417 |

Measure (D) (Amendment of Charter Sections 1105, 1109 and 1110)

Total votes cast ..... 4,630
Total number of votes cast in favor of and against said Charter amendment was as follows:

| Yes | No |
|---|---|
| 3,597 | 1,033 |

That the charter amendments so ratified by the qualified electors of the City of Chico are now submitted to the Legislature of the State of California for approval or rejection as a whole as to each, without power of alteration or amendment, in accordance with Section 3, Article XI of the Constitution of the State of California, and which are in words and figures as follows:

Amendments to the Charter of the City of Chico

That Section 602 of the Charter of the City of Chico be amended, and as amended to read as follows:

"Section 602. Meetings.

The council shall meet in regular session at 7:30 P.M. on the first Tuesday of each month, provided, however, that the council may designate a different time and date by ordinance subject to the

following conditions: (1) such ordinance shall provide for meetings no less often than once each month, and (2) such ordinance shall provide for a regular meeting at 7:30 P.M. of the first Tuesday in May of each odd-numbered year. The council may meet at such other times as it shall determine. A special meeting may be called by the mayor, or any four (4) members. Written notice of such special meeting and the purposes thereof shall be given to each member of the council not less than twenty-four (24) hours before the meeting or within that time prescribed by state law, whichever is greater. At any special meeting only such matters may be acted upon as are referred to in the said written notice or consent. All meetings shall be held in the municipal building of the city unless another location is designated by ordinance, or in such a place to which any such meeting may be adjourned."

That Section 1105 of the Charter of the City of Chico be amended, and as amended to read as follows:

"Section 1105. Use of Funds.

All moneys accruing to any of the funds listed in section 1104 of this Charter shall be used only for the purposes for which such fund is established."

That Section 1109 of the Charter of the City of Chico be amended, and as amended to read as follows:

"Section 1109. Independent Audit.

At the beginning of each fiscal year, the council shall engage an independent certified public accountant, or public accountant licensed by the State Board of Accountancy, to act as auditor for the city, such engagement to be at the pleasure of the council. The auditor shall perform an annual audit of the books, financial records and related documents of the city in accordance with generally accepted auditing standards. On or prior to December 1st of each year, unless an extension is granted by the council, the auditor shall submit to the council a report on his examination for the preceding fiscal year in such detail as the council may direct.

In addition to the regular annual audit, the auditor shall perform such other professional services as the council may require."

That Section 1110 of the Charter of the City of Chico be amended, and as amended to read as follows:

"Section 1110. Public Works Contracts.

When the estimated cost thereof exceeds five thousand dollars ($5,000.00), the construction of any public works project, exclusive of maintenance and repair work, shall be let by contract to the lowest responsible bidder. Notice of intention to receive proposals shall be published once in the official newspaper of the city at least two (2) weeks before the date set for the opening of bids. Such notice may give a description of the work to be done or may refer to plans and specifications on file in such office as may be specified in such notice. Should the bids received be deemed excessive or unsatisfactory, for any reason, or should no bids be received, the council, board or commission letting the contract may, by a majority vote of all its

members, provide for the work to be done by the city manager."

We further certify that we have compared the foregoing proposed and ratified amendments to the Charter of the City of Chico with the original proposal submitting the same to the electors of said City, and find that the foregoing is a full, true, exact and correct copy thereof.

In witness whereof, we have hereunto set our hands and caused the seal of the City of Chico to be affixed hereto this 7th day of June, 1973.

EUGENE A. RINGEL
(SEAL) Mayor of the City of Chico
BARBARA A. EVANS
City Clerk of the City of Chico

Approved:
GRAYSON PRICE
Grayson Price, City Attorney

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City of Chico, as proposed to, and adopted and ratified by, the electors of the city as hereinabove fully set forth are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City of Chico.

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## RESOLUTION CHAPTER 72

*Senate Concurrent Resolution No. 69—Approving an amendment to the Charter of the City of San Jose, County of Santa Clara, State of California, ratified by the qualified electors of the city at a general municipal election held therein on the fifth day of June, 1973.*

[Filed with Secretary of State June 26, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption and ratification of an amendment to the Charter of the City of San Jose, a municipal corporation in the County of Santa Clara, State of California, as hereinafter set forth in the certificate of the

mayor and city clerk of the city, as follows:

CERTIFICATE OF AMENDMENT TO THE CHARTER OF THE CITY OF SAN JOSE, CALIFORNIA

State of California
County of Santa Clara } ss.
City of San Jose

We, the undersigned, Norman Y. Mineta, Mayor of the City of San Jose, State of California, and Francis L. Greiner, City Clerk of said City, do hereby certify and declare as follows:

That the City of San Jose, a municipal corporation, in the County of Santa Clara, State of California, is now, and was at all times herein mentioned: (a) a city containing a population of more than four hundred and forty-five thousand inhabitants as ascertained by the last preceding census taken under the authority of the Congress of the United States; and (b) a city organized, existing and acting under a charter, adopted under and by virtue of former Section 8 (now Section 3) of Article XI of the Constitution of the State of California, which charter was heretofore duly ratified by a majority of the qualified electors of said City at a municipal election held for that purpose on the 13th day of April, 1965, and approved by the Legislature of the State of California by concurrent resolution filed with the Secretary of State on the 4th day of May, 1965 (Assembly Concurrent Resolution No. 104, Chapter 76, Statutes of 1965.)

That in accordance with the provisions of Section 3 of Article XI of the Constitution of the State of California, and the provisions of Title 4, Division 2, Part 1, Chapter 3 of the Government Code of the State of California, the Council of the City of San Jose, being the legislative body of said City, on its own motion, duly and regularly proposed and submitted to the qualified electors of said City of San Jose a certain proposal for the amendment of Section 407 of the Charter of said City to be voted upon by the said qualified electors at the general municipal election held in said City on the 5th day of June, 1973, all pursuant to law.

That said proposed amendment was published and advertised in accordance with Section 3 of Article XI of the Constitution of the State of California, and the provisions of Title 4, Division 2, Part 1, Chapter 3 of the Government Code of the State of California, on the 25th day of April, 1973, in the "San Jose News", a daily newspaper of general circulation published, printed and circulated in said City, and being the official newspaper of said City for said purpose, and in each edition thereof during the date of publication.

That copies of said proposed charter amendment was printed in convenient pamphlet form in type of not less than ten-point, and were mailed to each of the qualified electors of said City, and an advertisement that copies thereof could be had upon application therefor at the office of the City Clerk of the City of San Jose was

published, printed and circulated in said City, on the 25th day of April, 1973, and each day thereafter to and including the 5th day of June, 1973, all as required by law; and that copies of said pamphlet containing said proposed charter amendment could be had upon application therefor at the office of the City Clerk of said City on and after the 25th day of April, 1973, to and including the 5th day of June, 1973, the date fixed for said election.

Notice of Election was published in said San Jose News on March 28, 1973 which notice set forth the date of said election (June 5, 1973) and set forth the measure to amend Section 407 of the City Charter.

Notice of Appointment of Election Officials and Designation of Polling Places was published on May 16, 1973 in the San Jose News, a newspaper of general circulation, circulated and published in the City of San Jose.

Notice of Nominees and Measures was published in said San Jose News on May 22, 1973 and May 29, 1973.

Notice of Selection of Central Counting Place for Counting of Ballots was published in said San Jose News on May 23, 1973.

That sample ballots containing the measure for amendment of said Section 407 of the City Charter (designated therein as Measure A) together with the Full Text of the Proposed Amendment to said Section 407 together with arguments thereon were mailed by the County Registrar of Voters to all qualified electors of the City of San Jose within the time prescribed by law for the election held June 5, 1973.

That said proposed Charter amendment was submitted to the electors of said City (as Measure A) for adoption and ratification at the general municipal election duly and regularly held in said City of San Jose on the fifth day of June, 1973, which said date was not less than forty, nor more than sixty, days after the completion of the advertising in the above mentioned official paper of the proposed Charter amendment aforesaid.

That there were 198,244 qualified electors of the City of San Jose eligible to vote on June 5, 1973.

That the vote at said election on the measure (Measure A) to amend Section 407 of the City Charter was 19,871-Yes, in favor of the amendment to Section 407; and 10,434-No, in opposition to said amendment.

That at said general municipal election a majority of the qualified electors voting upon said proposed Charter amendment voted in favor of said proposed Charter amendment.

That said amendment to the Charter of the City of San Jose, so adopted and ratified by the qualified electors of said City, amends Section 407 of said Charter to read as follows:

"Section 407. Compensation. From and after the effective date of this Section each member of the Council except the Mayor shall be paid, as compensation for his services as a member of the Council, for each calendar month after said effective date during which he is a member of the Council, the sum of Four Hundred Dollars

($400.00), less the sum of Fifty Dollars ($50.00) per each regular meeting of the Council, other than regular adjourned meetings, which he fails to attend in each such calendar month; provided, however, that such deduction shall not be made for his failure to attend any meeting during which he is away on authorized City business, or from which he is absent because of his own illness or the illness or death of his spouse, parent, child, brother or sister.

"From and after the effective date of this Section, the Mayor shall be paid, as compensation for his services as Mayor and as a member of the Council, for each calendar month during which he is both Mayor and member of the Council, the sum of Six Hundred Dollars ($600.00) without any deduction because of his failure to attend any Council meetings."

We further certify that we have compared the text of the foregoing amendment with the original proposal submitting the same to the electors of said City and find that the foregoing is a full, true, correct, complete and exact copy thereof. That as to said amendment, this certificate shall be taken as a full certification of the regularity of all proceedings had and done in connection therewith.

In witness whereof, we have hereunto set our hands and have caused the corporate seal of the City of San Jose to be affixed hereto this 15th day of June, 1973.

SEAL

NORMAN Y. MINETA
Norman. Y. Mineta
Mayor of the City of
San Jose
FRANCIS L. GREINER
Francis L. Greiner
City Clerk of the City
of San Jose

and

WHEREAS, The proposed amendment, as adopted and ratified as hereinabove set forth, has been and now is duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendment to the Charter of the City of San Jose, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, is hereby approved as a whole, without alteration or amendment, as an amendment to, and as part of, the Charter of the City of San Jose.

# RESOLUTION CHAPTER 73

*Senate Joint Resolution No. 7—Relative to tariffs on foreign wines.*

[Filed with Secretary of State June 26, 1973 ]

WHEREAS, The United States has historically practiced a liberal trade policy towards the importation of foreign wines and has erected no barriers against their distribution in this country; and

WHEREAS, Because of this liberal trade policy and because of reductions in United States wine tariff rates negotiated during the last meetings pursuant to the General Agreement on Tariffs and Trade, there has been an influx of foreign wines at noncompetitive prices into the United States, dramatically increasing their share of the market; and

WHEREAS, California and American winegrowers are virtually precluded from exporting their products to foreign markets by reason of a worldwide system of tariff and nontariff barriers; and

WHEREAS, In order to prevent foreign wines from further increasing their share of the market to the detriment of the California and American wine industries, it is necessary that United States wine tariffs not be lowered further; and

WHEREAS, In order to maintain the labor standards and economy of the California and American wine industry, it is necessary that appropriate limitations be established to prevent further erosion of the share of the market enjoyed by the domestic wine industry; and

WHEREAS, The United States will be participating in negotiations concerning tariff and nontariff trade barriers pursuant to the General Agreement on Tariffs and Trade later this year; now, therefore, be it

*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California memorialize the Special Representative for Trade Negotiations appointed by the President of the United States to strongly oppose any lowering of the present United States tariff rates and to negotiate appropriate limitations for foreign wines to prevent further erosion of the California and American wine industry's share of the market; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the President of the United States and to the Special Representative for Trade Negotiations.

## RESOLUTION CHAPTER 74

*Assembly Concurrent Resolution No. 98—Approving an amendment to the Charter of the City of Richmond, State of California, ratified by the qualified electors of the city at a general municipal election held therein on the 17th day of April, 1973.*

[Filed with Secretary of State June 26, 1973.]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of an amendment to the Charter of the City of Richmond, a municipal corporation in the County of Contra Costa, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

CERTIFICATE OF RATIFICATION OF ELECTORS OF THE CITY OF RICHMOND OF A CHARTER AMENDMENT

State of California
County of Contra Costa } ss.
City of Richmond

We, the undersigned, Albert E. Silva, Mayor of the City of Richmond, California, and Harlan J. Heydon, City Clerk of said City, hereby certify and declare as follows:

That the City of Richmond, a municipal corporation in the County of Contra Costa, State of California, now is and at all times herein mentioned was a city containing a population of more than three thousand five hundred (3,500) inhabitants, and has been, ever since the year 1909, and is now, organized, existing and acting under a Freeholders' Charter, adopted under and by virtue of former Section 8 of Article XI of the Constitution of the State of California, which charter was duly ratified by the qualified electors of said City at a special election held for that purpose on the 9th day of February, 1909, and approved by the Legislature of the State of California, by concurrent resolution filed with the Secretary of State on the 4th day of March, 1909, (Statutes of 1909, Chap. 18).

That in accordance with the provisions of Section 3 of Article XI of the Constitution of the State of California, on its own motion, the Council of the City of Richmond, being the legislative body thereof, submitted to the qualified electors of the City a proposal hereinafter referred to as Proposal No. 1 to amend the Charter of the City to be voted upon at a special election called for such purpose and consolidated with the general municipal election to be held on the 17th day of April, 1973.

That Proposal No. 1 was published and advertised in accordance with the provisions of Chapter 3, commencing with Section 34450, of Part 1, Division 2, Title 4, of the Government Code of the State of California, and provisions of the Charter of the City of Richmond on

the 7th day of March, 1973 in The Independent, a newspaper of general circulation published daily except Sunday in the City of Richmond and the official newspaper of the City, and in each edition thereof during the day of publication.

That copies of Proposal No. 1 were printed in convenient pamphlet form and in type of not less than 10-point, and were mailed to each of the qualified electors of the City, and, beginning on the 7th day of March, 1973, a notice was advertised in The Independent daily, except Sunday, up to and including the day fixed for the election, and that during such period copies of the proposal could be had on application therefor at the office of the City Clerk.

That thereafter, the election was held April 17, 1973, which day was not less than forty (40) nor more than sixty (60) days after the completion of the publication and advertisement of the proposed amendment.

That at the election, a majority of the qualified electors voting on the proposal to amend the Charter of the City of Richmond voted in favor of the amendment.

That all the proceedings in connection with the submission and ratification of the amendment was had in accordance with Section 3 of Article XI of the Constitution of the State of California, the laws of California, and the Charter of the City of Richmond.

That the amendment to the Charter so ratified is as follows:

PROPOSAL NO. 1

"Article XIII

Personnel Administration

Sec. 1. Purpose and basic requirements of this Article:

It is the purpose of this Article to provide a modern system of personnel administration for the City of Richmond, whereby effectiveness in the personal services rendered to the City, and fairness and equity to the employees and the taxpayer, alike, may be promoted. To accomplish this end, the provisions of this Article shall be liberally construed. The following principles and policies shall be adhered to.

All appointments to and promotions within the classified service of the City of Richmond shall be based upon efficiency and fitness which shall be ascertained by means of recognized personnel selection techniques such as written tests, aptitude tests, personal interview, performance tests, records of daily work performances, work samples, professional achievement, or any combination of these.

Fair and equitable rates of pay shall be provided with due consideration both of the employees and the taxpayer, and with due observance of the principles of like pay for like work, and suitable differences in pay for differences in kind of work.

Full consideration shall be given to the interests and desires of the employees insofar as it is consistent with interests of the City and of the public it serves. The establishment and maintenance of working conditions and morale shall be such that the City service is attractive as a career, and that each employee is encouraged to render his best service in compliance with the provisions of this Article.

Sec. 2. Personnel Rules to Provide for Giving Effect to the Purposes and Requirements of this Article:

To give effect to the purposes and requirements in the preceding section, the personnel rules hereinafter required to be adopted, shall provide, among others, for the following things with reference to the classified service as defined in this Article.

(a) For a systematic classification plan providing for the classification of all positions on the basis of their duties and responsibilities, the qualifications required and the salary to be paid; for definition of the classes in the classification plan; for the allocation and reallocation of the classes in the classification plan; and for amendment and continuous administration of the classification plan.

(b) Repealed at election April 17, 1973

(c) For determining efficiency and fitness for original appointment to and promotion within the classified service by means of competitive examinations held after adequate public notice. The selection techniques used in such examinations shall be practical in character, and designed fairly to measure the ability or potentiality of the candidates for positions in the various classes. The rules shall provide for allowance of veterans' preference to any person honorably discharged from the Armed Forces by the United States Government.

(d) For certification of eligibles and for appointment and promotion to positions in the classified service on the basis of such tests.

(e) For filling vacancies in higher competitive positions through promotional examinations, except when vacancies are filled, in the interests of the City service, by transfer, reinstatement, re-employment or demotion. The Personnel Director, subject to review by the Personnel Board, shall have the authority, except with respect to the Police and Fire Services, to determine whether or not it is practicable to fill a given vacancy by promotional examination.

(f) For tenure of employment in positions in the classified service during efficient and fit service, except in cases of temporary appointment. Provisions shall be made for a systematic and equitable plan for lay-off in the event of lack of funds by the City or the cessation of need for a given class or classes of work, or other valid reasons; provided further, however, in the event the Council shall determine it is necessary to bring about a reduction of personnel of all employees in the classified service, the Council for such purposes shall adhere to the seniority list maintained by the Personnel Director for the employees of such department in effecting reduction of personnel. The names of employees so laid off shall be

placed on an appropriate list or lists. Persons on these lists shall be re-employed at the earliest opportunity. Reinstatement, transfer, and resignation shall be provided for

(g) For emergency, temporary, or provisional appointments without examination, to positions in the classified service for a period not to exceed 180 days. All intermittent employees and those seasonal employees who are employed for a period less than 120 days in any one calendar year shall not be required to qualify through examination.

(h) For the optional use of service ratings in each of the various City Departments, and for the administration of such service rating plans, subject to the approval of the City Manager.

(i) Repealed at election April 17, 1973

(j) For the development of an employee training program to the end that the general level of efficiency of the classified service shall be high and that the employees shall be encouraged and aided in improving their status.

(k) Repealed at election April 17, 1973

(l) Repealed at election April 17, 1973

(m) For removals, demotions, decreases in pay, suspensions without pay and other forms of discipline of employees whose services are not satisfactory or who violate the provisions of the Articles or the rules adopted to carry out the intent of this Article. Employees so discharged or disciplined shall have the right of appeal as outlined in this Article, and under the procedure outlined in the Personnel Rules.

(n) Repealed at election April 17, 1973

(o) For prompt reports by department heads of changes in positions authorized and of the incumbents therein, and of new positions and of attendance and absence which upon the approval of the City Manager shall form bases for audit and approval of payrolls by the Director of Finance or to compliance with this Article and the ordinances and rules thereunder.

(p) For the implementation, administration, enforcement, and disciplinary actions for the violation of this Article and ordinances and rules established thereunder.

Sec. 3. Definition of Classified Service:

The service of the City shall be divided into the Classified and Exempt Service:

(a) The Exempt Service shall comprise the following officers and positions:

1. All officers elected by the people.
2. All members of the several boards.
3. The City Manager and one position in the office of the City Manager whose salary and qualifications shall be set in the same manner as classified positions.
4. The Clerk.
5. The City Attorney and his legal assistants.
6. All Municipal Judges.

7. Persons employed to render professional, scientific, technical or expert service of an occasional and exceptional character.

(b) The Classified Service shall comprise all positions not specifically included in the Exempt Service.

(c) The employees of independent Agencies, Authorities, Boards and Commissions set up by the City Council may participate in the municipal personnel system upon application in writing of the governing board. Upon receipt of written application to be admitted to the system, the Personnel Board shall direct the Personnel Director to draw up an appropriate personnel classification plan according to the terms of this Article and the rules of the Personnel Board. Upon adoption of the personnel classification plan by the applying Board, such employees shall become City employees and be subject to the same rules, regulations and privileges as the other municipal employees subject to the approval of the City Council.

Sec. 4. Additions to or Revisions in the Classified and Exempt Services:

All new positions which hereafter are created and which are not specifically included in the Exempt Service shall be a part of the Classified Service unless the City Manager and the Personnel Board recommend, and the Council approves by resolution, that the new position be made a part of the Exempt Service.

The Council may, upon the recommendation of the City Manager and the Personnel Board, approve by resolution the changing of a position from the Exempt Service to the Classified Service.

If any vacancy exists in any department head position, same shall be filled by the appointing authority based on promotional examination from the ranks of the department in which the vacancy exists unless in the opinion of the Personnel Board insufficient competition exists for the vacancy.

Any officer in the Exempt Service who is removed by appointing authority shall be restored to the grade in Classified Service which he held previously unless removal is for fraud, criminal behavior, etc., in which case charges shall be filed before the Personnel Board according to the normal procedure therefor.

Sec. 5. The Council Shall by Ordinance Provide:

(a) For the adoption of a comprehensive compensation plan, for the financing of rates of pay of all employees in the classified service, and amendments thereto. In the adoption of such a compensation plan, the Council may consider the recommendation of the City Manager. In arriving at recommendations relating to salaries and wages within the compensation plan, consideration shall be given to salaries and wages paid in comparable types of work in both public service and private industry within the area, the movement in recognized cost of living indexes, the financial condition of the City and conditions of the labor market. Every appropriation and expenditure for personal service in any position in the Classified Service thereafter shall be made in accordance with the compensation plan so adopted and with amendments thereto.

(b) For appropriations for personnel and facilities adequate to provide for the effective administration and enforcement of the provisions of this Article and the ordinances and rules adopted thereunder.

Sec. 6. Creation of a Personnel Board:

The Personnel Board shall consist of five members who shall be appointed by the Council in the following manner: one of the board members shall be appointed from a panel of three persons designated by a committee from the Police and Fire Department. One of the board members shall be appointed from a panel of three persons designated by a committee representing the general employees, and the remaining three board members shall be appointed by the City Council as hereinafter provided. Designation of said panels shall be in writing and signed by duly authorized committee members.

The first Board to be appointed shall at its first meeting choose one of its members as Chairman, who shall serve for one year and until a successor is elected. The Secretary of the Board shall be the Personnel Director. The members shall so classify themselves by lot that one of them shall serve for a term that shall expire July 1, 1952, one shall serve for a term that shall expire July 1, 1953, one shall serve for a term that shall expire July 1, 1954, one shall serve for a term that shall expire July 1, 1955, and one shall serve for a term that shall expire July 1, 1956. Effective July 1, 1959, the member whose term expires on July 1, 1959, shall remain in office and his term shall expire on December 31, 1959; the member whose term expires on July 1, 1960, shall remain in office and his term shall expire on December 31, 1960; the member whose term expires on July 1, 1961, shall remain in office and his term shall expire on December 31, 1961; the member whose term expires on July 1, 1962, shall remain in office and his term shall expire on December 31, 1962; the member whose term expires on July 1, 1963, shall remain in office and his term shall expire on December 31, 1963. Thereafter, the term of office of each member shall be five years. All members shall serve after the expiration of their term until their successor has been appointed and qualified.

Every other (alternate) appointment shall be made from a panel of three names submitted by city employees. Said panel shall be selected through an election to be conducted by the City Clerk in accordance with rules established by the Personnel Board. Members appointed to this board shall be subject to removal from said board for a just cause by a six-ninths vote of the Council prior to the expiration of the term of which they were appointed.

Vacancies on the Personnel Board, caused by a member not completing his term, shall be filled by the Council. If the member vacating his office was appointed from a panel submitted by a committee representing all city employees, then said vacancy shall be filled from such a panel; if the member vacating his office was appointed directly by the Council, then said vacancy shall be filled by direct appointment of the Council.

Members of the board shall have been qualified electors of the City of Richmond for at least three years and shall be persons sympathetic to the principles of modern personnel administration. No person shall be appointed to said board who holds any salaried public office or employment in the service of the City of Richmond, nor is a retired city employee, nor shall any member, while a member of the board or for a period of one year after he has ceased to be a member of the board, for any reason, be eligible for appointment to any salaried office or employment in the service of the city, or for appointment to any elective office in the city.

The members of this board shall serve without pay, and shall hold regular meetings monthly at such time and place as designated by the chairman of the board. The board, in addition, may hold such special meetings as the affairs of the board may require. Such special meetings shall be held upon the call of the chairman or any two members of the board. Three members shall constitute a quorum for the transaction of business, provided that all members of the board shall have been officially notified under the rules established by said board for such notification.

Sec. 7. The Personnel Board shall have power, and it shall be its duty:

(a) To hear any employee in the Classified Service, upon his request, who has been demoted, suspended, dismissed or reduced in pay as follows: No person placed under the Personnel System established by this Article shall be demoted, suspended if for more than thirty days in any one calendar year, dismissed, or reduced in pay except by order of the Personnel Director made upon written charges by the Council, the City Manager, or the head of the department in which such person is employed, and served upon such person. Whereupon the person so charged shall have an opportunity of filing a written answer or explanation of the charges. Any person demoted, dismissed, suspended, or reduced in pay may within ten days from the date of his notification of the same file with the board a written demand for an investigation and public hearing within a period not to exceed thirty (30) days in accordance with rules and procedures established by the board. After such investigation the board may recommend to the City Manager, suspension, modification or revocation of any order previously made by it suspending, demoting or reducing in pay such a person. The City Manager must act on the recommendation within fifteen (15) days. In cases of contrary action by the City Manager, the board may submit its recommendation to the Council. Recommendations of the Board submitted to the Council may be overridden only by a ⅔ vote of the council. (This is not to contravene the employee's right, if dissatisfied with any order or ruling of the board, and or council, to appeal to the Superior Court.)

(b) To make such inquiries and investigations as it may deem to be warranted regarding the administration and effect of the provisions of this Article and rules adopted in accordance therewith,

and to make such recommendations to the City Manager or to the Council as in its judgment may be indicated by the circumstances.

(c) To advise the City Manager on all matters of policy regarding the administration of the personnel system which the City Manager may present to it, or which, in its judgment, may be indicated by the circumstances.

(d) To review, together with duly authorized employee representation and in a public hearing, all changes, additions or eliminations in the personnel rules, which are proposed for presentation to the council for approval, and to recommend for or against their adoption.

(e) To transmit to the council with such additions and comments as it may desire to make, annual and special reports.

(f) To entertain appeals on any matter arising under this Article by any aggrieved employee, or by the city. Neither the Personnel Board nor any of its members shall have power to take any action in these appeals except by majority vote of the entire board.

(g) Such rules and ordinances, or changes thereto, which are submitted by the City Manager to the Personnel Board for review and recommendation, and which are approved by the Personnel Board, together with duly authorized employee representation, shall require only a simple majority vote of the council for adoption. These proposed rules or ordinances or changes thereto, which do not carry the recommendation of the Personnel Board, shall require an affirmative vote of six (6) council members in order to be adopted.

Sec. 8. The City Manager shall appoint a qualified Director of Personnel, the appointment to be subject to the affirmative vote of the Personnel Board. The Director of Personnel shall be responsible for the proper administration of the personnel system and its operation. He shall have the power, and it shall be his duty:

(a) To serve as Secretary of the Personnel Board, to see to the keeping of its minutes and records, to conduct investigations and prepare reports for the Personnel Board in matters under its consideration, and in all other proper ways to facilitate its actions and proceedings.

(b) To appoint his assistants in the operation of the personnel system, and to direct and control their work, and under the customary financial procedures of the city, to control the expenditures from appropriations for the administration of the personnel system.

(c) To establish and maintain a roster of all city employees.

(d) To prepare, together with duly authorized employee representation, and to recommend for consideration by the Personnel Board, and the council, personnel rules, including a classification plan, and drafts of ordinances for recommendation to the Personnel Board and council, including such changes as are deemed desirable from time to time in such rules and ordinances.

(e) To allocate each position in the Classified Service to its proper class in the Classification Plan adopted under the provisions of this

Article, and reallocate positions as the facts warrant.

(f) To develop and maintain class specifications, and to amend them from time to time as changing conditions warrant.

(g) To recruit candidates for employment, to pass upon qualifications of applicants, to conduct promotional and entrance examinations, to establish eligible lists which are to be in effect for such time as is prescribed in the City Personnel Rules but for not more than two years; for certification of eligibles and for appointments to positions in the classified service on the basis of such tests, subject to a work test period of probation of not more than six months or longer if prescribed by rule in initial appointment; eligibility lists are to be made a matter of public record at all times.

(h) To receive, record, transmit and to discuss with the employee concerned, written reasons for rejection during probation.

(i) To make such investigations as he may deem desirable with respect to the enforcement and effect of the provisions of this Article, and the personnel rules and related ordinances.

(j) To pass upon, for compliance with the provisions of this Article, the personnel rules and related ordinances, and to approve or disapprove as to compliance therewith, all appointments, demotions, transfers, promotions, service ratings, rejections, leaves of absence, changes in rates of pay, suspensions, separations and other employment transactions affecting the status of employees.

(k) To make annual reports to the Personnel Board for its approval and transmission to the council on the administration and effect of this Article, with such recommendations as he may deem desirable, and to render such special reports as the Personnel Board may request. Such reports shall be public record.

(l) Repealed at election April 17, 1973

(m) To do all other things necessary or proper for making effective the provisions of this Article, the personnel rules and ordinances adopted in pursuance thereof.

(n) Repealed at election April 17, 1973

Sec. 9. Every person who, when this Article takes effect, is legally occupying, by proper appointment thereto, a position placed in the Classified Service by this Article, shall continue to occupy such position without examination, and shall become subject to the provisions of this Article, as though he had been appointed to the position occupied, under provisions of this Article. The provisions of this section shall also apply to all persons who, on the date of acquisition of any public utility, hereafter acquired by the city, are regularly employed by such utility.

Sec. 10. No person occupying a position in the Classified Service or seeking admission thereto, shall be employed, discharged or in any way favored or discriminated against because of race, or religious belief or political opinions or affiliations, or because of membership in or affiliation with a labor organization. For the purposes of collective bargaining and employee-management cooperation, employees shall have the right to organize and designate

representatives of their own choosing.

No employee and no one seeking employment shall require as a condition of employment, transfer, promotion, or retention in service to join or to refrain from joining any organization or association of employees.

There shall be no discrimination against representatives of employees nor shall employees suffer discrimination because of membership or nonmembership in any organization or association of employees. The majority of the employees as a whole, may determine the organization, person or persons, who shall represent the employees as a whole. However, any professional group or craft or other appropriate unit shall have the right to authorize the organization, person or persons who shall represent them.

Sec. 11. There shall be no improper political activity, as defined in the personnel rules to be hereinafter adopted, on the part of any employee in the Classified Service. City employees may not engage in political activities or services of any nature during the hours in which they are employed by the city; nor shall city funds, supplies, property, or equipment be utilized in performing any services of a political nature.

No officer or employee under the government of the city and no candidate for any city office, shall directly or indirectly, solicit or receive, or be in any manner concerned in soliciting or receiving any assessment, subscription or contribution, whether voluntary or involuntary, for any political purpose whatever, from anyone on any eligible list or holding any position under the provisions of this Article.

Sec. 12. Repealed at election April 17, 1973

Sec. 13. Any person who violates wilfully, or through culpable negligence violates or conspires to violate any provision of this Article, shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than five hundred dollars ($500.00) or by imprisonment for not more than six months, or by both such fine and imprisonment. The conviction of any employee or officer of such offense shall operate automatically to terminate his service and to vacate his position.

Sec. 14. If any part of this Article is held by competent authority to be invalid such decision shall not affect the remaining portions of this Article, or if any provision herein is held to be in excess of that permitted by the constitution of the laws of the state, then such provisions shall be construed to operate only to the extent permitted.

Sec. 15. All present and future ranks required for the best interests of the city in each of the city departments, shall be recognized in the rules, classifications, and compensation plans."

And we further certify that we have compared the foregoing proposed and ratified amendment to the Charter of the City of Richmond with the original proposal submitted to the electors of the City, and find that the foregoing is a full, true and correct copy of the

amendment.

In witness whereof, we have hereunto set our hands and caused the seal of the City of Richmond to be affixed this 7th day of May, 1973.

(SEAL)

A. E. SILVA
Mayor of the City of Richmond
Attest:
HARLAN J. HEYDON
Clerk of the City of Richmond

and

WHEREAS, The proposed amendment to the charter, as adopted and ratified as hereinabove set forth, has been and now is duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendment to the Charter of the City of Richmond, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, is hereby approved as a whole, without alteration or amendment, for and as an amendment to, and as part of, the Charter of the City of Richmond.

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## RESOLUTION CHAPTER 75

*Assembly Joint Resolution No. 14—Relative to prosecution of interstate motor vehicle thefts.*

[Filed with Secretary of State June 27, 1973.]

WHEREAS, Motor vehicle thefts have increased an average of 8 percent per year over the last three years and has resulted in one out of six major crimes in California being a vehicle theft; and

WHEREAS, Many such thefts of motor vehicles have been in violation of the National Motor Vehicle Theft Act; and

WHEREAS, The United States Attorney General is responsible for prosecuting alleged violators of the National Motor Vehicle Theft Act, also known as the Dyer Act; and

WHEREAS, For the past two years the United States Attorney General has severely diminished his level of effort and involvement prosecuting Dyer Act cases; and

WHEREAS, This reduction of activity by the United States Attorney General has resulted in an increased workload and expense to state and local agencies in California; and

WHEREAS, This general absence of prosecuting authority has often

resulted in the necessary release of apprehended suspects charged with violation of the Dyer Act; now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly,* That the United States Attorney General is hereby requested to fulfill his responsibility for prosecuting complaints alleging interstate transportation of stolen vehicles; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the United States Attorney General, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Federal Bureau of Investigation, and to the California Attorney General.

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## RESOLUTION CHAPTER 76

*Assembly Joint Resolution No. 27—Relative to escheat of intangible abandoned property.*

[Filed with Secretary of State June 27, 1973 ]

WHEREAS, In Texas v. New Jersey, 379 U.S. 674 (1965), it was held that (1) the state of the last known address of the owner as shown by the records of the holder may escheat abandoned intangible personal property and (2) if the records do not show an address of the owner, the property may be escheated by the state where the holder is domiciled; and

WHEREAS, In Pennsylvania v. New York, 407 U.S. 206 (1972), it was held that the rules of Texas v. New Jersey govern which state may escheat abandoned sums payable on money orders and (by necessary implication) on other similar instruments; and

WHEREAS, The states wherein the purchasers of money orders and travelers checks reside should, as a matter of equity among the several states, be entitled to the proceeds of such instruments in the event of abandonment of the sums payable on such instruments; and

WHEREAS, The books and records of banking and financial organizations and business associations engaged in issuing and selling money orders and travelers checks often do not as a matter of business practice show the last known addresses of purchasers of such instruments; and

WHEREAS, It is now necessary for each state (other than the state that is the domicile of the issuer) to enact legislation requiring banking and financial organizations and business associations engaged in issuing and selling money orders and travelers checks to make and maintain a record showing the last known address of the purchasers of such instruments in order that the state be entitled to escheat the amounts it is entitled to escheat under Texas v. New Jersey and Pennsylvania v. New York; and

WHEREAS, Obtaining, maintaining, and retrieving such records

often serves no purpose other than to protect the interest of the state in being entitled to escheat abandoned sums payable on such instruments and imposes a significant cost on the holder of the abandoned property; and

WHEREAS, The great majority of the purchasers of money orders and travelers checks reside in the state where such instruments are issued or sold; 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 memorializes the President and the Congress of the United States to enact legislation that would provide for the escheat of any abandoned sum payable on a money order, travelers check, or similar written instrument to the state of origin of the transaction wherein such money order, travelers check, or similar written instrument was issued; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 77

*Assembly Joint Resolution No. 46—Relative to military cutbacks affecting the employment of United States citizens.*

[Filed with Secretary of State June 27, 1973 ]

WHEREAS, The recent cutback by the Department of Defense of military installations throughout the United States will leave thousands of civilian workers jobless; and

WHEREAS, The present state of unemployment in the United States and California is excessive by any standard of measurement; and

WHEREAS, The above-mentioned cutbacks will aggravate an already critical unemployment situation; and

WHEREAS, For years, the Joint Committee on Economic Conversion of the California Legislature has urged the federal government to develop a comprehensive plan for minimizing the adverse effects of military cutbacks; and

WHEREAS, The California Legislature passed Assembly Joint Resolution No. 30, Resolution Chapter 270 of 1971, which urged a "Defense Employees Bill of Rights Program" for defense employees laid off as a result of Department of Defense action; now, therefore, be it

*Resolved by the Assembly and the Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President and Congress of the United States to

enact a moratorium on all Department of Defense military cutbacks affecting employment of United States citizens, until such time as a conversion plan guaranteeing suitable reemployment for the affected employees is completed; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice-President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 78

*Assembly Concurrent Resolution No. 110—Approving amendments to the Charter of the City of Sacramento, State of California, ratified by the qualified electors of the city at a special municipal election held therein on the 17th day of April 1973.*

[Filed with Secretary of State June 27, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City of Sacramento, a municipal corporation in the County of Sacramento, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

CERTIFICATE OF RATIFICATION BY ELECTORS OF THE CITY OF SACRAMENTO OF CERTAIN CHARTER AMENDMENTS

State of California
County of Sacramento
City of Sacramento

We, the undersigned, Richard H. Marriott, Mayor of the City of Sacramento, State of California, and Jaci K. Deford, City Clerk of said City, do hereby certify and declare as follows:

That the City of Sacramento, a municipal corporation of the County of Sacramento, State of California, now is, and was at all times herein mentioned, a City having a population of more than 50,000 inhabitants and has been, ever since the year 1921, organized, existing and acting under a freeholder's Charter, adopted under and by virtue of Section 3 of Article XI of the Constitution of the State of California, which Charter was duly ratified by the majority of qualified electors of said City at a Special Municipal Election held for that purpose on the 30th day of November, 1920, and approved by the Legislature of the State of California on January 24, 1921. (Statutes of 1921, page 1919).

That in accordance with the provisions of Government Code Section 34450 et seq. enacted pursuant to Section 3 of Article XI of

the Constitution of the State of California, the City Council of the City of Sacramento, being the legislative body thereof, on its own motion duly and regularly submitted to the qualified electors of the City of Sacramento two proposals for the amendment of the Charter of the City of Sacramento at the Special Municipal Election held within the City on April 17, 1973. That said proposals were designated as Proposal B, relating to conflict of interest and removal from office; and Proposal C, relating to secondary employment for police officers and firefighters.

In accordance with the provisions of the Government Code heretofore referred to, and the Charter of the City of Sacramento, the said proposed amendments were published and advertised in full, on March 5, 1973 in the Sacramento Union, a daily newspaper of general circulation, printed and published in the City of Sacramento, the official newspaper of said City of Sacramento. The foregoing is shown by the Affidavit of Publication marked Exhibit A and attached hereto and by this reference made a part hereof, and on file in the office of the City Clerk.

The copies of said proposed amendments were printed in convenient pamphlet form and in type not less than 10-point required by law, and copies thereof mailed to each of the qualified electors of said City of Sacramento within the time and manner required by law.

Until the date of the Special Municipal Election, April 17, 1973, as hereinafter set forth, there was published in said Sacramento Union an advertisement stating that copies of said proposed charter amendments could be had, upon application therefor, at the office of the City Clerk of said City of Sacramento, as required by law. The foregoing is shown by the Affidavit of Publication marked Exhibit B and attached hereto and by a reference made a part hereof, and on file in the office of the City Clerk.

That in accordance with the provisions of the Charter of the City of Sacramento, and in the manner provided by law, the said Special Municipal Election was duly and regularly held in said City on April 17, 1973, after due notice was given and published on March 5, 1973, which date was not less than forty (40) nor more than sixty (60) days before said election. That at said election, a majority of the qualified electors voting upon the proposed charter amendments voted in favor of Proposals B and C as heretofore referred to and ratified the same.

That thereafter the Board of Supervisors of Sacramento County, through the County Clerk, did in the manner provided by law, duly and regularly cause the canvass of the returns of said election and report the results thereof to the City Council. That the City Council did adopt a resolution approving the results of the canvass of the returns of said election, and did also by said resolution, find, determine and declare that certain proposed amendments designated as Proposals B and C as heretofore referred to were ratified by a majority vote of the electors of said City voting thereon.

That as to said amendments to the Charter of Sacramento, this certificate shall be taken as a full and complete certification as to the regularity of all proceedings had and done in connection therewith.

That the said amendments to the Charter of the City of Sacramento so ratified by the qualified electors of said City are fully and completely set forth as follows:

PROPOSAL B

TO AMEND SECTION 177 AND ADD SECTIONS 178 AND 179 TO THE CHARTER OF THE CITY OF SACRAMENTO RELATING TO CONFLICT OF INTEREST AND REMOVAL FROM OFFICE.

Section 177 is amended and Sections 178 and 179 are added to the Charter of the City of Sacramento to read as follows:

Sec. 177. Restrictions upon Officers and Employees.

No person shall be appointed to any office, position or employment, the compensation of which was increased or fixed by the City Council while said person was a member thereof, until after the expiration of one year from the date when he ceased to be a member of the City Council.

The provisions of Article 4, Chapter 1, Division 4, Title I of the Government Code of the State of California, as the same now exist or hereafter may be amended, relating to prohibitions applicable to specified officers and employees are hereby adopted by reference and shall apply to the city, provided, however, that nothing herein shall prevent the City Council from adopting more restrictive conflict of interest standards, by ordinance, for city employees, including those persons referred to in subsections (c) and (d) of Section 43 of the Sacramento City Charter. The violation of the above provisions of the Government Code by any officer or employee shall work the forfeiture of such office or employment.

No person shall hold more than one office under the city government nor receive more than one salary from the city for the same time.

Sec. 178. Interest in Noncontractual Matters.

(a) A member of the City Council or of a city board, committee or commission shall:

(1) Disclose the fact of his interest or relationship, and

(2) Disqualify himself and abstain from participating in any discussion or vote on any noncontractual matter coming before the City Council or city board, committee or commission, or a committee thereof, of which he is a member if the member has a direct personal financial interest, or if the member's spouse, or the member's brother, sister, parent, child, mother-in-law, or father-in-law, or the spouse thereof, is an applicant or principally or substantially involved in such noncontractual matter. A member has a "direct personal

financial interest" if he is an agent or employee of the person, firm or corporation which is the applicant or is principally or substantially involved in the noncontractual matter, provided, however, that this sentence shall not apply to a member who is a civil service employee of a governmental entity. A member of the City Council or of a city board, committee or commission, shall not be deemed to have a "direct personal financial interest" in a noncontractual matter if such interest is the ownership of less than 3% of the shares of a corporation for profit, provided the total annual income to him from dividends, including the payment of stock dividends, from the corporation does not exceed 5% of his total annual income, and any other payments made to him by the corporation do not exceed 5% of his total annual income. The City Council, by ordinance, may make the provisions of this subsection applicable to such indirect financial interests as it may determine. This subsection shall not apply to the Board of Education of the Sacramento City Unified School District nor to the City Manager, Director of Finance and their designated representatives or the employee representatives when sitting as members of the Retirement Board, except that such members shall be subject to the provisions of this subsection on a matter coming before such Board specifically involving their own retirement.

(b) The willful and knowing failure of any member of a city board, committee or commission to comply with subsection (a) of this Section may constitute sufficient grounds for removal from office by the City Council of any such member of a city board, committee or commission.

(c) The failure of a member of the City Council or a city board, committee or commission to comply with the provisions of subsection (a) of this Section shall not affect the validity of the action taken.

(d) Nothing in this Section shall prevent participation by a member having a direct personal financial interest in any noncontractual matter coming before the Council, board, committee or commission of which he is a member at a meeting thereof if disqualification and nonparticipation in the discussion and vote would, by reason of the lack of sufficient number of qualified voting members, render the Council, board, committee or commission unable to act on the matter at said meeting.

Sec. 179. Removal of Members of City Boards and Commissions.

For good cause, neglect of duty or misconduct in office, a member of a city board, committee or commission who has been appointed by the City Council or by the Mayor with the approval of the City Council, may be removed from office by the City Council. Such member may be removed only after he has been given a copy of the charges against him at least 10 days prior to a hearing to be held on the charges. At the hearing the member shall have an opportunity to be heard in person or by counsel.

PROPOSAL C

TO AMEND SECTIONS 159 AND 105 OF THE CHARTER OF THE CITY OF SACRAMENTO RELATING TO SECONDARY EMPLOYMENT FOR POLICE OFFICERS AND FIREFIGHTERS.

Sections 159 and 105 of the Charter of the City of Sacramento are amended to read as follows:

Sec. 159. Police Officers.

It shall be the duty of each member of the police force to acquaint himself with the provisions of this Charter, with all ordinances of the City and with all laws of the state defining public offenses and regulating criminal proceedings.

No member of the police force shall be allowed to receive, without the consent of the City Council, any money, gratuity or compensation for any service he may render as an officer.

The members of the police force shall not engage in any other employment, work, profession, business or enterprise that is inconsistent, incompatible, in conflict with, or adversely affects the performance of their duties as police officers, or that is inimical to the most effective performance of the mission of the Sacramento Police Department or the best interests of the City.

The City Council shall have the exclusive and non-delegable authority and duty to define, interpret and implement the terms of this section by resolution and such definition and interpretation shall be final and conclusive. The process and procedure followed by the City Council in so defining, interpreting and implementing this section shall be by unilateral legislative action not subject to and expressly excluded from any meeting and conferring procedure with employee organizational representatives that is or may be provided for under any other law. In the event a court or administrative body of competent jurisdiction renders a final judgment or order invalidating this paragraph or any part thereof then the terms and provisions of this section as hereinabove provided shall be null and void and this section shall thereupon on the effective date of such final judgment or order and thereafter read as follows:

No member of the police force shall be allowed to receive, without the consent of the City Council, any money, gratuity or compensation for any service he may render as an officer except rewards which have been publicly offered for the apprehension and conviction of criminals. The members of the police force shall not follow any other profession, calling or business but shall devote their entire time to the performance of their official duties, nor shall they be allowed pay for any period during which they shall absent themselves from public duty, except as in this Charter provided. It shall be the duty of each member of the police force to acquaint himself with the provisions of this Charter, with all ordinances of the city and with all laws of the state defining public offenses and

regulating criminal proceedings.

Sec. 105. Firefighters.

No member of the fire department shall be allowed, without the consent of the City Council, to receive any money, gratuity or compensation for any service he may render as a firefighter.

The members of the fire department shall not engage in any other employment, work, profession, business or enterprise that is inconsistent, incompatible, in conflict with, or adversely affects the performance of their duties as firefighters, or that is inimical to the most effective performance of the mission of the Sacramento Fire Department or the best interests of the City.

The City Council shall have the exclusive and non-delegable authority and duty to define, interpret and implement the terms of this section by resolution and such definition and interpretation shall be final and conclusive. The process and procedure followed by the City Council in so defining, interpreting and implementing this section shall be by unilateral legislative action not subject to and expressly excluded from any meeting and conferring procedure with employee organizational representatives that is or may be provided for under any other law. In the event a court or administrative body of competent jurisdiction renders a final judgment or order invalidating this paragraph or any part thereof then the terms and provisions of this section as hereinabove provided shall be null and void and this section shall thereupon on the effective date of such final judgment or order and thereafter read as follows:

No member of the fire department shall be allowed, without the consent of the City Council, to receive any money, gratuity or compensation for any service he may render as a firefighter. The members of the fire department shall not follow any other profession, calling or business, but shall devote their entire time to the performance of their duties, nor shall they be allowed pay for any period during which they shall absent themselves from public duty, except as in this Charter provided.

We further certify that we have compared the foregoing with the original proposals submitted to the electors of said City, and find that the foregoing is a full, true, and correct and exact copy of such amendments.

In witness whereof, we have hereunto set our hands and caused the Seal of said City of Sacramento to be affixed hereto on June 15, 1973.

(SEAL)

RICHARD H. MARRIOTT
Richard H. Marriott
Mayor, City of Sacramento
JACI K. DEFORD
Jaci K. Deford
City Clerk

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City of Sacramento, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City of Sacramento.

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## RESOLUTION CHAPTER 79

*Assembly Joint Resolution No. 36—Relative to protection of the California desert.*

[Filed with Secretary of State June 28, 1973 ]

WHEREAS, The State of California contains substantial desert area under the jurisdiction of the United States Bureau of Land Management; and

WHEREAS, These desert areas are presently incurring significantly increased recreational use; and

WHEREAS, The United States Bureau of Land Management has determined through its California Desert Study that a comprehensive plan for the development, protection, and use of the desert is urgently needed, and that this effort must be accompanied immediately with a program of critical interim management to protect the valuable and endangered resources of the desert while providing safety for its users; and

WHEREAS, The fragile desert environment and its resources continue to be damaged and destroyed and visitors injured or killed because of lack of management and the Bureau of Land Management's program for the current fiscal year is 2.5 million dollars short of the funding level needed to proceed on schedule with the California Desert Program; and

WHEREAS, The Bureau of Land Management lacks enforcement authority that is urgently needed to bring management and control to the greatly increasing recreational use of the California desert; 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 requests the Congress of the United States to act swiftly to provide

the Bureau of Land Management adequate funding to enforce the necessary laws for the protection of the California desert and to bring proper management for the protection of the resources of the lands involved; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 80

*Senate Joint Resolution No. 6—Relative to inspection of foreign wineries exporting wines to the United States and to the elimination of tariff and nontariff barriers against California and American wines.*

[Filed with Secretary of State June 28, 1973 ]

WHEREAS, Federal and state laws require wine sold or consumed in the United States to be produced in accordance with good manufacturing practices and under sanitary conditions established by law and regulation; and

WHEREAS, Wineries operating in the United States are subject to rigid government inspection to assure compliance with production and sanitation standards; and

WHEREAS, There is no means of ascertaining whether wines imported into the United States from foreign wine-producing countries are produced under satisfactory manufacturing and sanitary conditions except by inspection of the physical premises of the winery; and

WHEREAS, It is in the interest of the consuming public that assurance be given that foreign wine is produced in accordance with good manufacturing practices and under sanitary conditions; and

WHEREAS, The California and American wine industries have been unable to establish markets for wine in foreign countries; and

WHEREAS, Presently existing tariff and nontariff trade barriers erected against the importation of wine virtually prohibit California and American wines from access to foreign markets; and

WHEREAS, It is in the interest of the nation's economy as well as the economy of the wine industry to foster exports of California and American wines; and

WHEREAS, Tariff and nontariff barriers will be the subject of negotiations among nations pursuant to the General Agreement on Tariffs and Trade later this year; now, therefore, be it

*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California memorialize the Federal Food and Drug Administration to establish a system of

winery inspection for wineries located in foreign wine-producing countries whose wines are exported to the United States and the Special Representative for Trade Negotiations appointed by the President of the United States to negotiate elimination of all tariff and nontariff barriers hindering or prohibiting the exportation of California and American wines to foreign countries; and be it further

*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President of the United States, the Federal Food and Drug Administration, and the Special Representative for Trade Negotiations.

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## RESOLUTION CHAPTER 81

*Senate Concurrent Resolution No. 45—Relative to a study of community development and housing.*

[Filed with Secretary of State July 2, 1973.]

WHEREAS, The California Legislature has by previous legislation established a goal of providing a decent home and suitable living environment for every resident of the state; and

WHEREAS, The Department of Housing and Community Development estimates that at least 10 percent, or 700,000, of the existing housing units in the state are significantly substandard; and

WHEREAS, Rapid increases in the costs of housing during the past five years have resulted in making access to decent housing increasingly difficult, especially for families of low and moderate income; and

WHEREAS, The community development situation in California is extremely chaotic in that the traditional approach to the development of communities starts with the provision of a component piece such as housing, as opposed to including all of the components of the total living environment, housing, land, education, health, employment, and the like; and

WHEREAS, The executive branch of the federal government has recently imposed a moratorium on the provision of funds for federally assisted housing; and

WHEREAS, Approximately 25,000 units of low- and moderate-income housing have been annually constructed in California with such funds; and

WHEREAS, The impact of this moratorium and other federal budget cuts will have a slowing effect on the California economy, in particular, on the construction industry and tradesmen; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the Joint Committee on Community Development and Housing Needs is hereby created and authorized and directed to study and analyze California's community

development and housing needs, including, but not be limited to, consideration of the following topics:

(1) Sources of capital available to meet community development and housing goals;

(2) The potential for a California housing finance agency and the experience of other states which have such agencies;

(3) A current statement of the state's housing supply and a projection of future needs;

(4) The experience of federally assisted housing in California and its effectiveness in improving the housing supply;

(5) The range and types of state programs which will be most effective in pursuing California's housing goals.

(6) The role of state government in community development including local and regional planning and allocation and equalization of financial resources;

(7) The relationship between the various capital investment components such as education, community facilities, water and sewer facilities, open space, and the like, as they provide the base for the development of housing; and

(8) The current situation regarding the development of geographic, social and economic areas, the availability of land for low- and moderate-income community development and the relationship between environmental concerns and community development.

The committee shall report to the Legislature no later than June 30, 1974, and shall include in its report recommendations for appropriate legislation. The committee shall consist of three members of the Senate appointed by the Senate Rules Committee and three members of the Assembly appointed by the Speaker of the Assembly. The committee shall continue in existence until July 31, 1974. The committee has the following powers and duties:

(1) All of the rights, duties, and powers conferred upon investigating committees and their members by the provisions of the Joint Rules of the Senate and Assembly as they are adopted and amended from time to time, which provisions are incorporated herein and made applicable to the committee and its members.

(2) To contract, subject to the Joint Rules with such other agencies, public or private, as it deems necessary for the rendition and affording of such services, facilities, studies, and reports to the committee as will best assist it to carry out the purposes for which it is created.

(3) To cooperate with and secure the cooperation of county, city, city and county, and other local law enforcement agencies in investigating any matter within the scope of this resolution and to direct the sheriff of any county to serve subpoenas, orders and other process issued by the committee.

(4) To do any and all other things necessary or convenient to enable it fully and adequately to exercise its powers, perform its duties, and accomplish the objects and purposes of this resolution;

and be it further

*Resolved,* That the Joint Rules Committee may make funds available from the Contingent Funds of the Assembly and Senate for the purposes of this resolution and the Joint Committee on Community Development and Housing Needs may expend such funds for the expenses of the committee and its members and for any charges, expenses, or claims it may incur under this resolution; provided, that in accordance with Joint Rule 36.8, any expenditure of funds shall be made in compliance with policies set forth by the Joint Rules Committee and shall be subject to the approval of the Joint Rules Committee.

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## RESOLUTION CHAPTER 82

*Senate Concurrent Resolution No. 48—Relative to the Joint Committee for the Revision of the Elections Code.*

[Filed with Secretary of State July 2, 1973]

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the Joint Committee for the Revision of the Elections Code created by Assembly Concurrent Resolution No. 93 (Resolution Chapter 129) of the 1971 Regular Session, and the advisory committee for the revision of the Elections Code created pursuant to Senate Concurrent Resolution No. 16 (Resolution Chapter 180) of the 1971 Regular Session, are hereby continued in existence until July 31, 1974, by which date the joint committee shall submit its findings and recommendations to the Legislature, and each such committee shall continue to have the powers and duties granted and imposed by the resolution by which it was created; and be it further

*Resolved,* That the Joint Rules Committee may make funds available from the Contingent Funds of the Assembly and Senate for the purposes of this resolution and the Joint Committee for the Revision of the Elections Code may expend such funds for the expenses of the committee and the advisory committee for the revision of the Elections Code and their members and for any charges, expenses, or claims they may incur under this resolution; provided, that, in accordance with Joint Rule 36.8, any expenditure of funds shall be made in compliance with policies set forth by the Joint Rules Committee and shall be subject to the approval of the Joint Rules Committee.

# RESOLUTION CHAPTER 83

*Senate Concurrent Resolution No. 60—Relative to the Joint Committee on Legislative Building Space Needs.*

[Filed with Secretary of State July 2, 1973 ]

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That Rule 40.3 is added to the Temporary Joint Rules of the Senate and Assembly for the 1973–74 Regular Session, to read:

Subcommittee on Legislative Space and Facilities

40.3. (a) A subcommittee of the Joint Rules Committee is hereby created to be known as the Subcommittee on Legislative Space and Facilities. The subcommittee shall consist of three Members of the Senate and three Members of the Assembly, appointed by the Chairman of the Joint Rules Committee, and the chairman of the fiscal committee of each house who shall have full voting rights on the subcommittee. The chairman of the subcommittee shall be appointed by the members thereof. For purposes of this subcommittee, the chairmen of the fiscal committees shall be ex officio members of the Joint Rules Committee, but shall not have voting rights on that committee, nor shall they be counted in determining a quorum. The subcommittee shall consider the housing of the Legislature and legislative facilities.

(b) The subcommittee and its members shall have and exercise all of the rights, duties and powers conferred upon investigating committees and their members by the provisions of the Joint Rules of the Senate and Assembly as they are adopted and amended from time to time, which provisions are incorporated herein and made applicable to this subcommittee and its members.

(c) The subcommittee has the following additional powers and duties:

(1) To contract with such other agencies, public or private, as it deems necessary for the rendition and affording of such services, facilities, studies and reports to the subcommittee as will best assist it to carry out the purposes for which it is created.

(2) To cooperate with and secure the cooperation of county, city, city and county, and other local law enforcement agencies in investigating any matter within the scope of this resolution and to direct the sheriff of any county to serve subpoenas, orders and other process issued by the subcommittee.

(3) To report its findings and recommendations to the Legislature and to the people from time to time and at any time.

(4) To do any and all other things necessary or convenient to enable it fully and adequately to exercise its powers, perform its duties, and accomplish the objects and purposes of this resolution.

(d) The subcommittee is authorized to leave the State of California in the performance of their duties.

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## RESOLUTION CHAPTER 84

*Assembly Concurrent Resolution No. 27—Relative to the adoption of Society of Automotive Engineers vehicle numbering systems.*

[Filed with Secretary of State July 3, 1973.]

WHEREAS, There is a definite need for improved number systems to identify vehicles and their major components, and campers, in order to help reduce the number of vehicle and camper thefts; and

WHEREAS, Existing vehicle numbering systems are deficient in certain respects and lack uniformity in that numbers are difficult to locate, the methods of affixing numbers vary, major components of vehicles are often not numbered, and even when numbered do not usually have a relationship to the vehicle identification number, and new replacements of major components seldom have an identification number; and

WHEREAS, Many vehicles do not have secondary numbers, and in order to defeat professional or commercial thieves, secondary or "secret" numbers are needed; and

WHEREAS, Camper identification is seriously inadequate in that existing numbers are not permanently affixed, there are no secondary numbers, and uniformity and standardization are lacking; and

WHEREAS, The Legislature desires to aid in the protection of property by increasing security through identification; and

WHEREAS, The primary objectives of a comprehensive uniform numbering system are to simplify and improve the means for investigating stolen vehicles and their major components, to strengthen the evidential value of vehicles and their major components in vehicle theft cases, to provide all vehicles and their major components with an adequate means of identification, and to allow manufacturers to voluntarily implement vehicle numbering systems; and

WHEREAS, An adequate uniform identification system will make both the theft and the disposal of vehicles and campers more difficult and help reduce the profitability of this multimillion dollar a year crime; 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 hereby urges all foreign and domestic manufacturers of passenger vehicles, trucks, motorcycles, trailers, and the engines, transmissions, and frames therefor, and campers, manufactured for sale in California, to adopt the vehicle and major components and camper information numbering system standards and practices as they are

published by the Society of Automotive Engineers for each family of vehicles and for campers; and be it further

*Resolved,* That the Department of the California Highway Patrol and the Department of Motor Vehicles are requested to work with the Society of Automotive Engineers to provide assistance in connection with the development of a uniform numbering system for vehicles and their major components, and campers, and to review the progress of the vehicle and camper industries in adopting such a uniform numbering system; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the Commissioner of the California Highway Patrol, the Director of Motor Vehicles, and each foreign and domestic manufacturer of passenger vehicles, trucks, motorcycles, trailers, and the engines, transmissions, and frames therefor, and campers, manufactured for sale in California.

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## RESOLUTION CHAPTER 85

*Assembly Concurrent Resolution No. 45—Relative to elderly population in California.*

[Filed with Secretary of State July 3,1973.]

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the report to the Legislature containing findings and recommendations of the Regents of the University of California, the Trustees of the California State University and Colleges, and the Board of Governors of the California Community Colleges pursuant to Resolution Chapter 139 (Assembly Concurrent Resolution No. 127) of the 1972 Regular Session of the Legislature may be deferred until May 1, 1973; and be it further

*Resolved,* That copies of this resolution be transmitted to the Regents of the University of California, the Trustees of the California State University and Colleges, and the Board of Governors of the California Community Colleges.

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## RESOLUTION CHAPTER 86

*Assembly Concurrent Resolution No. 61—Relative to the Joint Legislative Audit Committee.*

[Filed with Secretary of State July 3, 1973.]

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

First, that Rule 37.3 is added to the Temporary Joint Rules of the

Senate and Assembly for the 1973–74 Regular Session, to read:

Joint Legislative Audit Committee

37.3. The Joint Legislative Audit Committee is created pursuant to the Legislature's rulemaking authority and specific constitutional authority by Chapter 4 (commencing with Section 10500) of Part 2, Division 2, Title 2 of the Government Code. The committee shall consist of four Members of the Senate and four Members of the Assembly who shall be selected in the manner provided for in these rules, of which one shall be the chairman of the fiscal committee for the Senate and one the chairman of the fiscal committee for the Assembly. Notwithstanding anything to the contrary in these rules, two members from each house constitute a quorum and the number of votes necessary to take action on any matter. The Chairman of the Joint Legislative Audit Committee, upon receiving a request by any Member of the Legislature or committee thereof for a copy of a report prepared or being prepared by the Auditor General, shall provide the member or committee with a copy of such report when it is, or has been, submitted by the Auditor General to the Joint Legislative Audit Committee.

Second, that in addition to any money heretofore made available to it, the sum of one million three hundred fifty thousand dollars ($1,350,000), or so much thereof as may be necessary, is hereby made available from the Contingent Funds of the Assembly and Senate for the payment of any and all expenses of the Joint Legislative Audit Committee (created by Section 10501 of the Government Code) and its members and for any charges, expenses, or claims it may incur, to be paid from the said fund and disbursed, after certification by the chairman of the committee, upon warrants drawn by the State Controller upon the State Treasury.

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## RESOLUTION CHAPTER 87

*Assembly Concurrent Resolution No. 63—Relative to the Joint Committee on Public Domain.*

[Filed with Secretary of State July 3, 1973 ]

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

First—That the Joint Legislative Committee on Public Domain is continued in existence through December 31, 1974, notwithstanding the provisions of any prior concurrent resolution affecting such committee. The committee shall continue to have the powers and duties granted and imposed by the resolution creating or continuing it. The committee may expend any funds heretofore or hereafter made available and further allocations may be made by the Joint

Rules Committee; provided that, in accordance with Joint Rule 36.8, any expenditure of funds shall be made in compliance with policies set forth by the Joint Rules Committee and shall be subject to the approval of the Joint Rules Committee.

Second—That paragraph 8 of the resolved clause of Resolution Chapter 71, Statutes of 1971, is amended to read:

8. In addition to the foregoing, the committee and its members shall study the problems involved with the providing of access to wilderness and park areas in the public domain.

Third—In addition to any duties heretofore or hereafter assigned to the Joint Legislative Committee on Public Domain, the committee shall determine whether the state is receiving a fair price for the state's mineral deposits.

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## RESOLUTION CHAPTER 88

*Assembly Concurrent Resolution No. 83—Relative to the Joint Committee on Aging.*

[Filed with Secretary of State July 3, 1973 ]

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Joint Committee on Aging is continued in existence until July 31, 1974, notwithstanding the provisions of any prior concurrent resolution affecting such committee. The committee shall continue to have the powers and duties granted and imposed by the resolution creating or continuing it. The committee may expend any funds heretofore or hereafter made available and further allocations may be made by the Joint Rules Committee; provided that, in accordance with Joint Rule 36.8, any expenditure of funds shall be made in compliance with policies set forth by the Joint Rules Committee and shall be subject to the approval of the Joint Rules Committee.

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## RESOLUTION CHAPTER 89

*Assembly Joint Resolution No. 39—Relative to water pollution control facilities.*

[Filed with Secretary of State July 3, 1973.]

WHEREAS, The construction of new water pollution control facilities is urgently needed to protect and enhance the quality of California's waters; and

WHEREAS, In order to permit the construction of such works at the earliest possible time and to effectively protect water quality in

California, it is vital that funds appropriated for such purpose under the Federal Water Pollution Control Act be released for expenditure; 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 memorializes the President of the United States to release additional funds for the construction of water pollution control facilities under the Federal Water Pollution Control Act; and be it further

*Resolved,* That the State Water Resources Control Board shall confer with the proper federal authorities on the need for the release of such additional funds in the State of California; and be it further

*Resolved,* That the State Water Resources Control Board report to the Legislature the result of its conference with the proper federal authorities before August 1, 1973; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, 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 State Water Resources Control Board.

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## RESOLUTION CHAPTER 90

*Assembly Joint Resolution No. 57—Relative to the extension of the Federal Emergency Employment Act of 1971 and various summer youth opportunities programs.*

[Filed with Secretary of State July 3, 1973.]

WHEREAS, The Emergency Employment Act (EEA) of 1971 was enacted by the Congress of the United States to reduce unemployment by providing state and local governments with the necessary wherewithal to recruit, train and employ the unemployed in public service jobs; and

WHEREAS, The EEA program has employed 26,635 persons in California state, city and county government agencies, thereby enabling the implementation of either new or expanded essential public services in such fields as police and fire protection, environmental protection, education and other social services; and

WHEREAS, The EEA program has been especially beneficial because it has reached those usually hardest hit by slow economy, namely, the minorities, the young, the old, Vietnam vets, welfare recipients, and those otherwise disadvantaged; and

WHEREAS, Local governments in California have, with federal assistance, provided summer employment, expanded recreation, and other support programs for youth; and

WHEREAS, These valuable programs have provided over 45,000 employment opportunities a year, thereby enabling young people to continue their education; and

WHEREAS, These programs provide youthful participants with meaningful job experience and training; and

WHEREAS, The EEA program and various federal summer youth opportunities programs are threatened with termination if the 1973–74 Federal Budget is adopted as proposed; now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California memorializes the President of the United States to reconsider his budget proposals and join with the Congress of the United States to assure the people of California that the Emergency Employment Act Program and various summer youth opportunities programs will be extended through June 30, 1975; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and the Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 91

*Assembly Joint Resolution No. 7—Relative to the New Melones Dam Project.*

[Filed with Secretary of State July 3, 1973 ]

WHEREAS, The United States Army Corps of Engineers is planning the construction of the New Melones Dam on the Stanislaus River in the State of California; and

WHEREAS, The New Melones Dam Project, which is proposed to have a capacity of 2,400,000 acre feet, is urgently needed to provide flood protection for the Stanislaus River Basin; and

WHEREAS, The additional water supply which will be made available by the project for agricultural and municipal purposes will greatly benefit the people of California; and

WHEREAS, The project will provide outstanding recreational opportunities for the large urban populations of northern and central California; and

WHEREAS, The Board of Supervisors of Stanislaus County, as well as numerous other local agencies, strongly support the construction of the New Melones Dam Project at the earliest possible time; 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 memorializes the President and the Congress of the United States to proceed with the construction of the New Melones Dam Project on the Stanislaus River in the State of California as quickly as possible upon such construction being permitted under pending litigation;

and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Chief of the United States Army Corps of Engineers, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 92

*Assembly Concurrent Resolution No. 23—Relative to Sacramento-Fresno air service.*

[Filed with Secretary of State July 3, 1973 ]

WHEREAS, It has come to the attention of the Members of the Legislature that the City of Fresno is assuming ever greater importance to the State of California as an expanding center of commerce, population and culture; and

WHEREAS, The City of Fresno and the State of California can both benefit from improved communication and transportation links between the Capital City and the nerve center of the lower San Joaquin Valley; and

WHEREAS, Surface transportation between these two pivotal areas has been significantly reduced with the loss of rail service, and, with the absence of any direct flights between these two cities, there is presently only very inefficient public transportation between Sacramento and Fresno; and

WHEREAS, The improvement of air travel service between these two great cities can do much to help bring the whole of the San Joaquin Valley into the mainstream of California's political, economic and cultural life; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Members of the Legislature urge Western Airlines, Valley Airlines, and Air California to initiate regularly scheduled direct flights between Sacramento and Fresno and urge United Airlines, Hughes Air West, and Pacific Southwest Airlines to provide additional and improved service between these cities; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to Hughes Air West, Pacific Southwest Airlines, Air California, United Airlines, Western Airlines, Valley Airlines, the City of Fresno, the City of Sacramento, and the Public Utilities Commission.

## RESOLUTION CHAPTER 93

*Senate Concurrent Resolution No. 26—Relative to a corridor transportation study for a corridor approximating State Highway Route 2.*

[Filed with Secretary of State July 3, 1973.]

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the Southern California Association of Governments is hereby requested, in cooperation with all interested public and private entities, to undertake a corridor transportation study of the corridor approximating the location of the proposed State Highway Route 2 from State Highway Route 405 to Glendale Boulevard in Los Angeles County, which study shall examine various alternative transportation systems, including, but not limited to, landscaped parkways, mass transit lines, bikeways, or any combination thereof (but not freeways), which may be utilized in the corridor to accommodate the projected traffic therein, and shall determine the construction priorities of the required system; and be it further

*Resolved,* That the study be directed to the maximum utilization of existing streets for such systems; and be it further

*Resolved,* That the findings and recommendations of the Southern California Association of Governments be submitted to the Legislature not later than the 10th calendar day of the 1975–76 Regular Session of the Legislature; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the Southern California Association of Governments.

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## RESOLUTION CHAPTER 94

*Senate Joint Resolution No. 4—Relative to earthquake hazard.*

[Filed with Secretary of State July 3, 1973 ]

WHEREAS, The President of the United States has sent to the Congress his proposed budget for the 1974 fiscal year and he has announced reductions in current levels of spending; and

WHEREAS, The President has also announced his proposed reorganization of agencies with respect to their functions and program emphasis; and

WHEREAS, Significant changes in overall federal efforts relating to earthquake hazard reduction are apparent in the proposed budget and reorganization announcements; and

WHEREAS, The earthquake hazard to California, the nation's most populated state, is severe; and

WHEREAS, The current federal efforts in earthquake engineering,

seismology, geology, and disaster relief have reduced, are reducing, and must continue to reduce, the earthquake hazard to acceptable risk levels; and

WHEREAS, A modest increase in federal efforts at this time should lead to significant reductions in the earthquake hazard in California as well as in many other states; 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 of the United States to assure the people of California that, at the very minimum, the current levels of scientific and engineering efforts relating to earthquake hazard reduction will be continued at budgetary levels not less than 10 percent over those originally proposed for fiscal year 1973; and be it further

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

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## RESOLUTION CHAPTER 95

*Senate Joint Resolution No. 17—Relative to the Public Employees Program.*

[Filed with Secretary of State July 3, 1973.]

WHEREAS, The Congress of the United States adopted the Emergency Employment Act of 1971 which was signed into law by President Nixon on July 12, 1971; and

WHEREAS, The California Legislature adopted the Employment Opportunities Act of 1971 signed by Governor Reagan December 30, 1971, for the purpose of facilitating the implementation of the Federal Emergency Employment Act; and

WHEREAS, The Public Employees Program (PEP) has enabled financially distressed local governments to provide vitally needed services including education, environmental protection, police and fire protection services and innovative social services without increasing the burden to property taxpayers; and

WHEREAS, PEP has allowed state and local government to provide meaningful job opportunities to the young and old, to Vietnam veterans, to minorities, to the hardcore unemployed, and to the technologically displaced; and

WHEREAS, PEP has spurred the economy while at the same time increasing the self-dependency of the disadvantaged and reducing the welfare rolls by approximately 5,000 families; and

WHEREAS, The PEP Program has provided more public service job opportunities in California than any other program. PEP employees

are characterized as follows:

1. Total persons employed as of August 1972, by state, city, and county governments totaled 26,635.

2. Twenty-nine percent of PEP employees are Vietnam veterans.

3. Eighty-eight percent of PEP employees are between the ages of 18 and 44.

4. Eighty-six percent of PEP employees were unemployed prior to entering PEP. It is estimated that by June 30, 1973, 15,712 PEP enrollees will be in permanent positions with state and local governments in California.

5. Fourteen percent of PEP employees were underemployed.

6. Four thousand eight hundred seventy welfare recipients have been placed in the PEP Program; and

WHEREAS, In addition to the PEP Program, California cities and counties have participated in various summer youth opportunity programs which have provided employment opportunities as well as recreation and other support services; and

WHEREAS, The proposed 1973–74 federal budget proposes to terminate the PEP Program and drastically reduce the availability of funds for summer youth programs; and

WHEREAS, The discontinuation and reduction of PEP funding will increase unemployment, cause the welfare rolls to grow and reduce essential public services; now, therefore, be it

*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California memorializes the President of the United States and the Congress of the United States to assure the people of California that the Public Employees Program and various summer youth opportunity programs will extend through June 30, 1975; and be it further

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

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## RESOLUTION CHAPTER 96

*Senate Concurrent Resolution No. 41—Relative to the Joint Legislative Budget Committee.*

[Filed with Secretary of State August 13, 1973.]

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That in addition to any money heretofore made available to it, the sum of one million five hundred ninety thousand dollars ($1,590,000), or so much thereof as may be necessary, is hereby allocated from the Contingent Funds of the Assembly and Senate for the payment of any and all expenses incurred by the Joint

Legislative Budget Committee or its members pursuant to and under the authority of law or the provisions of Joint Rule No. 37.

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## RESOLUTION CHAPTER 97

*Senate Concurrent Resolution No. 73—Approving amendments to the Charter of the City of Monterey, State of California, ratified by the qualified electors of the city at a general municipal election held therein on the eighth day of May, 1973.*

[Filed with Secretary of State August 13, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City of Monterey, a municipal corporation in the County of Monterey, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

State of California } ss.
County of Monterey }

We, Peter J. Coniglio, Mayor of the City of Monterey, and John O. Dunn, Jr., City Clerk of the City of Monterey, do hereby certify as follows:

That the City of Monterey, in the County of Monterey, State of California, is now and was at all times herein mentioned, a City containing more than 3,500 inhabitants and less than 50,000 inhabitants as ascertained by the last preceding census taken under the authority of the Congress of the United States; and

That the City of Monterey is now and was at all times herein mentioned, organized and existing under a Charter adopted under the provisions of Section 8, Article XI, Constitution of the State of California, which Charter was duly ratified by a majority of the electors of said City at a Special Municipal Election held therein on the 9th day of March, 1925, and approved by the Legislature of the State of California (Statutes of 1927, Chapter 32, Page 1292), and by Resolution of the Legislature filed with the Secretary of State of the State of California on the 27th day of March, 1925 (Statutes of 1927, Chapter 32, Page 1292); and

That pursuant to the provisions of Section 8, Article XI, Constitution of the State of California, the legislative body of the City, namely the City Council of said City, did, on its own motion and pursuant to the provisions of said Section 8, Article XI, Constitution of the State of California, propose to the electors of the City of Monterey certain amendments to the Charter of said City and ordered that the amendments be submitted to said electors of said City at a General Municipal Election to be held in said City on the

8th day of May, 1973; and

That said proposed amendments were duly published once a week for two successive weeks in the Monterey Peninsula Herald, a newspaper of general circulation published in the City of Monterey and the official newspaper designated by the City Council for that purpose; and

That the City Council did by Resolution, designated as Resolution No. 12,072 C.S., adopted on the 3rd day of April, 1973, call for and give notice of a General Municipal Election in the City of Monterey on the 8th day of May, 1973; and

That said General Municipal Election was duly held in the City of Monterey on the 8th day of May, 1973, and that a majority of the voters voted in favor of the proposed amendments as set forth to the Charter of the City of Monterey and duly ratified the same; and

That said returns were duly canvassed and certified by the Clerk of the City of Monterey in the time and manner as required by law; and

That said amendments to the Charter of the City of Monterey, adopted and ratified by the qualified electors of said City, are in words and figures as follows:

Section 21. Appointment and Removal of Officers and Employees:

(a) Appointment of Officers and Employees:

(1) The Council shall appoint the City Manager by affirmative vote of three of its members.

(2) The Council shall appoint by affirmative vote of three of its members, all members of municipal boards, commissions and committees and representatives of the City to other agencies except members of the Library Board of Trustees.

(3) The City Manager shall appoint all other officers and employees of the City except as otherwise herein provided.

(b) Removal of Officers:

(1) The Council may remove any of its appointees at pleasure without cause stated or hearing had by affirmative vote of four members, and may remove any of its appointees for cause after a hearing by affirmative vote of three of its members.

(2) The City Manager may remove any of the chief appointive officers appointed by him at pleasure, provided that

(i) Said officer is served with at least three days' written notice of the reason for such removal.

(ii) Said officer shall have the right of appeal to and hearing before the City Council, the procedures for which shall be established by ordinance.

(c) Removal of Subordinate Officers and Employees:

(1) The City Manager may remove all other officers and employees only for cause. An officer or employee removed for cause shall have a right of appeal to and hearing before the City Council. The procedures for removal for cause, appeal and hearing shall be established by ordinance.

(d) Limitations on Removals:

(1) The Council shall not remove any officers within three months next succeeding a general municipal election except for cause.

(2) The City Manager shall not remove any chief appointive officer within three months next succeeding his appointment except for cause.

(e) Suspension in Lieu of Removal:

(1) Any officer or employee, in lieu of removal, may be suspended up to thirty days without pay for the same reasons or on the same grounds and on the same procedure as herein provided for removal.

That we have compared the amendments as stated herein with the original proposals submitted to the electors of said City and find and certify that all of said amendments are a full, true and correct copy thereof.

In witness whereof, we have hereunto set our hands and caused the seal of said City of Monterey to be affixed hereto this 21st day of May, 1973.

(SEAL)

CITY OF MONTEREY
P. J. CONIGLIO
Peter J. Coniglio
Mayor
JOHN O. DUNN JR.
John O. Dunn Jr.
City Clerk

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City of Monterey, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City of Monterey.

# RESOLUTION CHAPTER 98

*Senate Joint Resolution No. 26—Relative to the National Environmental Education Act.*

[Filed with Secretary of State August 13, 1973.]

WHEREAS, The Congress and the President of the United States enacted the Environmental Education Act of 1970 as Public Law 91-516; and

WHEREAS, Said act authorized federal expenditure of fifty million dollars ($50,000,000) for grants to agencies engaged in the crucial task of environmental education; and

WHEREAS, The ultimate solution to reversing the decline in the environmental health of this nation must include effective public education programs directed at understanding and dealing intelligently with environmental problems; and

WHEREAS, The development of such programs was the precise purpose of the aforementioned act and expenditure so authorized pursuant to such act; and

WHEREAS, The President of the United States, in his message to the Congress, stressed the importance of improving, in his words, "the nation's environmental literacy"; and

WHEREAS, Despite the action of the Congress, the statements of the President, and the eager utilization of the Environmental Education Act program by the states and the schools of this nation, the federal administration has provided barely one-tenth the funds authorized by the program during its three-year life; and

WHEREAS, Despite the crippling denial of funds to this critical program heretofore, the federal administration now proposes to further deny its responsibility to the environmental education needs of the nation by reducing program funds to an all-time low of one million dollars ($1,000,000); now, therefore, be it

*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature communicate its distress over the prospect of further reduction in funds for the Environmental Education Act program and respectfully memorializes the President of the United States to restore the program to its authorized funding level and to the Congress to enact legislation to extend the life of the act in order that its promise and purpose may be achieved; and be it further

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

## RESOLUTION CHAPTER 99

*Senate Joint Resolution No. 29—Relative to the Hunters Point Naval Shipyard.*

[Filed with Secretary of State August 13, 1973 ]

WHEREAS, The Hunters Point Naval Shipyard employs over 5,000 persons and contributes substantially to the economic well-being of the San Francisco Bay area; and

WHEREAS, Hunters Point is a principal shipbuilding and repair facility serving United States naval vessels in the Pacific Ocean; and

WHEREAS, The closing of this facility will result in the loss of a substantial number of jobs and will further depress the conditions in the already depressed California maritime industry; and

WHEREAS, Services currently performed at Hunters Point would be performed at foreign facilities by foreign nationals after the closing of Hunters Point; now, therefore, be it

*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California memorializes the federal government to retain Hunters Point as a naval shipyard at its current level of operations; and be it further

*Resolved,* That the Legislature memorializes the federal government, if Hunters Point is to be closed, to declare it surplus property and to give the Port of San Francisco first priority to acquire the property for maritime purposes at no cost to the port; and be it further

*Resolved,* That the Legislature supports passage of pending legislation in the United States House of Representatives, which would permit the Administrator of General Services to dispose of surplus property to public entities for public port purposes without monetary consideration; and be it further

*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of the Navy, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 100

*Assembly Concurrent Resolution No. 28—Relative to a Ventura beach improvement and beautification program feasibility study.*

[Filed with Secretary of State August 14, 1973 ]

WHEREAS, The State of California holds title to a large portion of the beachfront property extending from Rincon Point to the Ventura-Los Angeles county line; and

WHEREAS, This beachfront property has received minimal

attention and priority for improvement or beautification; and

WHEREAS, The public use of such beachfront property has continually increased at a rapid rate, and will continue to increase at an accelerated rate; and

WHEREAS, Residents and interested parties in the area strongly desire the improvement and beautification of this important state recreational resource; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Department of Parks and Recreation, with the participation and cooperation of the cities within the County of Ventura and of the County of of Ventura, perform a feasibility study to determine the type, cost, and extent of development of a beach improvement and beautification program from Rincon Point extending southeast to the Ventura-Los Angeles county line; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the Director of Parks and Recreation and to the cities within the County of Ventura and to the County of Ventura.

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## RESOLUTION CHAPTER 101

*Assembly Concurrent Resolution No. 84—Relative to proclaiming August 26 as Women's Recognition and Equality Day in California.*

[Filed with Secretary of State August 16, 1973 ]

WHEREAS, Women have made many valued contributions to society in various fields of endeavor which often have gone unrecognized, or have been underrated; and

WHEREAS, Women have played an important part in reforming social, educational, and religious institutions in the United States; and

WHEREAS, Women comprise over 53 percent of the population in California and constitute over 37 percent of the work force in the state; and

WHEREAS, Women in increasing numbers are entering fields which were formerly male dominated, such as law, medicine, politics, law enforcement, business, engineering, and other professional, technical, and skilled occupations; and

WHEREAS, Women's contributions to, and their important roles in, society should be recognized; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That August 26 of each year, being the anniversary of the certification of the 19th Amendment to the United States Constitution, be set aside as Women's Recognition and Equality Day to direct attention to the contributions women have made to California and the United States.

# RESOLUTION CHAPTER 102

*Assembly Concurrent Resolution No. 118—Approving an amendment to the Charter of the City of Berkeley, State of California, ratified by the qualified electors of the city at a regular municipal election held therein on the 17th day of April, 1973.*

[Filed with Secretary of State August 16, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of an amendment to the Charter of the City of Berkeley, a municipal corporation in the County of Alameda, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

WHEREAS, Proceedings have been taken and had for the proposal, adoption and ratification of an amendment to the Charter of the City of Berkeley, a municipal corporation in the County of Alameda, State of California, as set out in the certificate of the Mayor and City Clerk of said City as follows, to wit:

State of California }
County of Alameda } ss.

We, the undersigned, Warren Widener, Mayor of the City of Berkeley, State of California, and Edythe Campbell, City Clerk of said City, do hereby certify as follows:

That the City of Berkeley, a municipal corporation in the County of Alameda, State of California, now is and at all times herein mentioned, was a City containing a population of more than 3,500 inhabitants, and has been ever since the 1st day of July, 1909, and now is organized and existing under a freeholder's charter adopted under and by virtue of Article XI of the Constitution of the State of California, which Charter was fully ratified by the qualified electors of said City at an election held for that purpose on the 30th day of January, 1909, and approved by the Legislature of the State of California by Assembly Concurrent Resolution filed with the Secretary of State on the 4th day of March, 1909 (Statutes 1909, p. 1208).

That in accordance with the provisions of Section 3 of Article XI of the Constitution of the State of California on its own motion, the Council of the City of Berkeley, being the governing body of said City, duly and regularly submitted to the qualified electors of said City a certain proposal designated as "Charter Amendment" to amend the Charter of said City and to be voted upon by said qualified electors at a regular municipal election held in said City on the 17th day of April, 1973.

That said proposed amendment was published and advertised in accordance with the provisions of Sections 34455 and 34458 of the Government Code of the State of California on the 8th day of March,

1973, in the Berkeley Daily Gazette, a daily newspaper of general circulation published in said City of Berkeley and the official newspaper of said City, and in each edition thereof during the day of publication.

That copies of said proposed amendment were printed in convenient pamphlet form and in type of not less than ten point, and copies thereof were mailed to each of the qualified electors in said City in accordance with Section 34456 of the Government Code of the State of California and the Charter of the City of Berkeley; and an advertisement that copies thereof could be had by the application therefor at the office of the City Clerk of the City of Berkeley was published in said Berkeley Daily Gazette, a newspaper of general circulation published in said City, on the 9th day of March, 1973, and on each day thereafter to and including the 17th day of April, 1973, all as required by Section 34456 of the Government Code of the State of California.

That copies of said pamphlet containing said proposed Charter Amendment could be had upon application therefor at the office of the City Clerk of said City to and including the 17th day of April, 1973, the date fixed for said election.

That said regular municipal election was duly and regularly held in said City of Berkeley, after due notice given and published, on the 17th day of April, 1973, which day was not less than forty (40) days, nor more than sixty (60) days after completion of the publication and advertisement of the aforementioned proposed Charter Amendment in the Berkeley Daily Gazette, the official newspaper of said City.

That the returns of said election were, in accordance with the law in such cases made and provided, duly and regularly canvassed and certified to, and it was duly found, determined and declared by the proper officers thereunto duly and properly authorized that said amendment to the Charter of the City of Berkeley, hereinafter set forth, was ratified by a majority of the electors of said City voting thereon; that the Council of the City of Berkeley did by its Resolution No. 45,745-N.S. duly declare the results of said election as determined by the canvass of the returns thereof.

That as to said Charter Amendment, this certificate shall be taken as a full and complete certification as to the regularity of all proceedings had and done in connection therewith.

That said Amendment to the Charter of the City of Berkeley so ratified by the electors of said City is in the words and figures as follows, to wit:

## CHARTER AMENDMENT

That Section 19 of Article V of the Charter of the City of Berkeley be amended to read as follows:

Section 19. Salaries.

The Councilmen shall receive remuneration for the performance

of their official duties at the rate of $300.00 per month, and the Mayor shall receive $600.00 per month. If the Mayor or any member of the Council is absent from one or more regular meetings of the Council during any calendar month, unless excused by the Council in order to attend to official business of the City, he shall be paid only one-fourth of the monthly remuneration for each regular meeting of the Council which he attended during such month.

The Auditor shall receive such salary as may be fixed by the Council, provided, however, that said salary shall not be less than $3,600.00 per annum.

The School Directors shall receive remuneration for the performance of their official duties at the rate of $300.00 per month. Any School Director absent from one or more regular meetings of the Board of Education during any calendar month, unless excused by the Board in order to attend to official business of the Board, shall be paid for each regular meeting of the Board attended during such month an amount equal to $300.00 divided by the number of regular meetings held during such month.

And we further certify that we have compared the foregoing proposed and ratified amendment to the Charter of the City of Berkeley with the original proposal submitting the same to the electors of said City, and find that the foregoing is a full, true, correct and exact copy thereof.

In witness whereof, we have hereunto set our hands and caused the seal of the City of Berkeley to be affixed hereto, this 18th day of June, 1973.

(SEAL)

WARREN WIDENER
Mayor of the City of Berkeley
EDYTHE CAMPBELL
City Clerk of the City of Berkeley

and

WHEREAS, The proposed amendment to the charter, as adopted and ratified as hereinabove set forth, has been and now is duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendment to the Charter of the City of Berkeley, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, is hereby approved as a whole, without alteration or amendment, for and as an amendment to, and as part of, the Charter of the City of Berkeley.

## RESOLUTION CHAPTER 103

*Assembly Concurrent Resolution No. 119—Approving amendments to the Charter of the City of Torrance, State of California, ratified by the qualified electors of the city at a general special municipal election held therein on the 17th day of April, 1973.*

[Filed with Secretary of State August 16, 1973.]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City of Torrance, a municipal corporation in the County of Los Angeles, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

CERTIFICATE OF RATIFICATION OF CHARTER AMENDMENTS BY THE ELECTORS OF THE CITY OF TORRANCE

State of California
County of Los Angeles } ss
City of Torrance

We, the undersigned, Ken Miller, Mayor of the City of Torrance, California, and Vernon W. Coil, City Clerk of said city, do hereby certify and declare as follows:

That the City of Torrance, a municipal corporation in the County of Los Angeles, State of California, is now and at all times herein mentioned was a city duly organized, existing and acting under a freeholders charter adopted under and pursuant to Section 8 of Article XI of the Constitution of the State of California.

That in accordance with the provisions of the Government Code of the State of California, the City Council of said city, being the legislative body thereof, on its own motion, submitted to the qualified electors of said city certain proposals for the amendment and recodification and renumbering of the Charter of said city at a Special Municipal Election duly and regularly called and held in said city on the 17th day of April, 1973, said charter amendments being herein designated as Charter Amendments Nos. 1, 2 and 3

That on March 2, 1973, said City Council caused said proposed charter amendments to be duly and regularly published and advertised in each and every edition of said second day of March, 1973, of the South Bay Daily Breeze, the official newspaper of said city and a daily newspaper of general circulation printed, published and circulated in said city.

That said City Council caused copies of said proposed charter amendments to be printed in convenient pamphlet form and in type of not less than 10-point and caused copies thereof to be mailed to each of the qualified electors of said city.

That said City Council, until the day fixed for the election upon

said proposed charter amendments, did advertise continuously in said South Bay Daily Breeze, a daily newspaper of general circulation printed, published and circulated in said city, a notice that copies thereof might be had upon application therefor, that copies of said proposed charter amendments and recodification could be had upon application therefor at the office of the City Clerk of said city up to and including the day fixed for said special municipal election.

That said special municipal election was duly and regularly held in said city on the date fixed by said City Council, to wit, April 17, 1973, which date was not less than forty (40) nor more than sixty (60) days after completion of the advertising of said proposed charter amendments; that at said election a majority of the qualified voters voting thereon voted in favor of and did ratify Charter Amendments 1, 2 and 3, hereinafter specifically set forth.

That all proceedings in connection with the submission of said charter amendments to the electorate, and the election thereon, were taken in accordance with the provisions of Sections 34450 through 34463 of the Government Code of the State of California.

That said amendments to the Charter and recodification thereof of said city so ratified by the voters of said city are as follows, to wit:

"Charter Amendment No. 1:

"Shall the Charter of the City of Torrance be amended to repeal Section 3 of Article VI entitled '1958 General Municipal Election'; Section 1 of Article XVI, entitled 'City Judge'; Section 1 of Article XVII, entitled 'City Court'; Section 7 of Article XVIII, entitled 'Special Fund for Capital Outlays'; and Section 8 of Article XVIII, entitled 'Clerk's Petty Cash Fund'?"

"Charter Amendment No. 2:

"Shall the Charter of the City of Torrance be revised to amend all references to the City Clerk contained in Section 2 of Article XIII and Section 4 and 5 of Article XVIII to read 'City Manager'; and to amend all references to the City Clerk contained in Sections 1, 2 and 6 of Article XVIII and Section 7 of Article VI to read 'Finance Director'; and to amend the phrase 'first day of July' appearing in Section 4 of Article XVIII to read 'first day of June'; and to delete the phrase 'cities of the sixth class' as set forth in Section 4 of Article V and substitute the phrase 'general law cities' in its stead; and to delete all references to the City Auditor contained in Section 5, subsection e of Article VII to the City Judge contained in Section 3 of Article VII, and Section 5, Subsection e of Article VII, to the City Court contained in Section 8 of Article IX; and to amend Section 4 of Article XIX to provide in its entirety as follows: 'This Charter may be amended in accordance with the provisions of the general laws of the State of California'?"

"Charter Amendment No. 3:

"Shall the Charter of the City of Torrance be recodified and renumbered so that it shall conform to that document entitled, 'Proposed Recodified and Renumbered Torrance City Charter' approved by motion of the Torrance City Council, copies of which are on file with the City Clerk of the City of Torrance?"

That a copy of the document, entitled "The Charter, Amendments Nos. 1, 2 and 3 has been certified by the City Clerk, and is attached hereto as Exhibit "A" dated April 17, 1973.

That we have compared the amendment as stated herein with the original proposals submitted to the electors of said city, and find and certify that the foregoing is a full, true and correct copy thereof.

In witness whereof, we have hereunto set our hands and caused the seal of said City of Torrance to be affixed hereto this 22nd day of June, 1973.

(SEAL)

KEN MILLER
Mayor of the City of
Torrance, California
VERNON W. COIL
City Clerk of the City of
Torrance, California

EXHIBIT "A"

THE CHARTER

AMENDMENTS NOS. 1, 2, AND 3

April 17, 1973

Charter Amendment No. 1



Charter Amendment No. 2

| Former Article | Former Section | New Article | New Section | Page |
|---|---|---|---|---|
| | 13a | | 725 | 15–16 |
| | 14 | | 726 | 16 |
| | 15 | | 727 | 16 |
| | 16 | | 728 | 16–17 |
| 11 | | 8 | | |
| | 1 | | 800 | 17 |
| | 2a | | 810 | 17 |
| | 1a | | 811 | 17–18 |
| 7 | | 9 | | |
| | 5 | | 900 | 18 |
| | 5b | | 910 | 18–20 |
| | 5d | | 920 | 20 |
| | 5c | | 921 | 20 |
| | 5e | | 930 | 20–21 |
| | 5f | | 931 | 21–23 |
| | 5g | | 940 | 23 |
| | 5h | | 941 | 23–24 |
| 15 | | 10 | | |
| | 1 | | 1000 | 24 |
| | 2 | | 1010 | 24–25 |
| 13 | | 11 | | |
| | 2 | | 1100 | 25–26 |
| 8 | | 12 | | |
| | 1 | | 1200 | 26–27 |
| | 2 | | 1210 | 27 |
| | 3 | | 1220 | 27–28 |
| | 4 | | 1230 | 28 |
| 7 | | 13 | | |
| | 1 | | 1300 | 28–29 |
| | 3 | | 1310 | 29 |
| | 4 | | 1320 | 29 |
| | 6 | | 1330 | 29–30 |
| 18 | | 14 | | |
| | 3 | | 1400 | 30 |
| | 4 | | 1410 | 30–31 |
| | 5 | | 1411 | 31 |
| 10 | 2 | | 1420 | 31 |
| 18 | 6 | | 1430 | 31–32 |
| 18 | 7 | | 1431 | 32 |
| 18 | 8 | | 1432 | 32 |
| 18 | 1 | | 1440 | 32 |
| 18 | 2 | | 1441 | 32 |

| | | | | |
|---|---|---|---|---|
| 18 | 9 | | 1442 | 32–33 |

Charter Amendment No. 3

| Former Article | Former Section | New Article | New Section | Page |
|---|---|---|---|---|
| 1 | 1 | 1 | 100 | 1 |
| 2 | 1 | 2 | 200 | 1 |
| 3 | 1 | 3 | 300 | 1 |
| | 2 | | 310 | 2 |
| 19 | 2 | | 320 | 2 |
| 4 | | 4 | | |
| | 1 | | 400 | 2 |
| 10 | 1 | | 410 | 2–3 |
| 10 | 2 | | 411 | 3 |
| 10 | 4 | | 412 | 3 |
| 10 | 6 | | 413 | 4 |
| 10 | 3 | | 414 | 4 |
| 5 | 4 | 5 | 500 | 4–5 |
| | 1 | | 510 | 5 |
| | 2 | | 520 | 5 |
| | 5 | | 530 | 5 |
| | 3 | | 540 | 5 |
| 6 | 1 | 6 | 600 | 5 |
| | 6 | | 601 | 6 |
| | 2 | | 602 | 6 |
| | 5 | | 603 | 7 |
| | 6 | | 604 | 7 |
| 12 | 1 | | 610 | 8 |
| 13 | 1 | | 620 | 8–9 |
| 14 | 1 | | 630 | 9–10 |
| 6 | 8 | | 640 | 10 |
| 7 | 2 | | 650 | 10–11 |
| 9 | | 7 | | |
| | 1 | | 700 | 11 |
| | 2 | | 710 | 11 |
| | 3 | | 711 | 11 |
| | 6 | | 712 | 12 |
| | 4 | | 713 | 12 |
| | 5 | | 714 | 12–13 |
| | 7 | | 715 | 13 |
| | 8 | | 716 | 13–14 |
| | 9 | | 720 | 14 |
| | 10 | | 721 | 14 |
| | 11 | | 722 | 14–15 |
| | 12 | | 723 | 15 |
| | 13 | | 724 | 15 |
| 10 | 7 | | 1450 | 33–34 |

Table of Contents

## THE CHARTER

### Article 1—Name of City

Section 100. Name.

The municipal corporation now existing and known as the "City of Torrance," in Los Angeles County, California, shall remain and continue to exist a body politic and corporate, as the present, in fact and in law by the name of "City of Torrance" and by such name shall have perpetual succession.

## Article 2—Boundaries

Section 200. Boundaries.

The territory of the City shall be that contained within its present boundaries as now established, with the power and authority to change the same in the manner provided by law.

## Article 3—Succession

Section 300. Rights and Liabilities.

The City of Torrance as successor in interest of the municipal corporation of the same name, heretofore created and existing, shall own, hold, possess, use, lease, control and in every way succeed to and become the owner of rights and of property of every kind and nature by said existing municipal corporation, owned, controlled, possessed or claimed, and shall be subject to all the debts, obligations, liabilities and duties of said existing corporation.

Section 310. Ordinances Continue in Force

All ordinances, resolutions and other regulations, or portions thereof, in force at the date this Charter takes effect and not inconsistent with this Charter, shall be and remain in force after this Charter takes effect until changed or repealed by proper authority.

Section 320. Preservation of Personnel Rights.

Nothing in this Charter contained, except as specifically provided or as inconsistent with this Charter, shall affect or impair the rights or privileges of officers or employees of the City or of any office, department or agency thereof existing at the time when this Charter shall take effect.

## Article 4—Powers of City

Section 400. Generally.

The City shall have the power to make and enforce all laws and regulations in respect to municipal affairs, subject only to such restrictions and limitations as may be provided in this Charter, and in the Constitution of the State of Californ ia. It shall also have the power to exercise any and all rights, powers and privileges heretofore or hereafter established, granted or prescribed by any law of the State, by this Charter or by other lawful authority. The specifications in this Charter of any particular powers shall not be held to be exclusive of, or any limitations upon, this general grant of power. The City shall have the power to act pursuant to procedure established by any law of the State, unless a different procedure is established by ordinance.

Section 410. Limitations Upon General Powers of the City Council.

The general powers vested in the City Council by this Charter are hereby limited in the following manner:

Section 411. Tax Limit.

The City Council shall not levy a property tax in excess of One Dollar on each One Hundred Dollars of the assessed value of taxable property in the City, without the assent of two-thirds of the qualified electors of the City, voting at any general or special municipal election at which a proposition to exceed such limit shall be submitted. Such limitation shall not apply to any tax that is levied for the payment of principal or interest of bonds heretofore or hereafter issued and any taxes levied for the purpose of payment thereof may be in excess of said limitation.

In addition to the levy for municipal purposes, there shall be included in every annual levy, a sufficient amount to cover all liabilities of the City for principal and interest of all bonds or judgments due and unpaid or to become due during the ensuing fiscal year and not otherwise provided for. The City Council may also levy such additional tax as is required to cover all obligations of the City to the State Employees' Retirement System or any other system for the retirement of City employees which may be provided for.

Special levies, in addition to the above, may be made annually, based on approved budget requirements, for the following specific purposes: Parks, playground and recreational centers, promotion and advertising, city planning and libraries. The proceeds of any such special levy shall be used for no other purpose than that specified.

Any unexpended or unencumbered balances resulting from such special funds shall, at the end of each fiscal year, accrue to the general fund.

Section 412. Bonded Debt Limitation.

The City shall not incur any bonded indebtedness for public improvements which shall in the aggregate exceed fifteen percent of the assessed value of all the real and personal property of the City.

Section 413. Advertising, Promotion and Music.

The City Council shall not expend more than five percent of the moneys accruing to the general fund in any one (1) fiscal year for advertising, promotion or music.

Section 414. Limitation on Indebtedness.

The City Council shall not incur any indebtedness or liability in any manner or for any purpose exceeding in any year the income and revenue provided for such year without the assent of two-thirds of the qualified electors of said City voting at an election to be held for the purpose, nor unless before or at the time of incurring such indebetedness provision shall be made for the collection of an annual tax sufficient to pay the interest of such indebtedness as it falls due,

and also provision to constitute a sinking fund for the payment of the principal thereof on or before maturity, which shall not exceed forty (40) years from the time of contracting the same; provided, however, anything to the contrary herein notwithstanding, when two (2) or more propositions for incurring any indebtedness or liability are submitted at the same election, the votes cast for and against each proposition shall be counted separately, and when two-thrirds of the qualified electors, voting on any one (1) of such propositions, vote in favor thereof such proposition shall be deemed adopted.

## Article 5—Elections

Section 500. Procedure for Holding Elections.

All elections shall be held in the manner prescribed in the Elections Code of the State of California for the holding of elections in general law cities ( ~~cities of the sixth class~~ ), so far as the same may be applicable and excepting as herein otherwise provided. No person shall be entitled to vote in any such election unless he shall be a qualified elector of said City or school district. The City Council may by ordinance provide a procedure for the holding of City elections, in which event such procedure shall prevail over the provisions of the said Elections Code.

Section 510. General Municipal Elections.

General municipal elections shall be held in said City on the second Tuesday in April in each even numbered year.

Section 520. Special Municipal Elections.

All other municipal elections that may be held by authority of this Charter or of any law, shall be known as special municipal elections.

Section 530. Initiative, Referendum and Recall.

The provisions of the Elections Code of the State of California governing the initiative and referendum shall apply to the use of the initiative and referendum in said City insofar as the same may be applicable and except as herein otherwise provided. All elective officers of said City shall be subject to recall in the manner provided in the said Elections Code of the State of California relating to recall of municipal officers insofar as the same may be applicable and except as herein otherwise provided.

Section 540. 1958 General Municipal Election. (Repealed)

## Article 6—Elective Officers

Section 600. Elective Officers.

The elective officers of the City shall be the Mayor, six members of the City Council, five members of the Board of Education, the City Clerk and the City Treasurer. No person shall be a candidate for

more than one of said offices at any municipal election. (Ratified Spec. Mun. Elec. 10/29/57, Amend. No. 2; Approved by State Legislature Concurrent Res. No. 1 on 2/4/58).

Section 601. Eligibility for Elective Office.

No person shall be eligible to hold any elective office in this City unless he be a resident and elector therein and shall have resided in such City for at least one (1) year next preceding the date of his election. If an elective officer shall cease to possess any of the qualifications for office herein set forth, or shall be convicted of a crime involving moral turpitude, or shall resign, or be adjudged an incompentent, his office shall immediately become vacant. In case a member of the City Council or Board of Education absents himself from all regular meetings of the body to which he shall belong, for a period of sixty (60) days consecutively, from and after the last regular meeting of such body attended by said member, unless by the expressed permission of such body duly recorded in its official minutes, his office shall automatically become vacant and the same shall be filled as in case of other vacancies.

Section 602. Terms.

The elective officers of the City shall be elected from the City at large and, except members of the Board of Education, shall hold office for a term of four (4) years from and after the Tuesday next succeeding the date of such election and until their successors are elected and qualified. (Ratified Gen. Mun. Elec. 4/10/62, Amend. No. 2; Approved by State Legislature Concurrent Res. No. 21 on 4/13/62).

Section 603. Vacancies.

Any vacancies occuring in any of the elective offices provided for in this Charter, other than of members of the Board of Education, shall be filled by appointment by the City Council. Vacancies in the Board of Education shall be filled by appointment by the Board of Education. In the event of the City Council or the Board of Education, respectively, failing to fill a vacancy by appointment within thirty (30) days after such vacancy occurs, the City Council must immediately, after the expiration of said thirty (30) days, cause an election to be held to fill such vacancy. Any person appointed or elected to fill any vacancy shall hold office only until the next regular municipal election at which time a person shall be elected to serve for the remainder of such unexpired term. In the election of Councilmen or members of the Board of Education, where full terms and one (1) or more unexpired terms are to be filled, no distinction shall be made in nomination or voting between the full terms and the unexpired terms but the person or persons elected by the highest number of votes shall be elected for the full terms or term and the persons receiving the next highest vote shall be elected for the unexpired terms or term, as the case may be.

Section 604. Compensation.

The members of the Board of Education shall receive no compensation for their services as such. The members of the City Council shall receive compensation in the amount of One Hundred Dollars ($100.00) per month, payable in equal semi-monthly payments, and in addition thereto shall receive their actual and necessary expenses while engaged on City business at the direction of the City Council. Any member of the City Council making demand for reimbursement for traveling or other expense shall provide the Director of Finance ( ~~City Clerk~~ ) with vouchers covering such expenses, together with a sworn statement to the effect that such expenses were actually incurred in good faith by said party while on official City business. The compensation of any member of the City Council appointed or elected to fill a vacancy shall be the same as that payable to such member whose office was vacated.

The City Clerk and City Treasurer shall severally receive, at stated times, a compensation to be fixed by ordinance adopted by the City Council; which compensation shall not be increased or diminshed after their election or during their respective terms of office.

This Section shall become effective April 10, 1956, and shall be subject to the provisions of Article 11, Section 5 of the Constitution of the State of California and Sections 53070 and 53071 of the Government Code of the State of California. (Ratified Gen. Mun. Elec. 4/10/56, Amend. No. 1; Approved by State Legislature Concurrent Res. No. 3 on 1/9/57).

Section 610. The Mayor.

The Mayor shall preside at the meetings of the City Council, and in case of his absence or inability to act, the City Council shall appoint a Mayor Pro Tempore, who shall serve only until such time as the Mayor returns and is able to act, and for such period shall have all the powers and duties of the Mayor. The Mayor shall be a member of the City Council for all purposes and shall have all the rights, powers and duties of a member of the City Council in addition to those powers and duties conferred upon him by virtue of his office as Mayor. Unless otherwise expressly provided to the contrary, any provision in this Charter which relates to the City Council or to members of the City Council shall be interpreted to include the Mayor as a member of the City Council. The Mayor shall sign all warrants drawn on the City Treasurer, and shall sign all written contracts and conveyances made up or entered into by said City. The Mayor shall have the power to administer oaths and affirmations, to take affidavits and to testify the same under his hand. The Mayor is authorized to acknowledge the execution of all instruments executed by said City that are required to be acknowledged. (Ratified Spec. Mun. Elec. 10/29/57, Amend. No. 2; Approved by State Legislature Concurrent Res. No. 1 on 2/4/58).

Section 620. City Clerk.

It shall be the duty of the City Clerk to keep a full and true record of all the proceedings of the City Council in books that shall bear appropriate titles and be devoted exclusively to such purposes, respectively. Such books shall have a general index sufficiently comprehensive to enable a person readily to ascertain matters contained therein.

The City Clerk shall keep a book marked "Ordinances" into which he shall record all City ordinances with his certificate annexed to each of said ordinances stating the same to be a true and correct copy of an ordinance of said City, giving the number of said ordinances and stating that the same has been published or posted according to law. Said record with said certificate shall be prima facie evidence of the contents of each ordinance and of the passage and publication of the same and shall be admissible as such evidence in any court or proceedings.

The official records of the City in the custody of the City Clerk shall not be filed in any court proceedings or other action but shall be returned to the custody of the City Clerk. Nothing herein contained shall be construed to prevent the proof of the passage and publication of ordinances in the usual way. The City Clerk shall be the custodian of the seal of the City.

The City Clerk may appoint a deputy, or deputies, from an eligible list to be prepared in accordance with the proceedings prescribed in the civil service system of the City, such deputy or deputies to receive such compensation as may be provided for by the City Council.

The City Clerk and his deputy, or deputies, shall have power to administer oaths or affirmations, to take affidavits and depositions pertaining to the affairs and business of the City, which may be used in any court or proceedings in the State, and to certify the same. (Ratified Gen. Mun. Elec. 4/10/56, Amend. No. 7; Approved by State Legislature Concurrent Res. No. 3 on 1/9/57). The salary of the City Clerk shall be determined by the City Council but shall not be less than Seven Hundred Fifty Dollars ($750.00) per month.

The City Clerk shall devote his entire time to the interests of the City, and shall be entitled to receive expenses, vacation periods and sick leave, with pay, the same as prescribed by the civil service ordinances of the City for heads of departments. (Ratified Gen. Mun. Elec. 4/14/64, Amend. No. 1; Approved by State Legislature Concurrent Res. No. 62 on 5/7/64; filed with Sec'y of State, Chapter 55 on 5/11/64)

Section 630. City Treasurer.

It shall be the duty of the City Treasurer to receive and safely keep all moneys which shall come into his hands as City Treasurer. He shall comply with all provisions of law governing the deposit and securing of public funds. He shall also comply with all the provisions of the general laws of the State governing the handling of such trust

funds as may come into his possession. He shall pay out moneys only on warrants signed by persons designated by law, or ordinance, as the proper persons to sign warrants and as to trust funds which may come into his possession or control by virtue of some law, ordinance or resolution, by warrant or other order, in accordance with the provisions of such law, ordinance or resolution. He shall at regular intervals, at least once each month, submit to the Director of Finance a written report and accounting of all receipts, disbursements and fund balances, a copy of which report he shall file with the City Council.

The City Treasurer may appoint a deputy, or deputies, from an eligible list to be prepared in accordance with the proceedings prescribed in the civil service system of the City, such deputy or deputies to receive such compensation as may be provided by the City Council. (Ratified Gen. Mun. Elec. 4/10/56, Amend. No. 8; Approved by State Legislature Concurrent Res. No. 3 on 1/9/57).

Section 640. Election as to Making Clerk or Treasurer Appointive Offices.

The City Council may submit to the electors at any special or general municipal election, the question as to whether the City Clerk or City Treasurer, or either of them, shall be appointed by the City Council instead of being elected, as provided in this Charter. If a majority of votes cast on any such proposition are in favor of the appointment of such officers, or either of them, then at the expiration of any such official's term of office, or on the occurrence of a vacancy in such office, such office shall be filled by appointment by the City Council and the appointee shall hold office in the same manner as other appointive officers.

Section 650. Political Activity of Those Under System.

No person in the classified service of the City shall seek or accept election, nomination or appointment as an officer of a political club, or organization or take an active part in a county or municipal campaign or serve as a member of a committee of such club, organization or circle, or seek signatures to any petition or act as a worker at the polls, or distribute badges, pamphlets, dodgers or handbills of any kind, favoring or opposing any candidate for election, or for nomination to a public office or for nomination to a county or municipal public office; provided, however, that nothing in this Act shall be construed to prevent any such officer or employee from becoming or continuing to be a member of a political group or organization, or from attendance at a political meeting, or from enjoying entire freedom from all interference in casting his vote or from seeking or accepting election or appointment to any public office.

Any willful violation hereof, or violation through culpable negligence shall be sufficient grounds for the discharge of any such officer or employee.

## Article 7—City Council Powers and Duties

Section 700. Legislative Powers.

The legislative powers of the City shall be vested in the City Council and in the people through the initiative and referendum.

Section 710. Organization Meeting.

The City Council shall meet on the Tuesday next succeeding the date of the holding of any general municipal election. (Ratified Spec. Mun. Elec. 10/29/57, Amend. No. 2; Approved by State Legislature Concurrent Res. No. 1 on 2/4/58).

Section 711. Regular Meetings.

The City Council shall hold regular meetings at least once in each month, at such times as it shall fix by ordinance or resolution, and may adjourn any regular meeting to a date certain, which shall be specified in the order of adjournment, and when so adjourned, each adjourned meeting shall be a regular meeting for all purposes. Any adjourned meeting may likewise be adjourned.

Section 712. Adjournment.

In the event that any order of adjournment of a regular meeting fails to set the hour at which any adjourned meeting is to be held, such adjourned meeting may be validly held on the day specified in the order of adjournment, if held at the hour set forth in the ordinance or resolution prescribing the time for regular meetings.

Section 713. Special Meetings.

Special meetings may be called at any time by the Mayor, or by three members of the City Council, by written notice delivered personally to each member at least three (3) hours before the time specified for the proposed meeting; provided, however, that any special meeting of the City Council shall be a validly called special meeting, without the giving of such written notice, as provided, if all members of the City Council shall give their consent, in writing, to the holding of such meeting, and such consent is on file in the office of the City Clerk at the time of holding such meeting. A telegraphic communication from a Councilman consenting to the holding of the meeting shall be deemed to be a consent in writing, within the meaning of the terms as expressed in the foregoing sentences. At any special meeting the powers of the City Council to transact business shall be limited to matters referred to in such written notice or written consent.

Section 714. Place of Meetings.

All regular or special meetings of the City Council shall be held within the corporate limits of the City, at such place as may be designated by ordinance or resolution, and shall be open to the public. If, by reason of fire, flood or other disaster or emergency, it

shall be unsafe to hold a Council meeting at the designated place, the City Council may meet during such emergency at such place as is designated by the Mayor or by three members of the City Council. The City Council shall have the right and privilege to hold and conduct its meeting in accordance with an agenda and may specify the matters which shall be considered at each meeting and shall have the right to establish a time at which all communications shall be on file in the office of the City Clerk in order that such communications may be considered at the next regular meeting of the City Council. (Ratified Gen. Mun. Elec. 4/11/50, Amend. No. 5; Approved by State Legislature Concurrent Res. No. 32 on 3/15/51).

Section 715. Quorum.

At any meeting of the City Council, a majority of said Council shall constitute a quorum for the transaction of business, but a less number may adjourn from time to time, and may compel the attendance of absent members in such manner and under such penalties as may be prescribed by ordinance. In the absence of all of the City Council from any regular meeting or adjourned regular meeting the City Clerk may declare the same postponed and adjourned to a stated day and hour, and must thereupon deliver or cause to be delivered personally to each member of the City Council a written notice of such adjournment at least three hours before the time to which said regular or any adjourned regular meeting has been adjourned. Whenever in this Charter a certain proportion of the Council is required for the performance of any act, it shall mean such proportion of the entire membership of the Council.

Section 716. Council Proceedings.

The City Council shall judge of the qualifications of its members and of all election returns, and determine contested elections of all City officers. It may establish rules for the conduct of its proceedings and punish any member or other person for disorderly behavior at any meeting. It shall have the power and authority to examine witnesses under oath and compel the attendance of witnesses and the production of evidence before it by subpoena. Such subpoenas shall be issued in the name of the City and be attested by the City Clerk. Such subpoenas shall be served by the Chief of Police and the disobedience of such subpoenas, or the refusal to testify, shall constitute a misdemeanor for which prosecution may be had in any court of competent jurisdiction ( ~~the City Court~~ ). It shall cause the City Clerk to keep a correct record of all its proceedings and at the desire of any member, the City Clerk shall call the roll, and shall cause the ayes and noes taken on any question to be entered in the record journal.

Section 720. Ordinances; Enactment Clause.

The enacting clause of all ordinances shall be substantially as follows: "The City Council of the City of Torrance does ordain as follows": Every ordinance must be signed by the Mayor and attested by the City Clerk.

Section 721. Ordinances; Publication.

The City Clerk shall cause each ordinance to be published within fifteen (15) days after its passage at least once in a newspaper of general circulation, printed, published and circulated in the City. If there be no such newspaper, then each ordinance must be posted in at least three (3) public places in the City.

Section 722. Codification of Ordinances.

Any and all ordinances of the City which have been enacted and published in the manner required at the time of their adoption, and which have not been repealed, may be compiled, consolidated, revised, indexed, including such re-statements and substantive changes as may be necessary in the interest of clarity and arranged as a comprehensive ordinance code, and such code may be adopted by reference by the passage of an ordinance for such purpose; which ordinance shall be required to be adopted and approved in the manner provided in this Charter for the passage of ordinances of the City. The ordinance code itself need not be published in the manner required for other ordinances, but not less than three (3) copies of such code shall be filed, for use and examination by the public, in the office of the City Clerk, prior to the adoption thereof. After the code has been adopted, all ordinances thereafter adopted shall be amendatory and revisory of the code, and no section of the code shall be revised or amended by reference but the section revised or amended shall be readopted and published at length as revised or amended.

Section 723. Adoption of Code by Reference.

Detailed regulations pertaining to any subject, such as the construction of buildings, plumbing, wiring or other subjects which require extensive regulations, after having been arranged as a comprehensive code, may be adopted by reference by the passage of an ordinance for such purposes; which ordinance may be adopted in the same manner as specified for the adoption of a comprehensive ordinance code.

Section 724. Adoption of Ordinances and Resolutions.

No ordinance of any kind shall be passed by the City Council on the day of its introduction, nor within five days thereafter, nor at any time other than a regular or adjourned regular meeting. At the time that an ordinance or resolution is up for final passage, it shall be read in full, unless after the reading of the title thereof, the further reading thereof is waived by motion of the City Council regularly

made and approved by the unanimous vote of those present. In the event that any ordinance is materially altered after its introduction, the same shall not be finally adopted except at a regular or adjourned regular meeting held not less than five days after the date upon which such ordinance was so altered. The correction of typographical or clerical errors shall not constitute the making of an alteration within the meaning of the foregoing sentence.

No resolution or any order for the payment of money shall have any validity or effect unless passed by the votes of at least four members of the City Council, and no ordinance shall have any validity or effect unless passed by the votes of at least four members of the City Council. (Ratified Spec. Mun. Elec. 10/29/57, Amend. No. 2; Approved by State Legislature Concurrent Res. No. 1 on 2/4/58).

Section 725. Ordinances; When Required.

Every act of the City Council establishing a fine or other penalty, or granting a franchise, creating a commission, board or agency, or in any way restricting or governing the use of property, and in addition thereto, every act required by the City Charter to be done by ordinance shall be by ordinance. (Ratified Gen. Mun. Elec. 4/11/50, Amend. No. 6; Approved by State Legislature Concurrent Res. No. 32 on 3/15/51).

Section 726. Ordinances; When Effective.

No ordinance shall become effective until thirty (30) days from and after the date of its final passage, except an ordinance calling or otherwise relating to an election, or to a street improvement proceeding taken under some law, or ordinance determining the amount of money necessary to be raised by taxation, or fixing the rate of taxes to be levied, or an ordinance for the immediate preservation of the public peace, health, or safety, which contains a declaration of facts constituting its urgency, and is passed by a five-sevenths vote of the City Council. An ordinance for the immediate preservation of the public peace, health or safety which contains a declaration of the facts constituting its urgency and is passed as aforesaid, may be introduced and passed at one and the same meeting and the requirement that not less than five (5) days shall intervene between the introduction and final passage shall not apply to such an ordinance. (Ratified Spec. Mun. Elec. 10/29/57, Amend No. 2; Approved by State Legislature Concurrent Res. No. 1 on 2/4/58).

Section 727. Ordinance Violation; Misdemeanor.

A violation of any ordinance of the City shall be deemed a misdemeanor and may be prosecuted by the authorities of the City in the name of the People of the State of California; or may be redressed by civil action at the option of said authorities.

Section 728. Ordinance Penalty.

The maximum fine or penalty for any violation of an ordinance of this City shall be the sum of Five Hundred Dollars ($500.00), or a term of imprisonment in the City jail or in the County jail of the County of Los Angeles, for a period not exceeding six (6) months, or by both such fine and imprisonment. By ordinance or resolution of the City Council, any persons imprisoned for violation of any ordinance may be compelled to labor on the streets or other public property or works within the City.

## Article 8—Board of Education

Section 800. Board of Education.

The control of the public schools of this City shall be vested in the Board of Education, which shall consist of five members; the qualifications and removal of which shall be as prescribed in this Charter.

Notwithstanding any other provisions of this Charter, the members of the Board of Education shall be elected at elections called, held and conducted at the same times and in the same manner as election for members of the governing boards of unified school districts which are not coterminous with and do not include within their boundaries a chartered city, and shall hold office for the terms prescribed by law for members of governing boards of such unified school districts except that each person elected shall hold office for a term of four years commencing on the first Monday in May next succeeding his election. (Ratified, Gen. Mun. Elec. 4/10/62, Amend. No. 2; Approved by State Legislature Concurrent Res. No. 21 on 4/13/62).

Section 810. Eligibility.

No person shall be eligible to hold office as a member of the Board of Education unless he shall have been a qualified elector of the school district for at least one (1) year next preceding the date of his election or appointment.

Section 811. Vacancies.

If a member of the Board of Education absents himself from all regular meetings of the Board for a period of sixty days, consecutively, from and after the last regular board meeting attended by such member, unless by permission of the Board expressed in its official minutes, or is convicted of a crime involving moral turpitude, or ceases to be an elector of the school district, his office shall become vacant and shall be so declared by the Board of Education.

## Article 9—City Manager

Section 900. City Manager Form of Government.

The City Manager form of government shall be and the same is hereby established for the City of Torrance, a municipal corporation. The office of City Manager in and for the City of Torrance is hereby established.

Section 910. Appointment, Removal and Salary of City Manager.

Within sixty days after this amendment shall have become effective, the City Council shall appoint without reference to the provisions of any civil service ordinance rule or regulation, a City Manager, who need not be a resident at the time of his appointment. Said City Manager, however, shall become a resident of Torrance within six months from the date of his appointment. The City Manager must be a citizen of the United States, not less than thirty years of age, and shall be a person of demonstrated administrative ability, with experience in responsible executive positions and he shall be chosen by the City Council solely upon the basis of his executive and administrative qualifications.

The City Manager shall be appointed for an indefinite term and shall be removable at the pleasure of the City Council but only upon the adoption of a resolution by the affirmative vote of at least a majority of the members of the City Council. The City Manager, however, shall not be removed until after the expiration of six months after the date of his appointment except (1) for conviction of a felony or (2) for conviction of a crime prescribed by statute applicable to municipal officials or (3) upon the passage of a resolution adopted by the unanimous vote of all City Councilmen. After the expiration of said six months' period, said City Manager may be removed by the City Council for either of the two reasons set forth in exceptions 1 and 2 above, and/or in the manner set forth in said exception 3 last mentioned and/or in the manner following:

At a regular meeting of the City Council, it shall adopt a Resolution of Intention to remove said City Manager, which resolution shall be approved by a majority of the members of the City Council and shall set forth the grounds for such proposed removal. A certified copy of said Resolution of Intention shall then be served personally upon said City Manager who shall have the right to defend himself against said charges before said City Council at a public hearing and at a time to be fixed by it, which shall be not less than two weeks after the service of said Resolution of Intention upon said City Manager and not more than thirty days thereafter.

The City Council may thereupon, or within five days thereafter, enact a resolution by an affirmative vote of a majority of the members of said City Council, either discharging said City Manager or retaining him in office, as it may by such resolution determine.

Pending such hearing and by said Resolution of Intention, the City Manager may be suspended from office, but shall be entitled to his

salary during the time of such suspension, if reinstated.

The salary of the City Manager shall be not less than Five Hundred Dollars ($500.00) per month, payable in equal semi-monthly installments. Subject to the foregoing limitations, the salary of the City Manager shall be fixed by resolution of the City Council adopted by a majority vote and salary thus fixed cannot be reduced without notice to the City Manager and an opportunity to be heard thereon at a public meeting of the City Council prior to adoption of the resolution reducing his salary.

In case of absence, suspension, or disability of the City Manager, the City Council may designate some qualified person to perform the duties of the office during his absence, suspension or disability. In case of a vacancy in the office of City Manager, the City Council shall proceed immediately to appoint a new City Manager.

The City Manager shall be entitled to vacation periods and sick leave, with pay, but in no event shall the basis of such pay be less than the basis prescribed for such compensation by the civil service ordinance of the City of Torrance for heads of municipal departments. Subject to the foregoing limitations, the City Council shall determine the extent of such periods and the compensation to be paid the City Manager during the same. Vacation periods and sick leave shall not respectively accumulate in excess of thirty days.

Section 920. City Manager Responsible to City Council.

The City Manager shall be responsible to the City Council for the proper and efficient management of all the affairs of the City placed in his charge hereby or by the City Council.

Section 921. Noninterference by City Council With Powers and Duties of City Manager.

Neither the City Council nor any member thereof, shall in any manner, direct or request the City Manager to appoint or remove any person to and/or from any office or position of employment of the City. Neither the City Council nor any member thereof shall give orders or instructions publicly or privately, to any person under the jurisdiction of the City Manager. No member of the City Council shall undertake to coerce the City Manager in respect to any of his duties and/or any municipal contract, and/or in connection with the purchase of any municipal supplies.

Section 930. The Power of City Manager Over Executive Departments.

The City Manager shall have supervision and control over all heads of departments, except the City Attorney, ( ~~City Auditor, City Judge~~ ) and elective officals of the City, and shall have power to direct and control the administrative and executive functions of such departments and shall have power to appoint from the civil service eligible list, all heads of departments except the City Attorney, ( ~~City Auditor, City Judge~~ ) and elective officials of said City, and shall have

power to prefer charges against such heads of such departments as are appointed by him in the manner prescribed by and in accordance with the provisions of any civil service ordinance of said City applicable to suspension, discipline or removal of such heads of such departments, but any decision of the Civil Service Board or the Trial Board, as the case may be, upon any such charges may be overruled by an affirmative vote of four members of the City Council.

The City Manager may recommend to the City Council, setting forth reasons therefor, the abolition, suspension or consolidation of the duties and functions of any of the heads of departments, chief officials, subordinate officers and employees of the City. The City Council may thereafter, at any time, abolish, suspend or consolidate any such duties or functions in accordance with such recommendations or as it may determine, and thereafter remove the person or persons affected from the employment of the City, whose duties are thus abolished, suspended or consolidated.

Section 931. Special Powers and Duties of City Manager.

The City Manager shall be specifically charged with the performance of the following duties and shall have the following powers, in addition to those enumerated above:

a) He shall enforce all municipal ordinances, franchises, leases, contracts, permits and privileges granted by the City.

b) He shall purchase all supplies, property or equipment needed or required by the City. No supplies, property or equipment shall be purchased by the City Manager at a cost in excess of $300.00 at any one time, without prior order or direction from the City Council.

c) He shall prepare and submit to the City Council an annual budget estimate at least two (2) months prior to the date when the annual tax rate must be established, and in this connection, the City Manager shall have plenary power to demand of the various executive departments and elective officials of the City a full and complete statement of the estimated expenditures of such departments and elective officials for the ensuing fiscal year, and the reasons for such expenditures. The City Manager may include or exclude such items from said budget estimate as he may deem advisable. Should any such head of such department or elective official fail to submit such a statement within thirty days after demand, the City Manager shall thereupon have the right to take possession of all books and fiscal records of such department or elective official and retain the same thereafter until such time as the City Council shall order them returned to such department head or elective official and the City Council may likewise engage the service of such subordinate employees as may be necessary to maintain such books and records.

The City Council shall hold at least two public hearings upon said annual budget estimate and may increase the total estimated expenditures set forth therein only upon an affirmative vote of four members of the City Council.

d) He shall make such recommendations to the City Council or the County Board of Equalization regarding taxes, assessments and/or the annual assessment roll as he may deem advisable.

e) He shall have general supervision and control over all City property, including public buildings, parks and playgrounds.

f) He shall advise the City Council concerning the financial needs, conditions, and requirements of the City, and may make such recommendations to the City Council in connection therewith as he may deem advisable.

g) He shall attend all meetings of the City Council or of the members thereof when public matters are under consideration or discussion, except when his suspension, removal or reduction of his salary is under consideration by the City Council.

h) He may examine, without notice, the official conduct or the official accounts or records, of any officer or employee of the City.

i) The City Manager shall devote his entire time to the interests of the City and shall not engage in any private business.

j) He shall perform such other duties and powers as may be conferred upon him by the City Council by resolution or ordinance.

k) The City Manager may delegate and/or redelegate any of the foregoing duties to any municipal department or to the head or chief official of any such department.

l) All demands shall, prior to payment, be approved by the City Manager. Prior to the approval of any demands by him, he shall satisfy himself that the supplies, materials, property or services for which payment is claimed, have been actually delivered or rendered, that the payment, authorized by law, is just and fair, and that appropriation for the same has been made. All payrolls shall be certified by the respective department heads and approved by the City Manager. (Ratified Gen. Mun. Elec. 4/13/48, Amend. No. 2; Approved by State Legislature Concurrent Res. No. 8 on 1/6/49).

Section 940. Ordinance and Charter Provisions Repealed.

All ordinances or parts of ordinances of the City of Torrance and all sections, subsections or parts of sections of this Charter, in conflict herewith, are hereby amended or repealed as the case may be.

Section 941. Invalidity.

If any section or subsection, or any word, phrase, or clause hereof, shall be held to be invalid or void for any reason by any court of competent jurisdiction, such decision shall not invalidate or render void, or impair the validity of any other section, subsection, word, phrase or clause hereof. Each section, subsection, word, phrase and clause hereof is hereby declared to be separable. (Ratified Gen. Mun. Elec. 4/11/50, Amend. No. 2; Approved by State Legislature Concurrent Res. No. 32 on 3/15/51).

## Article 10—City Attorney

Section 1000. Eligibility.

No person shall be eligible for the office of City Attorney unless he shall have been admitted to practice before the Supreme Court of the State of California and shall have been engaged in the practice of law in the State of California for at least five (5) years prior to his appointment. (Ratified Gen. Mun. Elec. 4/11/50, Amend. No. 11; Approved by State Legislature Concurrent Res. No. 32 on 3/15/51).

Section 1010. Powers and Duties.

The City Attorney shall have the power and be required to:

a) Represent and advise the City Council and all City officials in all matters of law pertaining to their respective offices and/or duties.

b) Represent and appear for the City and any City officer, employee or former City officer or employee, in any and all actions or proceedings in which the City or any such officer or employee, in or by reason of his official capacity, is concerned or is a party. The City Council, at the request of the City Attorney, may employ other attorneys to assist in any litigation or other matter of interest to the City.

c) Approve the form of all bonds given to and all contracts made by the City, and amendments thereto.

e) To have charge of prosecuting on the behalf of the people all criminal cases for violations of this Charter, of City ordinances or of misdeameanor offenses arising upon violation of the laws of the State.

f) The City Council, on the recommendation of the City Attorney, may appoint such assistant City Attorneys or Deputy City Attorneys as may be required to carry out the functions of the office of the City Attorney and they shall have such duties as may from time to time be assigned to them by the City Attorney. Any such assistants or deputies so appointed shall be members of the classified service of the City and shall be paid a salary commensurate with the duties assigned to them. (Ratified Gen. Mun. Elec. 4/10/56, Amend. No. 2; Approved by State Legislature Concurrent Res. No. 3 on 1/9/57).

g) On vacating the office, surrender to his successor all books, papers, files and documents pertaining to the City's affairs. (Ratified Gen. Mun. Elec. 4/11/50, Amend. No. 11; Approved by State Legislature Concurrent Res. No. 32 on 3/15/51).

## Article 11—Director of Finance

Section 1100. Powers and Duties.

There is hereby created and established the office of Director of Finance of the City of Torrance. The Director of Finance shall be appointed by the City Council upon the recommendation of the City Manager and shall be responsible to and under the supervision of the City Manager and shall be a member of the classified service of the City. The duties and functions of said Director of Finance shall be to:

a) Maintain and operate the general accounting system of the City and of the respective departments, offices and agencies thereof.

b) Keep and maintain, or to prescribe and require the keeping and maintaining of inventory records of municipal properties.

c) Cooperate with the City Manager ( ~~City Clerk~~ ) and City Treasurer in establishing and maintaining sufficient and satisfactory procedures and controls over municipal revenues and expenditures sin all departments of the City.

d) To assume and perform all municipal functions and duties relating to the preparation, auditing, presenting and disbursement of claims and demands against the City, including payrolls.

e) Assist the City Manager in the preparation of the annual budget and in the administration thereof.

f) Prepare and present to the City Council, through the City Manager, in sufficient detail to show the exact financial condition of the City, an annual statement and report of the financial condition of the City and such other financial reports as may be required by the City Council or the City Manager.

g) Supervise such subordinate employees or assistants as may be authorized by the City Council.

h) Perform such additional duties as may be hereafter required by the City Council or the City Manager. (Ratified, Gen. Mun. Elec. 4/10/56, Amend. No. 7; Approved by State Legislature Concurrent Res. No. 3 on 1/9/57).

## Article 12—General Provisions Applicable to Officers and Employees

Section 1200. Official Bonds.

The City Clerk and the City Treasurer and such other officers or employees as may be required to do so by ordinance of the City Council, shall each execute a bond to the City for the faithful performance of official duties; which bonds shall be in the amount fixed by the City Council. Said bonds shall be approved by the City Council and with the exception of the bond of the City Clerk, shall be filed with the City Clerk. The bond of the City Clerk shall be filed with the Mayor. Premiums upon said bonds shall be paid by the City out of its general fund. All the provisions of any law of this State relating to the official bonds of officers shall apply to any bonds herein required or authorized to the extent that such provisions are not in conflict herewith.

Section 1210. Oaths of Office.

All officials, officers, members of boards, or commissions and employees shall take and file with the City Clerk the oath of office required by the constitution and the laws of the State. In addition to the oath of office, and as a part thereof, the City Council shall by ordinance require all of the persons herein mentioned, including members of the City Council, to affirm their loyalty to the United

States of America and its principles of government. The oath of office of the City Clerk shall be taken by and filed with the Mayor. (Ratified Gen.Mun. Elec. 4/11/50, Amend. No. 4; Approved by State Legislature Concurrent Res. No. 32 on 3/15/51).

Section 1220. Illegal Contracts. Financial Interest.

No member of the City Council shall be financially interested, directly or indirectly, in any contract, sale or transaction to which the City is a party. No City official or employees shall be financially interested, directly or indirectly, in any contract, sale or transaction to which the City is a party, and which comes before said official or employee, or the department of the government with which he is connected, for official action. Any contract or transaction hereinabove mentioned in which any such officer or employee of the City shall be or become financially interested, shall become void at the election of the City, when so declared by resolution of the City Council.

No member of the City Council, City official or employee shall be deemed to be financially interested, within the meaning of the foregoing provisions, in any contract made with a corporation by reason of the ownership of stock in such corporation unless said stock so owned by him shall amount to at least three (3) percent of all stock of such corporation issued and outstanding. No City Councilman or member of any board or commission shall vote on or participate in any contract or transaction in which he is directly or indirectly financially interested, whether as a stockholder of the corporation or otherwise. If any officer of the City, during the term for which he was elected or appointed, shall so vote or participate, or be financially interested as aforesaid, upon conviction thereof, he shall forfeit his office and be punished for misdemeanor.

Section 1230. Duties of Officers and Employees.

In addition to the powers and duties prescribed by this Charter, the officers and employees of the City shall have such other powers and perform such other duties as may be prescribed by the laws of the State of California, or by ordinances, resolutions or orders of the City Council, and not in conflict with the provisions of this Charter.

## Article 13—Civil Service

Section 1300. Civil Service System.

All appointments and promotions in the classified service of the City shall be made according to merit and fitness, to be ascertained, so far as practicable by competitive examination. The civil service system existing on April 10, 1962, whether created or amended in whole or in part by ordinances adopted by vote of the People or by ordinances adopted by the City Council shall continue in full force and effect; provided, however, that the City Council may amend, delete or replace any provisions of said ordinances by ordinance or

ordinances by a five-sevenths vote of the City Council after consideration thereof by the Civil Service Commission. The City Council shall not have the authority to withdraw any departments, appointive officers or employees from the operation of such system, either by outright repeal of the civil service ordinances or otherwise, unless and until the withdrawal thereof shall have been submitted to the qualified electors of said City at a regular or special municipal election held in said City. Nothing contained in this Section 1300 shall repeal or modify any of the provisions of Article 9 of this Charter which established the City Manager form of government. (Ratified Gen. Mun. Elec. 4/10/62, Amend. No. 3; Approved by State Legislature Concurrent Res. No. 21, 4/13/62).

Section 1310. Appointive Officers.

Appointive officers of the City shall be ( ~~a City Judge,~~ ) a City Attorney, a City Engineer, a Street Superintendent, a Park Superintendent, a Transportation Superintendent, a Chief of Police, a Chief of the Fire Department, a Building Inspector. The City Council may also provide by ordinance for such additional appointive boards, commissions, officers, assistants, deputies and employees as it deems necessary. The Council may also provide for the holding by one person of several offices, providing that such offices are not incompatible with one another.

The City Council shall have the power of appointment of all appointive officers with the exception of such deputies as it may provide for in the office of the City Clerk and City Treasurer, as to which deputies the heads of the respective departments shall have the power of appointment.

Section 1320. Compensation; Appointive Officers and Employees.

Compensation of all appointive officers and employees of the City, other than those serving gratuitously, shall be fixed or changed by the City Council. No officer or employee shall be paid by the City any fee or emolument in addition to, or save as embraced in, the salary or compensation fixed by the Council and all fees received by such officer or employee for the performance of any of his official duties shall be paid by him into the City Treasury.

Section 1330. Residence; Officers and Employees.

All officers and employees of the City of Torrance shall be or become residents of said City within six months after their appointment or date of employment; provided, however, that as to appointive officers or employees having technical, special or professional knowledge or abilities, the City Council may waive the residence requirements. No officer or employee may be appointed permanently in the classified service unless and until he has become a resident of the City. (Ratified Gen. Mun. Elec. 4/11/50, Amend. No. 3; Approved by State Legislature Concurrent Res. No. 32 on 3/15/51).

Article 14—Fiscal Affairs

Section 1400. Fiscal Year.

The fiscal year of the City shall begin on the first day of July and end on the 30th day of June of the following year.

Section 1410. Budget.

On or before the first day of June ( ~~July~~ ) of each year the City Manager ( ~~City Clerk~~ ) shall submit to the City Council a proposed budget for all departments. Said budget shall include estimates for all the revenues and expenditures for all City departments for the ensuing year. This estimate shall be compiled from detailed information to be supplied by each of the departments, on blanks to be furnished by the City Manager ( ~~City Clerk~~ ). Such blanks shall provide for a detailed estimate of the expenses of conducting each department, as statement of expenditures for the corresponding items for the current year and the last preceding fiscal year, with reasons for increases and decreases recommended for the current year; an estimate of the amount which should be reserved for contingent or emergency purposes; an itemization of all anticipated revenues of the City; an item to be known as "cash basis fund", to be carried over to the next ensuing fiscal year, following the fiscal year for which the budget is prepared, to meet the cash requirements prior to the receipt of taxes; an estimate of the amount of money to be raised for taxes; the tax rate, which, with revenue from other sources, will be necessary to meet the expenditures proposed; a recommendation as to such funds as should be deposited in, or withdrawn from, any capital outlay fund and such other information as may be required by the City Council.

Section 1411. Council Action on Budget.

After reveiwing said proposed budget as compiled by the City Manager ( ~~City Clerk~~ ) from information secured from department heads, and making such corrections, modifications or additions as it may deem advisable, the Council shall adopt the same by resolution. Said proposed budget shall serve as a financial guide for the City Council and the department heads of the City It is not intended that any act of the City Council with respect to the preparation or adoption of the budget shall constitute the appropriation of City funds for the purpose enumerated therein.

After adoption of the budget, the Council may, from time to time, authorize the expenditures of funds as proposed in said budget, or if circumstances have changed making it advisable to deviate therefrom, it may do so without the necessity of taking action to amend the budget. In its future authorization of expenditures, either budgeted or unbudgeted, the City Council shall not incur any indebtedness in excess of the limitations imposed by this Charter.

Section 1420. Taxation System.

Unless otherwise provided by ordinance of the City Council, the City shall continue to use, for purposes of municipal taxation, the county system of assessment and tax collection.

Section 1430. Deposit of Moneys in Treasury.

All moneys belonging to or collected or received for the use of the City by any officer or employee thereof, shall immediately be deposited into the treasury in such manner as the City Council shall prescribe by ordinance, for the benefit of the funds to which such moneys respectively belong. Every officer or employee collecting or receiving any such moneys shall report to the City Manager ( ~~City Clerk~~ ) for the same on the first Monday of each month or at such shorter intervals as may be prescribed by ordinance.

Section 1431. Special Fund for Capital Outlays.—Repealed

Section 1432. Clerk's Petty Cash Fund.—Repealed

Section 1440. Presentation of Demands.

All demands against the City shall be presented in accordance with such regulations as the City Council may prescribe by ordinance; provided, that the same are hereby required to be audited by the City Council or by a committee thereof and approved by the Council, as audited. On the allowance of any demand, the Mayor shall draw a warrant on the City Treasurer for the same; which warrant shall be countersigned by the Director of Finance ( ~~City Clerk~~ ) and shall specify for what purpose the same is drawn and out of what fund it is to be paid. Demands against the funds in the control of the Board of Education shall be presented to the Board of Education.

Section 1441. Registration of Demands.

When any order or demand is presented for approval and is not approved for want of funds and the amount of said order or demand does not exceed the income and revenue provided for the year in which the indebtedness was incurred, for which said order or demand was drawn, the Director of Finance ( ~~City Clerk~~ ) must endorse thereon the words "not approved for want of funds", with the date of presentation and shall order or demand in the records of his office and shall thereupon deliver said order or demand to the claimant, or his order. From that time, such order or demand shall bear interest at such rate as the City Council may prescribe by ordinance. Such orders or demands so registered, as herein provided, shall be paid in the order in which the same are registered, as and when funds are available.

Section 1442. Actions Against City.

No suit shall be brought against the City or any Board or Commission thereof on any claim for money or damages or for the taking of property until a demand for the same has been presented as herein provided and rejected in whole or in part. If rejected in part, suit may be brought to recover the whole. Except in those cases where a shorter time is otherwise provided by law, all claims for damages against the City must be presented within ninety (90) days after the occurrence, event or transaction from which the damages allegedly arose, and all other claims or demands shall be presented within six (6) months after the last item of the account or claim accrued.

Every claim brought against the City or any Board or Commission thereof for money or damages or for the taking of property shall be verified by the person making the claim and filed with the City Clerk, who shall thereupon present the same to the City Council, officer, Board or Commission authorized by this Charter to incur or pay the expenditures or alleged indebtedness or liability represented thereby. In all cases, such claims shall be approved or rejected in writing and the date thereof given. Failure to act upon any claim or demand within sixty (60) days from the date the same is filed with the City Clerk shall be deemed a rejection thereof. (Ratified Gen. Mun. Elec. 4/10/56, Amend. No. 4; Approved by State Legislature Concurrent Res. No. 3 on 1/9/57).

Section 1450. Contracts on Public Works.

Every contract involving an expenditure of more than Two Thousand Dollars ($2,000.00) for the construction or improvement, excluding maintenance and repair, of public buildings, works, streets, drains, sewers, utilities, parks and playgrounds, and each separate purchase of materials or supplies for the same, where the expenditure required for such purchase shall exceed the sum of Two Thousand Dollars ($2,000.00) shall be let to the lowest responsible bidder after notice by publication in the official newspaper by two or more insertions, the first of which shall be at least ten days before the time for opening bids; or if there is no newspaper, then by posting copies of such notice in at least three public places in said City.

The City Council may reject any and all bids presented and may readvertise in its discretion. After rejecting bids, or if no bids are received, the City Council may declare and determine that, in its opinion, the work in question may be performed better or more economically by the City with its own employees, or that the material or supplies may be purchased at a lower price in the open market, and after the adoption of a resolution to this effect by at least a five-sevenths vote, it may proceed to have said work done or such materials or supplies purchased in the manner stated, without further observance of the provisions of this section. Such contract may be let and such purchases made without advertising for bids, if such work, or the purchase of such materials or supplies shall be

deemed by the City Council to be of urgent necessity for the preservation of life, health or property, and shall be authorized by at least a five-sevenths vote. (Ratified Spec. Mun. Elec. 10/29/57, Amend. No. 2; Approved by State Legislature Concurrent Res. No. 1 on 2/4/58).

Section 1451. Publishing of Legal Notices.

In the event that there is more than one newspaper of general circulation printed and published in the City, the City Council shall, annually, prior to the beginning of each fiscal year, publish a notice inviting bids and contract for the publication of all legal notices required to be published in a newspaper of general circulation printed and published in said City. Said contract shall include the printing and publishing of all such legal notices during the ensuing fiscal year. In the event there is only one newspaper of general ciruclation printed and published in the City, then the City Council shall have the power to contract with such newspaper for the printing and publishing of such legal notices without being required to advertise for bids therefor. In no case shall the price charged for the publication of such notices exceed the customary rate charged by such newspaper for the publication of legal notices of a private character.

Section 1460. Franchises.

Franchises may be granted to persons, firms or corporations upon such terms, conditions, restrictions, or limitations as may be prescribed by the City Council by ordinance, but no franchise shall be granted without reserving to the City adequate compensation for the privilege conferred. (Ratified Gen. Mun. Elec. 4/10/56, Amend. No. 5; Approved by State Legislature Concurrent Res. No. 3 on 1/9/57).

## Article 15—Airport Fund

Section 1500. Airport Fund.

There shall be in the treasury of the City a separate fund to be designated as the "Airport Fund" and under such fund there may be such accounts as may be necessary or convenient. From time to time as the same are received, all fees, tolls, rentals, charges, proceeds from the sale of property, and other revenues received by the City from or in connection with the use or operation of any airport facilities owned, controlled or operated by the City shall be placed in said Airport Fund. (Ratified Spec. Elec. 10/29/57, Amend. No. 1; Approved by State Legislature Concurrent Res. No. 1 on 2/4/58).

Section 1501. Airport Fund Uses.

Moneys in the Airport Fund shall be used only for the following purposes and in the following order of priority, to wit:

a) For the payment or providing for payment, including

payments into any reserve or sinking funds, as the same falls due, of the principal of and interest on any bonds of the City, issued for the acquisition, construction, improvement or financing of airport facilities or for additions, betterments, extensions or capital improvements thereto.

b) For the current, necessary and reasonable costs and expenses to the City of operating and maintaining airport facilities owned, controlled or operated by the City, but without allowance for depreciation or obsolescence, or for additions, betterments, extensions or capital improvements thereto.

c) After paying or providing for all payments under subparagraph (a) above which are due or which will become due during the next ensuing 12 months' period, and after paying or providing for all current costs and expenses under subparagraph (b) above, any balance which remains from time to time in the Airport Fund and the several accounts therein may be used for the purpose of acquiring, constructing, or improving airport facilities or for additions, betterments, extensions or capital improvements thereto (including deposits in reserve or depreciation reserves or accounts established for that purpose), and any part of such balance not then needed for such purposes may be used for any lawful purpose. (Ratified Gen. Mun. Elec. 4/10/62, Amend. No. 1; Approved by State Legislature Concurrent Res. No. 21 on 4/13/62).

Section 1502. Definition of Airport Facilties.

As used in this Article 15 the term "airport facilities" means all property of any kind heretofore or hereafter acquired by the City for airport purposes or for the direct or indirect development and promotion of air commerce, air manufacture, air navigation, air transportation, aviation, or for matters incidental to or used in connection with any of the foregoing, and all land (formerly known as "The Lomita Flight Strip") acquired by the City from the United States of America by quitclaim deed dated March 5, 1948. (Ratified Gen. Mun. Elec. 4/10/62, Amend. No. 1; Approved by State Legislature Concurrent Res. No. 21 on 4/13/62).

Section 1503. Article 15 Not a Covenant.

Nothing in this Article 15 shall be deemed to be a covenant which shall be enforceable by any holder of any bond of the City. (Ratified Gen Mun. Elec. 4/10/62, Amend. No. 1; Approved by State Legislature Concurrent Res. No. 21 on 4/13/62).

## Article 16—Miscellaneous

Section 1600. Definitions.

Whenever in this Charter the word "City" occurs, it means the City of Torrance, and every department, board or officer, whenever either is mentioned, means a department, board or officer, as the case may be, of the City of Torrance.

Section 1610. Invalidity.

If any section or part of a section of this Charter proves to be invalid, it shall not be held to invalidate or impair the validity of any other section or part of a section, unless it clearly appears that such other section or part of a section is dependent for its operation upon the section or part of a section so held invalid.

Section 1620. Amendments.

This Charter may be amended in accordance with the provisions of the general laws of the State of California. ~~(Section 8, Article XI, of the Constitution of the State of California~~ ).

Section 1630. Operating "Draw Poker" Establishment Where Fee Charged.

It shall be unlawful for any person, firm or corporation to engage in the managing, carrying on or conducting or permitting the carrying on, or permitting the use of any room, shop, apartment or other place within the City of Torrance where tables or other articles of furniture are used by the public for the playing of the game of cards, known or generally designated as "draw poker" and for which a fee or compensation is charged or payable by the player of such game or games within the City of Torrance. (Ratified Gen. Mun. Elec. 4/13/48, Amend. No. 3; Approved by State Legislature Concurrent Res. No. 8 on 1/6/49).

Section 1640. Exposure of Female Breasts Prohibited.

It shall be unlawful and a public nuisance to expose or procure, or to counsel or assist in the exposure within the City of Torrance, of the breast or breasts of any living human female for the purpose of public display, amusement, entertainment, or in connection with the sale or service of any commodity. For the purpose of this section, female breasts shall include the medial and lateral lower quadrants, or the nipple or areola, or any other portion of the lower half of the breasts. Each such display shall be considered a separate offense subject to separate criminal prosecution. The adoption of this section shall not preclude the City Council from adopting more restrictive ordinances further regulating the aforesaid subject matter. (Ratified Gen. Mun. Elec. 4/12/66, Amend. No. "C"; Approved by State Legislature Concurrent Res. No. 60 on 5/25/66).

Section 1650. City Judge.—Repealed.

Section 1660. City Court.—Repealed.

State of California
County of Los Angeles } ss
City of Torrance

This is to certify that the foregoing is a true and correct copy of the original document.

Dated: June 22 1973

VERNON W. COIL
City Clerk

(SEAL)

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City of Torrance, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City of Torrance.

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## RESOLUTION CHAPTER 104

*Assembly Concurrent Resolution No. 120—Approving amendments to the Charter of the City of Salinas, State of California, ratified by the qualified electors of the city at a general municipal election held therein on the fifth day of June, 1973.*

[Filed with Secretary of State August 16, 1973.]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City of Salinas, a municipal corporation in the County of Monterey, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

CERTIFICATE OF MAYOR AND CITY CLERK OF SALINAS, COUNTY OF MONTEREY, STATE OF CALIFORNIA

State of California } ss
County of Monterey }

We, the undersigned, Henry Hibino, Mayor of Salinas, and Evelyn Reynolds, City Clerk of Salinas, do hereby certify and declare as follows:

That the City of Salinas, County of Monterey, State of California, is now, and at all times mentioned in this certificate has been, a city containing a population of more than 3500 inhabitants, and less than 70,000 inhabitants, as ascertained by the last preceding Census taken under the authority of Congress of the United States, and has been ever since the year 1918, and is now, organized and existing under and pursuant to the provisions of a freeholders' charter adopted in accordance with and by virtue of the provisions of Section 8 of Article XI of the Constitution of the State of California, which charter was duly ratified by the qualified electors of said city at the general election held on the 5th day of November, 1918, in the manner, form and substance as required by law, and was thereafter duly approved by the Assembly of the State of California, the Senate concurring, and filed with the Secretary of State on the 24th day of January, 1919.

That in accordance with the provisions of Section 8 of Article XI of the Constitution of the State of California, on its own motion, the Council of the City of Salinas, being the legislative body of said city, duly and regularly submitted to the qualified electors of said city certain proposals designated as "Charter Amendments" to amend the Charter of said city and to be voted upon by said qualified electors at a general municipal election held on the 5th day of June, 1973.

That said proposed amendments were published and advertised in accordance with the provisions of Section 8 of Article XI of the Constitution of the State of California on the 17th and 24th days of April, 1973, in the Salinas Californian, a daily newspaper of general circulation published in said City of Salinas, and in each edition thereof during the days of publication.

That copies of said proposed amendments were printed in convenient pamphlet form and in type of not less than ten-point; and an advertisement that copies thereof could be had by the application therefor at the office of the City Clerk of the City of Salinas was published in the Salinas Californian, a newspaper of general circulation published in said city commencing on March 26, 1973, and continuing until the date fixed for the election, all as required by Section 8 of Article XI of the Constitution of the State of California and Section 34456 of the Government Code.

That copies of said pamphlet containing said proposed charter amendments could be had upon application therefor at the office of the City Clerk of said city to and including the 5th day of June, 1973,

the date fixed for said election.

That said general municipal election was duly and regularly held in said City of Salinas, after due notice given and published, on the 5th day of June, 1973, which day was not less than 40 nor more than 60 days after the completion of the publication and advertisement of the aforementioned proposed charter amendments in the Salinas Californian.

That the returns of said election were in accordance with the law in such cases made and provided, duly and regularly canvassed and certified to, and it was duly found, determined and declared, by the proper officers thereunto duly and properly authorized, that each of the amendments to the charter of the City of Salinas hereinafter set forth was ratified by a majority of the electors of said city voting thereon; that the Council of said city did by its Resolution No. 8130 (N.C.S.) duly declare the results of said election as determined by the canvass of the returns thereof.

That as to said charter amendments, this certificate shall be taken as a full and complete certification as to the regularity of all proceedings had and done in connection therewith.

That said amendments to the charter of the City of Salinas so ratified by the electors of said city are in the words and figures as follows, to wit:

Charter Amendment No. 1

That Section 5 of the Charter of Salinas is amended to read as follows:

"Sec. 5. Powers of the City.

All the powers of the city, except as otherwise provided by this Charter, are hereby vested in a council of five members, who shall be elected from the city at large. No person shall be eligible to hold the office of Councilman unless on the date of his election he is a qualified elector of the City of Salinas and unless he shall have been a resident of the City of Salinas, or of territory lawfully annexed thereto, for at least one year next preceding his election thereto, or his appointment to fill a vacancy therein, and shall forfeit his office upon ceasing to reside therein.

If, at any municipal election for members of the City Council, there shall be no choice between candidates by reason of two or more candidates having received an equal number of votes, then the City Council shall proceed to determine the election of such candidates by lot."

Charter Amendment No. 2

That Section 21 of the Charter of Salinas is amended to read as follows:

"Sec. 21. Absence of Mayor.

The Council shall elect one of its members to perform the duties

of the Mayor during any temporary absence or disability of the Mayor."

Charter Amendment No. 3

That Section 34 of the Charter of Salinas is amended to read as follows:

"Sec. 34. Recording and Publication.

All ordinances and resolutions shall be deposited with the City Clerk, who shall record them in a suitable book. All ordinances shall be published once in some newspaper, published and circulated in Salinas, selected and designated by the Council for that purpose, within fifteen days after adoption. The publication of all ordinances granting any franchise or privilege shall be at the expense of the applicant therefor."

Charter Amendment No. 4

That Section 39 of the Charter of Salinas is amended to read as follows:

"Sec. 39. Title and Appointment.

In addition to the Council, there shall be the following Executive Officers and Boards; they shall be appointed by the Council, or by its authority, except as otherwise provided by this Charter:

City Clerk
City Attorney
City Manager
City Engineer

Provided, the appointment of a City Manager imposes thereby no obligation on the Council to continue a City Manager if in its judgment the welfare of the city and the efficient administration of city affairs will not be benefited thereby."

Charter Amendment No. 5

That Section 43 of the Charter of Salinas is amended to read as follows:

"Sec. 43. Duties.

The City Clerk shall serve as secretary of the Council, shall keep accurate records of the proceedings of each meeting, and shall keep a record of all ordinances and resolutions passed by the Council."

Charter Amendment No. 6

That Section 46 of the Charter of Salinas is amended to read as follows:

"Sec. 46. Director of Finance.

The Director of Finance shall be the custodian of all moneys of the municipality and shall keep and preserve the same in such place or

places as may be determined by the Council. He shall pay out money only on warrants issued by the persons authorized by law, excepting money due on bonds and coupons."

Charter Amendment No. 7

That Section 49 of the Charter of Salinas, reading as follows:

"Sec. 49. Board of Education.

The Board of Education shall be composed of such members, and with powers, duties, and terms of office, as prescribed by the Education Code of the State of California; provided, that all members of said Board of Education in office at the time this amendment takes effect shall continue in office throughout the balance of their respective terms and until their successors are qualified."

is repealed.

Charter Amendment No. 8

That Section 54 of the Charter of Salinas is amended to read as follows:

"Sec. 54. Police Department.

The Police Department of Salinas shall consist of a Chief and a permanent force of such number of policemen as the Council shall from time to time determine; the Council shall by ordinance provide for its government and control."

Charter Amendment No. 9

That Section 65 of the Charter of Salinas is amended to read as follows:

"Sec. 65. Special Powers.

The Council, City Manager and City Clerk shall have the power to administer oaths whenever necessary in carrying out their official duties."

Charter Amendment No. 10

That Section 68 of the Charter of Salinas is amended to read as follows:

"Sec. 68. License Tax.

The Council shall, by ordinance, fix a license tax, for the purpose of revenue, on all and every kind of business not prohibited by law, and transacted and carried on in said city, and on all shows, exhibitions and lawful games carried on therein, and provide for the collection thereof."

Charter Amendment No. 11

That Section 71 of the Charter of Salinas, reading as follows:

"Sec. 71. Assessment Roll.

On or before the first Monday in July of each year, the City Assessor shall make and complete his list of taxable property or assessment roll for the city, and shall attach his certificate thereto and deliver the same to the Council. Upon receiving such assessment roll, the Council shall fix the times and place for meetings of the Board of Equalization, and the City Clerk shall give notice thereof, by publication, for at least ten days prior thereto, in a daily newspaper, published and circulated in Salinas."

is repealed.

Charter Amendment No. 12

That Section 72 of the Charter of Salinas, reading as follows:

"Sec. 72. Board of Equalization.

The Council shall constitute the Board of Equalization to equalize said assessment roll It shall meet on at least three different days, at such times and place as the Council may fix; and it may adjourn from day to day thereafter, until the business brought before it is completed, not later, however, than the last day of said month of July. Its sessions shall be public. Said Board of Equalization shall have power to increase or diminish the amount of any assessment on said list; and, as regards the equalizaton of said roll, it shall have the same powers as those conferred by law upon Board of Supervisors when sitting as a Board of Equalization to equalize assessments for state and county taxes. When such assessment roll has been equalized, it shall be returned to the assessor."

is repealed.

Charter Amendment No. 13

That Section 75 of the Charter of Salinas, reading as follows:

"Sec. 75. Computation of Taxes.

As soon as the Council has fixed the rate, the City Assessor must compute and enter in a separate column on the assessment roll, the respective sums, in dollars and cents (rejecting fractions of a cent), to be paid on the property therein listed, and foot up the columns showing the total amount of taxes levied, and on or before the first Monday in October, deliver the roll, so completed, to the City Collector."

is repealed.

Charter Amendment No. 14

That Section 76 of the Charter of Salinas, reading as follows:

"Sec. 76. Mode of Assessment.

The Council shall provide by ordinance a system for the levy and collection of all city taxes, which system shall provide for the payment of taxes in two installments at the times and in the manner required by the laws of this state and otherwise shall conform, as nearly as circumstances may permit, to the provisions of the laws of this state.

The provisions herein respecting assessment and the levy and collection of taxes are subject to the powers conferred on the Council by Section 42 of this Charter."

is repealed.

Charter Amendment No. 15

That Section 78 of the Charter of Salinas, reading as follows:

"Sec. 78. Monthly Statement of Moneys Collected.

Every officer and regularly salaried employee of Salinas, and every other person authorized to collect or receive money for or on account of said city, shall on the first Monday in each month make and file with the City Clerk a statement, duly verified, of all money belonging to said city collected or received by him during the calendar month last past; and upon receiving the necessary certificate from the City Clerk, he shall pay the same into the city treasury. If no such money is received during any month, the statement shall show that fact. No salary shall be paid any officer or employee of the city until he shall have first complied with the provisions of this section."

is repealed.

Charter Amendment No. 16

That Section 81 of the Charter of Salinas is amended to read as follows:

"Sec. 81. Public Work Not Paid For By Assessment.

In all public work, excepting work on sewers and emergency work, where the estimated cost of the work is in excess of $3,500 or such other amount as may be determined by law to apply to general law cities, the Council shall advertise for sealed bids in such manner as they may provide, and the contracts shall be awarded to the lowest responsible bidder, provided that the Council shall have authority to reject any or all bids; provided, however, that when the estimated cost of the work is between $1,000 and $3,500, informal bids shall be received from two or more bidders, if available, without the necessity of advertising; provided, further, that for any public work, if the Council shall be advised by the City Manager that the work can be done for a sum less than the lowest responsible bid, it shall then be

their privilege to reject all bids and to order the work done by day's work under the supervision and direction of the City Manager."

In witness whereof, we have hereunto set our hands and caused the seal of the City of Salinas to be affixed hereto, this 27th day of July, 1973.

HENRY HIBINO
(SEAL) Mayor of the City of Salinas
EVELYN REYNOLDS
City Clerk of the City of Salinas

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City of Salinas, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City of Salinas.

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## RESOLUTION CHAPTER 105

*Assembly Concurrent Resolution No. 121—Approving amendments to the Charter of the City of San Rafael, State of California, ratified by the qualified electors of the city at a general municipal election held therein on the 17th day of April, 1973.*

[Filed with Secretary of State August 16, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City of San Rafael, a municipal corporation in the County of Marin, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

## CERTIFICATE OF RATIFICATION OF CHARTER AMENDMENTS BY ELECTORS OF THE CITY OF SAN RAFAEL

State of California
County of Marin } ss
City of San Rafael

We, the undersigned, C. Paul Bettini, Mayor of the City of San Rafael, and Marion A. Grady, City Clerk of said City, do hereby certify and declare as follows:

That the City of San Rafael, a municipal corporation in the County of Marin, State of California, is now and at all times herein mentioned was a city duly organized, existing and acting under a freeholders Charter adopted under and pursuant to Section 8 of Article XI of the Constitution of the State of California, with a population of more than 3,500 and less than 50,000 inhabitants.

That in accordance with the provisions of Section 8 of Article XI of the Constitution of the State of California, the City Council of said City, being the legislative body thereof, on its own motion, submitted to the qualified electors of said City, certain proposals for the amendment of the Charter of said City at a general municipal election duly and regularly called and held in said City on the 17th day of April, 1973, said Charter Amendments being hereinafter set forth in full.

That on the 19th day of February, 1973, said City Council caused said Charter Amendments to be duly and regularly published and advertised in each and every edition of said 19th day of February, 1973, in the Independent Journal, the official newspaper of said City, printed, published and circulated in said City.

That said special municipal election was duly and regularly held in said City on the date fixed by said Council, to-wit, April 17, 1973 which date was not less than forty (40) and not more than sixty (60) days after completion of the advertising of said proposed Charter Amendments, and the returns of said general municipal election were duly and regularly canvassed and the results declared and entered, namely, that at said election a majority of the qualified voters voting thereon voted in favor and did ratify the Charter Amendments herein specifically set forth.

That said amendments to the Charter of said City so ratified by the voters of said City are as follows, to-wit:

Section 1 of Article VI was amended to read as follows:

"Section 1. Elective Officers. The elective officers of the City of San Rafael shall be: a mayor, four councilmen, five members of the board of education, a city clerk, a city attorney, a city assessor, a city tax and license collector."

Section 11 of Article VI was amended to read as follows:

"Section 11. Appointive Officers. The Council shall appoint a

chief of police, a city treasurer, a city engineer, a superintendent of streets, a chief of the fire department, who shall be exofficio fire marshal, and a poundmaster, each of whom shall hold office for the period of four years. The council may consolidate the offices of city engineer and superintendent of streets. All such appointive officers may be removed at any time by the affirmative vote of three members of the council."

Section 8 of Article VI was amended to read as follows:

"Section 8. Qualifications of Officers. No person shall be eligible to hold any elective office in said city of San Rafael unless he be a resident and elector therein, and shall have resided in said city for one year next preceding the date of such election."

Section 3 of Article XIII was amended to read as follows:

"Section 3. Public Work to Be Done by Contract. The erection, improvement and repair of all public buildings and works, all street and sewer work except current maintenance and repair, and furnishing of supplies and materials for the same, when the estimate therefor exceeds the sum of thirty-five hundred dollars, shall be done by contract, and shall be let to the lowest responsible bidder, after advertising for sealed proposals at least twice, not less than seven days apart, in a newspaper of general circulation published in the city. Such notice shall specifically state the work contemplated to be done. The time specified for opening bids shall be not less than three days from the date of the last publication of the notice. The council may reject any bid deemed excessive and re-advertise, or the work may be done by the council. If no bid is received, the work may be done by the council."

Section 6 of Article VI was amended to read as follows:

"Section 6. Vacancies. Any vacancy occurring in the elective office of members of the Board of Education shall be filled by appointment by the Board of Education by a majority vote thereof. Any vacancy occurring in any other elective office shall be filled by appointment by the Council by a majority vote of the remaining members of the Council.

If the Council or Board of Education fails for a period of sixty days after any such vacancy to fill the same, it shall immediately call an election to be held to fill the vacancy. If such vacancy is created within the first two years of the term of office of the seat vacated, said appointment or election shall be until the next general municipal election. At the said next general municipal election, the term of office of the person so elected shall be for a period of two years.

If said vacancy is created in the third or fourth years of the term of office of the seat vacated, said appointment or election shall be for the unexpired term of the office so filled."

Section 10 of Article VIII was amended to read as follows:

"Section 10. Fire Commission. There shall be a board of fire commissioners appointed by the council, the exact number of which shall be set by ordinance or resolution of the Council, one of whom may be a councilman. The chief of the fire department shall be an

ex-officio member of the commission but shall not be entitled to vote as a member of the commission. The members of the commission shall serve for a term of four years and shall be subject to removal by the affirmative vote of three members of the council. The terms of office of members of the commission shall be staggered in the manner provided by resolution of the council. The board of fire commissioners shall exercise such powers and perform such duties as may be prescribed or conferred in this charter or by the ordinances of the city."

Section 11 of Article VIII was amended to read as follows:

"Section 11. Park and Recreation Commission. There shall be a park and recreation commission appointed by the council, the exact number of which shall be set by ordinance or resolution of the council, one of whom may be a councilman. The members of the commission shall serve for a term of four years, and shall be subject to removal by the affirmative vote of three members of the council. The terms of office of members of the commission shall be staggered in the manner provided by resolution of the council. The park and recreation commission shall exercise such powers and perform such duties as may be prescribed or conferred in this charter or by the ordinances of the city.

Section 1 of Article IX was amended to read as follows:

"Section 1. Board of Library Trustees. There shall be a board of library trustees to be appointed by the council, the exact number of which shall be set by ordinance or resolution of the council, one of whom may be a councilman. The members of the board shall serve for a term of four years and shall be subject to removal by the affirmative vote of three members of the council. The terms of office of members of the board shall be staggered in the manner provided by resolution of the council. The board of library trustees shall exercise such powers and perform such duties as may be prescribed or conferred in this charter or by the ordinances of the city."

That we have compared the amendments as stated herein with the original proposals submitted to the electors of said City, and find and certify that said amendments are a full, true and correct copy thereof.

In witness whereof, we have hereunto set our hands and caused the seal of the City of San Rafael to be affixed hereto this 4th day of June, 1973.

C. PAUL BETTINI
(SEAL) C. Paul Bettini
Mayor—City of San Rafael
MARION A. GRADY
Marion A. Grady
City Clerk—City of San Rafael

and

WHEREAS, The proposed amendments to the charter, as adopted

and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City of San Rafael, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City of San Rafael.

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## RESOLUTION CHAPTER 106

*Assembly Joint Resolution No. 44—Relative to discriminatory taxes on wines.*

[Filed with Secretary of State August 20, 1973 ]

WHEREAS, The production and exportation of wine is an important segment of California's expanding economy; and

WHEREAS, Eighteen states of the Union have discriminatory taxes on out-of-state wines; and

WHEREAS, Arkansas taxes out-of-state wines $0.70 more per gallon than locally produced wines; and

WHEREAS, Georgia taxes out-of-state wines $1.10 more per gallon than locally produced wines; and

WHEREAS, Florida taxes out-of-state wines $0.78 more per gallon than locally produced wines; and

WHEREAS, Such discriminatory taxes price California wines out of the market, damaging the economy of California; and

WHEREAS, For California, being the most populous and economically most productive state, any damage to its economy has serious national implications; and

WHEREAS, The discriminatory regulations of some states, contrary to the spirit of the Union, if not restrained by federal regulation, could multiply and become sources of animosity and a serious threat to interstate commerce; and

WHEREAS, A bill, HR 2096, to prohibit the levying by states of discriminatory taxes on wines in interstate commerce has been introduced; and

WHEREAS, The bill is now before the House of Representatives for a vote; now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly,* That the California Congressional delegation, with all speed, give full support to HR 2096 and urge passage by the House of

Representatives; and be it further

*Resolved,* That the Congress do pass HR 2096 so that interstate commerce is again unfettered and a vital economy sustained; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to each Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 107

*Assembly Concurrent Resolution No. 67—Relative to hydrant charges.*

[Filed with Secretary of State August 20, 1973.]

WHEREAS, Controversy has existed for many years over the use of hydrant charges by water purveyors for the purpose of defraying the cost of providing fire hydrants and the provision of water for fire protection purposes; and

WHEREAS, Problems relating to the use of hydrant charges were explored by the Assembly Interim Committee on Water, and its findings and recommendations reported to the Legislature in Assembly Interim Committee Reports, Volume 26, Number 14, 1963–65; and

WHEREAS, Among its recommendations the committee suggested that consideration be given to the question of whether statewide fire protection standards are needed in order to achieve uniformity of application and maximum fire protection to local areas; and

WHEREAS, Controversy over the use of hydrant charges continues to be a problem in that minimum standards have not been established and there are no uniform standards for allocating the additional costs of providing water for fire protection purposes; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Department of Water Resources and the Office of the State Fire Marshal are directed to jointly review in detail the entire question of hydrant charges by water purveyors, including the desirability of establishing minimum standards of water supply for fire protection purposes and the method of allocating and paying the costs of such services; and be it further

*Resolved,* That the Department of Water Resources and the Office of the State Fire Marshal are directed to report their findings and recommendations to the Legislature no later than January 1, 1975; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the Director of Water Resources and the State Fire Marshal.

## RESOLUTION CHAPTER 108

*Assembly Concurrent Resolution No. 107—Relative to the creation of the Joint Committee on the Federal Social Security Amendments of 1972.*

[Filed with Secretary of State August 20, 1973 ]

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

1. The Joint Committee on the Federal Social Security Amendments of 1972 is hereby created and authorized and directed to ascertain, study and analyze all facts relating to the Federal Social Security Amendments of 1972 as they relate to this state and the implementation, survey and examination of any programs in this state pursuant to such amendments, 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 report its recommendations for appropriate legislation.

2. The committee shall consist of three members of the Senate, appointed by the Committee on Rules thereof, and three members of the Assembly, appointed by the Speaker thereof. Vacancies occurring in the membership of the committee shall be filled by the appointing power.

3. The committee is authorized to act during this session of the Legislature, including any recess, and after final adjournment until June 30, 1975, with authority to file its final report not later than June 30, 1975.

4. The committee and its members shall have and exercise all of the rights, duties and powers conferred upon investigating committees and their members by law and by the provisions of the Joint Rules of the Senate and Assembly as they are adopted and amended from time to time, which provisions are incorporated herein and made applicable to this committee and its members.

5. The committee has the following additional powers and duties:

(a) To contract with such other agencies, public or private, as it deems necessary for the rendition and affording of such services, facilities, studies and reports to the committee as will best assist it to carry out the purposes for which it is created.

(b) To cooperate with and secure the cooperation of county, city, city and county, and other local law enforcement agencies in investigating any matter within the scope of this resolution and to direct the sheriff of any county to serve subpoenas, orders and other process issued by the committee.

(c) To report its findings and recommendations to the Legislature and to the people from time to time and at any time, not later than herein provided.

(d) To do any and all other things necessary or convenient to

enable it fully and adequately to exercise its powers, perform its duties, and accomplish the objects and purposes of this resolution.

6. The Joint Rules Committee may make such money available from the Contingent Funds of the Assembly and Senate as it deems necessary for the expenses of the committee and its members. In accordance with Joint Rule 36.8, any such expenditure of funds shall be made in compliance with policies set forth by the Joint Rules Committee and shall be subject to the approval of the Joint Rules Committee.

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## RESOLUTION CHAPTER 109

*Assembly Concurrent Resolution No. 127—Relative to the Joint Committee on the Federal Social Security Amendments of 1972.*

[Filed with Secretary of State August 23, 1973 ]

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That paragraph 2 of Assembly Concurrent Resolution No. 107 of the 1973–74 Regular Session is hereby superseded and shall read as follows:

2. The committee shall consist of four members of the Senate, appointed by the Committee on Rules thereof, and four members of the Assembly, appointed by the Speaker thereof. Vacancies occurring in the membership of the committee shall be filled by the appointing power.

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## RESOLUTION CHAPTER 110

*Assembly Joint Resolution No. 24—Relative to the Special Milk Program.*

[Filed with Secretary of State August 23, 1973 ]

WHEREAS, The Special Milk Program, P.L. 85-478, was established by Congress in 1954, to encourage the consumption of fluid milk by children in the United States; and

WHEREAS, The program enables schools generally to serve a one-half pint or one-third quart of milk to a schoolchild daily; and

WHEREAS, The success of the program is shown by the fact that during the 1971–72 fiscal year more than 214 million half-pint equivalents of milk were served, in addition to 202 million half-pints served in connection with the National School Lunch Program; and

WHEREAS, It is essential for children to be adequately nourished before they can take full advantage of the educational opportunities afforded them by our schools; and

WHEREAS, The Special Milk Program provides extra milk servings, apart from those provided with lunches, to both needy and nonneedy children to provide additional nourishment; and

WHEREAS, The President's budget request for fiscal year 1973–74 has cut the proposed appropriation for the Special Milk Program from the 97 million dollars deemed by Congress to be the minimum needed for the 1972–73 fiscal year to an unrealistic 25 million dollars, a cut which will deprive millions of children of low-income families of the only midday nourishment during the schoolday; 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 memorializes the President and the Congress of the United States to restore the 72-million-dollar cut in the current budget for the Special Milk Program; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the President pro Tempore of the Senate, to the Chairman of the Agriculture Committee of the House of Representatives, to the Chairman of the Senate Agriculture Committee, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 111

*Assembly Concurrent Resolution No. 125—Approving an amendment to the Charter of the County of Butte, State of California, ratified by the qualified electors of the county at a special election held therein on the 17th day of July, 1973.*

[Filed with Secretary of State August 23, 1973.]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of an amendment to the Charter of the County of Butte, State of California, as hereinafter set forth in the certificate of the chairman and clerk of the board of supervisors of the county, as follows:

Whereas, the County of Butte, State of California, has at all times mentioned herein been and now is a body politic of the State of California, and is now and has been, since the twenty-seventh day of January, 1917, organized and acting under and by virtue of a charter adopted under and by virtue of Article XI of the Constitution of the State of California, which charter was duly ratified by the qualified electors of said county at an election held for that purpose on the seventh day of November, 1916, and approved by the Legislature of the State of California, on the twenty-seventh day of January, 1917 (Statutes 1917, page 1791 et seq.); and

Whereas, on May 8, 1973, the Board of Supervisors of the County of Butte passed Ordinance Number 1347 calling for a special election held on July 17, 1973, in which charter amendments and other County measures were proposed.

Whereas, said Ordinance and charter amendments were duly published in the Chico Enterprise Record, and the Oroville Mercury, newspapers of general circulation in the County of Butte a total of 5 times on 5 separate days, to wit, May 14, 15, 16, 17, 18, 1973 and said proposed charter amendments were also duly published in toto in the Chico Enterprise Record and the Oroville Mercury, newspapers of general circulation in the County of Butte a total of 5 times on 5 separate days, to wit, May 19, 21, 22, 23, 24, 1973, and

Whereas, said special election was held in said County on July 17, 1973, which day was more than 40 days and less than 60 days from the completion of the publication of the proposed charter amendments, and

Whereas, the registrar of voters did in the manner provided by law duly and regularly canvass the returns of said election, and on the 30th day of July, 1973, duly certify to the Board of Supervisors the results of said special election as determined from the canvass of the returns thereon, and

Whereas, at said special election so held on July 17, 1973 an amendment to the Butte County Charter was approved by the majority of the electors of said County voting thereon, and

Whereas, the charter amendment so ratified by the electors of the County of Butte is now submitted to the Legislature of the State of California for approval as a whole without change by resolution of said Legislature in accordance with the provisions of Article XI of the Constitution of the State of California and are in words and figures as follows:

1. That Article XIII of the Butte County Charter be repealed.

State of California }
County of Butte } ss

This is to certify that we, Jack McKillop, Chairman of the Board of Supervisors of the County of Butte and Clark A. Nelson, County Clerk of the County of Butte and ex-officio Clerk of the Board of Supervisors of said County, have compared the foregoing proposed and ratified amendment to the Charter of the County of Butte with the original proposal which was submitted to the electors of said County at the special election held on Tuesday, July 17, 1973, and find that the foregoing is a full, true, correct and exact copy thereof, and we certify that the facts set forth in the preamble preceding said amendments to said Charter are true.

In witness whereof, we have hereunto set our hands and caused the same to be authenticated by the seal of the County Butte this 31st day of July, 1973.

(SEAL)

JACK MCKILLOP
Jack McKillop, Chairman of the Butte County Board of Supervisors
CLARK A. NELSON
Clark A. Nelson, County Clerk of the County of Butte

Attest:
CLARK A. NELSON, County Clerk
and ex-officio Clerk of the
Board of Supervisors
By Margie Catt

Approved as to form
DANIEL V. BLACKSTOCK
Daniel V. Blackstock
Butte County Counsel

and

WHEREAS, The proposed amendment to the charter, as adopted and ratified as hereinabove set forth, has been and now is duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the Members elected to each house voting therefor and concurring therein,* That the amendment to the Charter of the County of Butte, as proposed to, and adopted and ratified by, the electors of the county, as hereinabove fully set forth, is hereby approved as a whole, without alteration or amendment, for and as an amendment to, and as part of, the Charter of the County of Butte.

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## RESOLUTION CHAPTER 112

*Assembly Joint Resolution No. 30—Relative to aviation user taxes.*

[Filed with Secretary of State August 23, 1973 ]

WHEREAS, The federal government has a vital interest in the development of a national air transportation system, and to this end has concentrated its efforts in the field of airport development to the major metropolitan areas of our nation whose airports serve the national and international traveler; and

WHEREAS, State government has accepted as its role the development of those airports that will complement the national system and bring air service to the small communities of our nation;

and

WHEREAS, The federal government has levied user taxes of such magnitude on the aviation public so as to preempt the field of taxation; and

WHEREAS, The national policy has been established as being one that will encourage the redevelopment of the small cities and towns of this nation to combat the problems of urban strife; 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 memorializes the President and the Congress of the United States to assure that the funds amassed by aviation user taxes on the federal level be returned in part to the states on an equitable basis so as to allow the states themselves to build and maintain the intrastate portion of the total national air transportation system to which this nation is firmly committed; and be it further

*Resolved*, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 113

*Assembly Concurrent Resolution No. 32—Relative to the Little Sur and Big Sur Rivers.*

[Filed with Secretary of State August 29, 1973.]

WHEREAS, The Legislature passed the California Protected Waterways Act in 1968; and

WHEREAS, This act directed the Resources Agency to develop the California Protected Waterways Plan (a) to identify those waterways of the state possessed of extraordinary scenic, fishery, wildlife, or outdoor recreation values, (b) to identify the public interest in, including potential human demands for, the resources of such waterways and adjacent lands, (c) to identify the activities or conditions which diminish, or threaten to diminish, the resources of such waterways, (d) to propose standards and requirements, and administrative and legislative actions, which would extend effective, long-range protection to the extraordinary scenic, fishery, wildlife, or outdoor recreation values of such waterways and adjacent lands on a basis which would permit the development and management of other natural resources where compatible, including appraisals of estimated costs and alternative means of financing to achieve such protection, and (e) to identify select waterways which merit priority action due to the nature of their resources; and

WHEREAS, The Resources Agency transmitted to the Legislature

the initial elements of such a plan in February 1971; and

WHEREAS, The aforementioned report recommended that detailed protected waterway management plans be prepared for certain waterways of the state in accordance with the intent and provisions of the California Protected Waterways Act; and

WHEREAS, Chapter 761 of the Statutes of 1971 declares that it is appropriate that the Resources Agency proceed with the development of detailed waterway management plans as proposed in such report, and that such planning efforts include, but need not be limited to, certain designated waterways; and

WHEREAS, The Little Sur and the Big Sur Rivers in Monterey County possess certain unique qualities and values which should be preserved; and

WHEREAS, The Monterey County Board of Supervisors is in support of having prepared detailed protected waterway plans for the Little Sur and Big Sur Rivers in Monterey County; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Resources Agency and affected local agencies are requested to prepare detailed waterway management plans which shall include provisions for water conservation, recreation, fish and wildlife preservation and enhancement, water quality protection and enhancement, stream flow augmentation, and free-flowing and wild status for the Little Sur and Big Sur Rivers; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit a copy of this resolution to the Secretary of the Resources Agency and to the Board of Supervisors of Monterey County.

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## RESOLUTION CHAPTER 114

*Assembly Concurrent Resolution No. 33—Relative to equal rights.*

[Filed with Secretary of State August 29, 1973.]

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Joint Committee on Legal Equality is hereby created with the following powers and duties:

(1) The joint committee is authorized and directed to ascertain, study and analyze all facts relating to conforming California laws, regulations, and administrative guidelines with the principle that equality of rights under the law shall not be denied or abridged on account of sex; and with federal laws and decisions of federal and state courts, dealing with the aforementioned principle. Such study and analysis shall include, but not be limited to, the operation, effect, administration, enforcement and needed revision of any and all laws in any way bearing upon or relating to such subject and the committee shall report thereon to the Legislature, including in the

report its recommendation for appropriate legislation.

(2) The joint committee shall consist of three Members of the Senate, appointed by the Committee on Rules thereof, and three Members of the Assembly, appointed by the Speaker thereof. Vacancies occurring in the membership during the existence of the committee shall be filled by the appointing power.

(3) The joint committee shall begin its work immediately upon passage of this resolution and is authorized to act during this session of the Legislature, including any recess, until June 30, 1975, with authority to file its final report not later than June 30, 1975.

(4) The joint committee and its members shall have and exercise all of the rights, duties, and powers conferred upon investigating committees and their members by the provisions of the Joint Rules of the Senate and Assembly as they are adopted and amended from time to time, which provisions are incorporated herein and made applicable to this committee and its members.

(5) The joint committee has the following additional powers and duties:

(a) To select a vice chairman from its membership.

(b) To contract with such other agencies, public or private, as it deems necessary for the rendition and affording of such services, facilities, studies, and reports to the committee as will best assist it to carry out the purposes for which it is created.

(c) To cooperate with and secure the cooperation of county, city, city and county, and other local law enforcement agencies in investigating any matter within the scope of this resolution and to direct the sheriff of any county to serve subpoenas, orders, and other process issued by the committee.

(d) To report its findings and recommendations to the Legislature and to the people from time to time and at any time, not later than herein provided.

(e) To do any and all other things necessary or convenient to enable it fully and adequately to exercise its powers, perform its duties, and accomplish the objects and purposes of this resolution.

(6) There is hereby created an advisory committee to the joint committee. The advisory committee shall consist of six women appointed by the joint committee. At least two members shall be selected from the Commission on the Status of Women. The advisory committee shall provide existing information, actively advise the joint committee, and work integrally with it on all studies, reports, and recommendations.

(7) The Joint Rules Committee may make such money available from the Contingent Funds of the Assembly and Senate as it deems necessary for the expenses of the joint committee and advisory committee and their members. In accordance with Joint Rule 36.8, any such expenditure of funds shall be made in compliance with policies set forth by the Joint Rules Committee and shall be subject to the approval of the Joint Rules Committee.

## RESOLUTION CHAPTER 115

*Assembly Joint Resolution No. 53—Relative to urban redevelopment.*

[Filed with Secretary of State August 29, 1973 ]

WHEREAS, The completion of four large and imaginative redevelopment projects in the City of San Francisco is threatened due to a termination of federal funding for urban renewal; and

WHEREAS, These projects include (1) the Hunters Point Project, a complete "new town" of 137 acres of housing, schools, churches, parks, and neighborhood shops, and (2) the India Basin Industrial Park, a companion 126-acre development designed to provide 4,000 new light industrial jobs; and

WHEREAS, The lack of funds for the Hunters Point Project alone will mean a loss of 1,250 more homes, parks, recreation areas, another school, and churches, and will prevent the demolition of 600 wartime shacks, which were condemned as unlivable as early as 1948; and

WHEREAS, There are insufficient funds available from "revenue sharing" to complete these projects, and, if the federal government abandons the projects, thousands of long-expected homes will not be built or rehabilitated, thousands of long-expected new jobs, particularly in construction, will be lost, and a multitude of neighborhood residents will feel betrayed; 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 memorializes the Congress of the United States to make available sufficient federal funds to complete the Hunters Point and India Basin Industrial Park Projects in the City of San Francisco and to reject proposed budget cuts affecting such projects; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 116

*Assembly Concurrent Resolution No. 71—Relative to awards to state employees.*

[Filed with Secretary of State August 31, 1973 ]

WHEREAS, Section 13926 of the Government Code provides awards may be made to state employees in excess of one hundred fifty dollars ($150) when such awards are approved by concurrent resolution of the Legislature; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Ernest E. Pieper, Sr., Department of Corrections, for a suggestion that results in annual savings of two thousand six hundred eighty-three dollars ($2,683) by suggesting bulk storage facilities, for diesel fuel, be erected to eliminate the necessity of buying on the open market; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to H. A. Harris, Department of Corrections, for a suggestion that resulted in one-time savings of forty-nine thousand dollars ($49,000) by designing less expensive bearing seals, to replace worn mercury seals of filters at institution sewage plants; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Doris M. Rosa, Franchise Tax Board, for a suggestion that results in annual savings of four thousand dollars ($4,000) by recommending a streamlined procedure, for purging active personal income tax folders, which reduces clerical time by one-half; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Sue A. Thielen, Franchise Tax Board, for a suggestion that results in annual savings of five thousand six hundred dollars ($5,600) by recommending that original documents submitted in support of senior citizens tax exemption applications be retained, unless their return is specifically requested by the applicant; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Evelyn J. Carroll, Department of General Services, for a suggestion that results in annual savings of eleven thousand eight hundred twenty-six dollars ($11,826) by recommending decentralization of the placement and control of legal advertising to the extent that departments, with sufficient volume and expertise, place and pay for their own advertising upon advance approval of the Department of General Services; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Virgil Smith and John D. Deiter, Department of General Services, for a suggestion that results in annual savings of three thousand dollars ($3,000) by developing an automatic shutoff switch for the Gather-all machine in the printing plant. This prevents jams which damage the equipment, waste materials and cause costly downtime; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Ruth B. Willett, Department of California Highway Patrol, for a suggestion that results in annual savings of four thousand eight hundred sixty-five dollars ($4,865) by suggesting that procedures for the sale of surplus vehicles be changed so that the paperwork and notification of bidders be conducted from headquarters, instead of assigning extra employees to the sale area; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Eunice J. Rowe, Department of California

Highway Patrol, for a suggestion that results in annual savings of twenty thousand three hundred seventy-nine dollars ($20,379) by recommending a simplified procedure to be used in billing counties for the cost of street crossing guards. Proposed an alphabetical reference by county instead of, the more complicated, coding by crossing and location; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Thaddeus Murdzia, Department of Human Resources Development, for a suggestion that results in annual savings of two thousand seven hundred twenty dollars ($2,720) by developing a conversion table to be used by interviewers in computing various pay rates of job applicants. This eliminated mathematical calculation over 60,000 such items per year; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Ruth A. Goodwin, Department of Human Resources Development, for a suggestion that results in savings of four thousand one hundred fifty dollars ($4,150) for a one-year period, by recommending changes in an accounting process which; eliminated the need for posting two-line entries on some 3,500 documents each month, lessened transposition errors and provided a more efficient keypunch operation; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Jennie A. Barton, Department of Justice, for a suggestion that results in annual savings of two thousand eight hundred fifty dollars ($2,850) by recommending a less detailed sorting and filing procedure for teletype messages. Reference to the file was so infrequent, it did not justify the expenditure; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Floyd O. Howard and Edwin Masturzo, Department of Mental Hygiene, for a suggestion that results in annual savings of four thousand five hundred dollars ($4,500) by recommending an automatic marking device for flatwork ironers. This eliminated handmarking of hospital linen supplies; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Stanley J. Doyland, Department of Motor Vehicles, for a suggestion that results in annual savings of five thousand three hundred fifteen dollars ($5,315) by recommending that the number of cylinders no longer be included in vehicle descriptions. Since the volume is nearly 3 million items per year, there are great savings in clerical time and in key input; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Dorothy A. DeBarra, Department of Motor Vehicles, for a suggestion that results in annual savings of three thousand four hundred sixty dollars ($3,460) by suggesting the revision of an EDP program to automatically produce requestor codes for nonurgent inquiries. This reduces the key entry workload by eight strokes per item; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Frances Phy, Department of Motor Vehicles,

for a suggestion that results in annual savings of three thousand eight hundred eighty dollars ($3,880) by suggesting a more direct method of refunding overpaid license fees; which results in less employee time, improved operations and better service to the public; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Arthur J. Stommel, Department of Motor Vehicles, for a suggestion that results in annual savings of twenty-seven thousand six hundred six dollars ($27,606) by suggesting the alpha file of vehicle registration remain unchanged, when a notice of change only concerns legal ownership and the registered owner remains the same; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Ina Logan, Department of Motor Vehicles, for a suggestion that results in annual savings of nine thousand three hundred eighty-eight dollars ($9,388) by recommending the automated inquiry system (AMIS), be used for processing requests for duplicate ownership certificates and for double registrations. This eliminated clerical searching of files of as many as four years; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Mary M. Slight, Department of Motor Vehicles, for a suggestion that results in annual savings of twenty thousand dollars ($20,000) by suggesting procedural changes with respect to mailing "failure to appear" notices. This led to the permanent discontinuance of the Failure to Appear Warning Letter Program; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Ardala G. Bennett, Department of Motor Vehicles, for a suggestion that results in annual savings of four thousand six hundred ninety-one dollars ($4,691) by recommending modifications in computer key sending and receiving programming, which saves time and material in providing a quicker and more efficient printout, by processing in one operation; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Judith J. Ayala, Department of Motor Vehicles, for a suggestion that results in annual savings of eight thousand nine hundred ninety-two dollars ($8,992) by recommending procedures for updating and correcting the registration master file, which require less proofreading and key data process time; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Albert E. Espey, Department of Motor Vehicles, for a suggestion that results in increased revenue of nineteen thousand three hundred fifty dollars ($19,350) by suggesting a fee be charged for a certificate that had been issued free of charge, in connection with uninsured motorist proceedings; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Howard W. McFarland, Department of Motor Vehicles, for a suggestion that results in annual savings of twenty-two thousand nine hundred fifty-six dollars ($22,956) by suggesting a less stringent driving test for license applicants, who have previously

held a license and show sufficient skill on the shortened test route; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to G. Irene Quick, Department of Motor Vehicles, for a suggestion that results in annual savings of two thousand forty-eight dollars ($2,048) by suggesting that inventory cards, of accountable items, be carried over into the next year, rather than preparing new cards each year; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Karen M. Nelson, Department of Motor Vehicles, for a suggestion that results in average annual savings of three thousand sixty-seven dollars ($3,067) by recommending a data-processing procedure which results in the computer making entries which had required key input; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Kenneth W. Keeling, Department of Motor Vehicles, that results in annual savings of eight thousand eight hundred seventy dollars ($8,870) by suggesting a method and formula which permits a more accurate estimate of the amount of dealer report of sales books and dismantler report books, needed at the time of reorder; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Carol D. Cota, Department of Motor Vehicles, for a suggestion that results in annual savings of two thousand three hundred twenty-five dollars ($2,325) by suggesting a clarification for the driver's license suspension notices, which reduced inquiries and requests for "special" or "limited" licenses, that cannot be issued; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to John A. Nelson, Department of Motor Vehicles, for a suggestion that results in annual savings of five thousand six hundred seventy-three dollars ($5,673) by recommending a method of preindexing certain computer tapes, thereby; saving computer time, eliminating delays and increasing systems throughput; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Marylu Scheiman, Department of Motor Vehicles, for a suggestion that results in annual savings of four thousand four hundred seventy-five dollars ($4,475) by suggesting that the 120-day vehicle salesman's temporary permits be issued directly through field offices rather than through Sacramento headquarters; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Betty Cain, Department of Motor Vehicles, for a suggestion that results in savings of eight thousand one hundred one dollars ($8,101) for a one-year period, by suggesting that driver license applications, which show an unresolved court action, be suspended for 30 days. In most cases court clearances are received in 30 days. This saves personnel time, correspondence and postage;

and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Thomas C. Ghormley, Jr., Department of Motor Vehicles, for a suggestion that results in annual savings of nineteen thousand eighty-three dollars ($19,083) by recommending that vehicle ownership certificates, to large financial institutions, be sorted for combined mailing. A volume of some 350,000 items per year, produces in savings in postage and in materials; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Steve Protopappas, Department of Motor Vehicles, for a suggestion that results in annual savings of three thousand one hundred twenty-eight dollars ($3,128) by suggesting key input revisions which resulted in single-line message units and eliminated over 1,000 hours of clerical time; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Nona G. Loescher, Department of Motor Vehicles, for a suggestion that results in annual savings of fourteen thousand four hundred ninety dollars ($14,490) by recommending a better system for purging, correspondence index cards. It eliminated the need to sort and match items, cleared a backlog and brought the process up to date; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Yvonne G. Pickvet, Department of Motor Vehicles, for a suggestion that results in annual savings of twenty-one thousand one hundred twenty-six dollars ($21,126) by suggesting revised forms and procedures which reduce personnel time; printing costs, materials and file space for notices of hearings with suspension or revocation of drivers licenses; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Loretta M. Rector and August J. Francesconi, Department of Public Health, for a suggestion that results in one-time savings of ten thousand one hundred dollars ($10,100) by developing a method whereby Xerox is used to restore discolored birth records, instead of typing them, for microfilming; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Benjamin Tom and Edward Quon, State of California Public Utilities Commission, for a suggestion that results in annual savings of two thousand four hundred ninety-one dollars ($2,491) by recommending that insurers be required to furnish postpaid, self-addressed envelopes when a receipted copy of filings is requested; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Mary L. Odell, State of California Public Utilities Commission, for a suggestion that results in annual savings of two thousand six hundred twenty-two dollars ($2,622) by suggesting redesign in the format and makeup of Informal Complaint, Form IC-1, from a four-sheet, color-coded document to a simplified manifold snapout of NCR paper; and

WHEREAS, An award of one hundred fifty dollars ($150) has

already been made to Fred H. McClellan, Department of Public Works, for a suggestion that results in annual savings of two thousand one hundred dollars ($2,100) by recommending the use of automatic typing equipment, for repetitious legal descriptions and standard clauses in grant deeds and subordinate documents; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to John Koslov, Department of Public Works, for a suggestion that results in annual savings of twenty-two thousand one hundred seven dollars ($22,107) by recommending that county assessor's EDP tapes be used as computer input to produce a report of assessed values, tax area codes and percentage of valuation removed from the district, for the right-of-way agent; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to John Koslov, Department of Public Works, for a suggestion that results in annual savings of twenty-seven thousand six hundred dollars ($27,600) by suggesting a method by which sale and rental data for replacement housing is computerized and made available for immediate reference by the Right of Way Appraisal Section; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Woodrow I. Brown, Department of Public Works, for a suggestion that results in annual savings of two thousand six hundred dollars ($2,600) by developing a hinged, static (grounding), device for bridge toll lanes that increases its longevity and reduces the amount of time workmen are exposed to accident while installing replacements; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Mary-Ann G. Cartwright, Department of Public Works, for a suggestion that results in annual savings of seven thousand seven hundred forty-five dollars ($7,745) by recommending that reproduction orders with identical codes, be grouped to save file cards and keypunch time; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to George P. O'Dougherty, Department of Public Works, for a suggestion that results in average annual savings of five thousand dollars ($5,000) by recommending that bridge contractors be required to furnish assistance to the state inspector when he is checking bolt tension on steel structures; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Harold P. Garfield, Department of Public Works, for a suggestion that results in annual savings of two thousand five hundred dollars ($2,500) by suggesting a procedure whereby contractors are required to reimburse the state for all costs incurred as a result of the installation of faulty signal equipment; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to George L. Meyers, Department of Public Works, for a suggestion that results in annual savings of two thousand three hundred eighty-six dollars ($2,386) by suggesting a method by which a computer is used to make difficult, time-consuming,

structural thickness computations; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Paul J. Wulff, Department of Public Works, for a suggestion that results in annual savings of four thousand seven hundred ten dollars ($4,710) in districts outside the area of his job responsibilities, by developing a standardized first plan (title) sheet for minor highway projects. This eliminated many hours of draftsman time; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to James B. Wolfson, Department of Public Works, for a suggestion that resulted in a one-time saving of twenty-six thousand dollars ($26,000) on two highway projects, by suggesting the use of, less expensive, cast-in-place concrete pipe instead of reinforced concrete for sump structures; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Lawrence E. Phillips and George W. Zaits, Department of Public Works, for a suggestion which results in annual savings of three thousand five hundred dollars ($3,500) by designing a visual aid which projects the original slide for public hearings and eliminates the necessity for hours of retouch work by delineators; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Joseph L. Abreu, State Teachers' Retirement System, for a suggestion that results in increased interest earnings of six thousand four hundred sixty-one dollars ($6,461) by recommending a procedure which results in accelerated deposit of teacher contributions to interest-bearing accounts; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to Charles D. Owen, Department of Water Resources, for a suggestion that results in annual savings of seventeen thousand four hundred fifty-three dollars ($17,453) by developing an electronic control to replace pneumatic nitrogen bubblers for ground water relief in areas adjacent to concrete canals; and

WHEREAS, An award of one hundred fifty dollars ($150) has already been made to William L. Webb, Department of Water Resources, for a suggestion that results in average annual savings of seven thousand three hundred fifty-six dollars ($7,356) by constructing a machine to replace hand welding and do a better job of filling cavitated areas of pump impeller blades; and

WHEREAS, The suggestions of these employees have resulted in one-time and recurring savings, and in recurring additional revenue amounting to four hundred eighty-six thousand three hundred twenty-eight dollars ($486,328); and

WHEREAS, As a result of these savings and added revenue it is unnecessary to appropriate additional funds for the payment of these awards; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the following additional awards, which have been approved by the State Board of Control, are hereby

authorized to the employees named:

Ernest E. Pieper, Sr., one hundred eighteen dollars ($118);

H A. Harris, two thousand three hundred dollars ($2,300);

Doris M. Rosa, two hundred fifty dollars ($250);

Sue A. Thielen, four hundred ten dollars ($410);

Evelyn J. Carroll, one thousand thirty-three dollars ($1,033);

Virgil Smith, seventy-five dollars ($75); and

John D. Deiter, seventy-five dollars ($75);

Ruth B. Willett, three hundred thirty-seven dollars ($337); and

Anita E. Tucker, Supervisor of Ruth B. Willett, one hundred forty-six dollars ($146);

Eunice J. Rowe, one thousand eight hundred eighty-eight dollars ($1,888);

Thaddeus Murdzia, one hundred twenty-two dollars ($122);

Ruth A. Goodwin, two hundred sixty-five dollars ($265);

Jennie A. Barton, one hundred thirty-five dollars ($135);

Floyd O. Howard, one hundred fifty dollars ($150); and

Edwin Masturzo, one hundred fifty dollars ($150);

Stanley J. Doyland, three hundred eighty-two dollars ($382);

Dorothy A. DeBarra, one hundred ninety-six dollars ($196);

Frances Phy, two hundred thirty-eight dollars ($238);

Arthur J. Stommel, one thousand two hundred thirty dollars ($1,230);

Ina Logan, seven hundred eighty-nine dollars ($789);

Mary M. Slight, one thousand eight hundred fifty dollars ($1,850);

Ardala G. Bennett, three hundred nineteen dollars ($319);

Judith J. Ayala, seven hundred forty-nine dollars ($749);

Albert E. Espey, one thousand seven hundred eighty-five dollars ($1,785);

Howard W. McFarland, two thousand one hundred forty-six dollars ($2,146);

G. Irene Quick, fifty-five dollars ($55);

Karen M. Nelson, one hundred fifty-six dollars ($156);

Kenneth W. Keeling, seven hundred thirty-seven dollars ($737);

Carol D. Cota, eighty-three dollars ($83);

John A. Nelson, four hundred seventeen dollars ($417);

Marylu Scheiman, two hundred ninety-eight dollars ($298);

Betty Cain, two hundred fifty-five dollars ($255);

Thomas C. Ghormley, Jr., one thousand seven hundred fifty-eight dollars ($1,758);

Steve Protopappas, one hundred sixty-three dollars ($163);

Nona G. Loescher, one thousand two hundred ninety-nine dollars ($1,299);

Yvonne G. Pickvet, one thousand nine hundred sixty-three dollars ($1,963);

Loretta M. Rector, one hundred eighty-five dollars ($185); and

August J. Francesconi, one hundred eighty-five dollars ($185);

Benjamin Tom, forty-nine dollars ($49); and

Edward Quon, forty-nine dollars ($49);
Mary L. Odell, one hundred twelve dollars ($112);
Fred H. McClellan, sixty dollars ($60);
John Koslov, two thousand sixty-one dollars ($2,061);
John Koslov, two thousand six hundred ten dollars ($2,610);
Woodrow I. Brown, one hundred ten dollars ($110);
Mary-Ann G. Cartwright, six hundred twenty-five dollars ($625);
George P. O'Dougherty, three hundred fifty dollars ($350);
Harold P. Garfield, one hundred dollars ($100);
George L. Meyers, eighty-nine dollars ($89);
Paul J. Wulff, three hundred twenty-one dollars ($321);
James B. Wolfson, one thousand one hundred fifty dollars ($1,150);
Lawrence E. Phillips, one hundred dollars ($100); and
George W. Zaits, one hundred dollars ($100);
Joseph L. Abreu, one hundred fifty dollars ($150);
Charles D. Owen, one thousand five hundred ninety-five dollars ($1,595);
William L Webb, five hundred eighty-six dollars ($586);
and be it further

*Resolved,* That the Chief Clerk of the Assembly is directed to transmit a copy of this resolution to the State Board of Control and the State Controller.

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## RESOLUTION CHAPTER 117

*Assembly Concurrent Resolution No. 99—Relative to Mono Lake.*

[Filed with Secretary of State August 31, 1973 ]

WHEREAS, State-owned lands are being exposed by the lowering of the water level of Mono Lake as a result of the exportation of water from the Mono Lake watershed by the Department of Water and Power of the City of Los Angeles; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the members hereby request the State Lands Commission to undertake a study of the implications of the lowering of the Mono Lake water level and the consequent exposure of state lands; and be it further

*Resolved,* That the State Lands Commission shall submit its findings and recommendations to the Legislature on or before January 15, 1974; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit a copy of this resolution to the State Lands Commission.

## RESOLUTION CHAPTER 118

*Senate Concurrent Resolution No. 3—Relative to hearings by the Public Utilities Commission.*

[Filed with Secretary of State August 31, 1973 ]

WHEREAS, The interests of consumers of services furnished by public utilities and the general public will be best served by obtaining maximum participation in hearings by the Public Utilities Commission on matters which affect such consumers and the general public; and

WHEREAS, Maximum participation in such hearings by consumers and the general public may only be obtained by holding hearings at times other than the normal daytime working hours; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the Public Utilities Commission is requested to continue its policy of holding hearings at night on those matters which it determines affect a significant number of consumers of public utilities' services or members of the general public; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the Public Utilities Commission.

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## RESOLUTION CHAPTER 119

*Senate Concurrent Resolution No. 34—Relative to vending stands and food services operated by blind persons.*

[Filed with Secretary of State August 31, 1973.]

WHEREAS, The State of California assists in the rehabilitation and return to gainful employment of blind and disabled citizens; and

WHEREAS, Through the Business Enterprise Program, the Department of Rehabilitation trains and establishes blind persons as licensed managers and other disabled as employees, in the operation of vending stands and food services; and

WHEREAS, Such rehabilitation of the blind and disabled restores hope and dignity to the lives of these citizens and removes a substantial burden from the state welfare program; and

WHEREAS, A savings of approximately one and three quarter million dollars per year in welfare aid and other services is made through the continued gainful employment of these blind and disabled persons in these facilities; and

WHEREAS, The continued employment opportunities for the blind and disabled by the State of California is an example to be followed by other public and private employers in the state; and

WHEREAS, It is desirable that all state agencies plan to make maximum use of the Business Enterprise Program in new state facilities to be established in the future; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That in the provision of vending stands and food services in state facilities, the Director of General Services shall, whenever possible, discourage the use or authorization of vending machines and other food and beverage dispensing devices which are in direct competition to similar services that may be provided by the blind through the Business Enterprise Program, and permit the operation of such services by the blind; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the Director of General Services.

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## RESOLUTION CHAPTER 120

*Senate Concurrent Resolution No. 35—Relative to memorializing Frank W. Luttrell.*

[Filed with Secretary of State August 31, 1973.]

WHEREAS, Notice has come to the Members of the Legislature that Frank W. Luttrell, former Democratic Assemblyman for Sonoma and Marin Counties from 1928 to 1930, has died at the age of 76; and

WHEREAS, A native of California, he was coauthor of the Bay Bridge Authority Act, and one of the pioneers for the construction of the Golden Gate Bridge; and

WHEREAS, In 1948, he served as president of the Santa Rosa Chamber of Commerce and was North Coast Highway Committee chairman of the State Chamber of Commerce; and

WHEREAS, He was founder of the Frank Luttrell Agency, now known as Insurance Marketing Associates, and continued to serve as its chairman of the board after his retirement in 1965; and

WHEREAS, His outstanding contributions in city and state affairs are indicative of the integrity, industry, and public spirit which he brought to any task and for which he will be remembered; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the members memorialize Frank W. Luttrell, former Assemblyman for Sonoma and Marin Counties, and desire to express by this resolution most profound and sincere condolences to his widow, Mrs. Ethel Luttrell; and be it further

*Resolved,* That the Secretary of the Senate transmit a suitably prepared copy of this resolution to Mrs. Ethel Luttrell.

## RESOLUTION CHAPTER 121

*Senate Concurrent Resolution No. 62—Relative to the Report of the Committee on Conference on the Budget Bill.*

[Filed with Secretary of State August 31, 1973.]

WHEREAS, There was submitted to the Senate and Assembly at the time that it acted to approve the Budget Act of 1973 a supplemental Report of the Committee on Conference Relating to the Budget Bill reflecting agreed language on statements of intent, limitations, or requested studies; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the above report reflects the intent of both houses of the Legislature in adopting the Budget Act of 1973 and should be interpreted as such by the various agencies of state government affected by the statements contained in such report; and be it further

*Resolved,* That the Legislative Analyst shall transmit copies to all agencies to which instructions, limitations, or statements of intent are directed in such supplementary report in order that they may be fully informed of the action of the Legislature.

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## RESOLUTION CHAPTER 122

*Senate Joint Resolution No. 14—Relative to federal funds for housing authorities.*

[Filed with Secretary of State September 5, 1973.]

WHEREAS, Funds appropriated by Congress pursuant to the Housing Act of 1949 and other acts, for the purpose of providing subsidies for low income and elderly residents of public housing, have been impounded; and

WHEREAS, Unless such funds are made available, public housing authorities throughout the state will undergo dire financial crises, which will result in the insolvency of many; and

WHEREAS, Staff cuts and equipment sales necessitated by the impoundment of such funds will result in the deterioration of the quality of public housing programs, and the lack of available federal subsidies will curtail plans for needed additional public housing; 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 memorialize the President of the United States, the Office of Management and Budget, and the Department of Housing and Urban Development to release all impounded funds which were appropriated by Congress for use in subsidizing public housing; and

be it further

*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of Housing and Urban Development, to the Director of the Office of Management and Budget, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 123

*Senate Joint Resolution No. 16—Relative to federal benefits for veterans.*

[Filed with Secretary of State September 5, 1973 ]

WHEREAS, House Resolution 568, with the purpose of promoting the care and treatment of veterans in state veterans' homes, has been introduced in the Congress of the United States; and

WHEREAS, House Resolution 2900, which has as its purpose improved medical care for veterans, the provision of hospital and medical care to certain dependents and survivors of veterans, and the retention of career personnel in the Department of Medicine and Surgery, has, also, been introduced in the Congress of the United States; and

WHEREAS, The commendable goal of House Resolutions 568 and 2900, is to aid the "American veteran" who has faithfully served to maintain the United States in war and peace; now, therefore, be it

*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California memorializes the President and the Congress of the United States to support programs which have as their purpose the improvement of both veterans' medical care and care for dependents and survivors of veterans; and be it further

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

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## RESOLUTION CHAPTER 124

*Senate Joint Resolution No. 25—Relative to United States Forest Service special use permits.*

[Filed with Secretary of State September 5, 1973 ]

WHEREAS, The United States Forest Service is the agency which administers special use permits covering improvements erected on public lands, commonly known as "99-year leases"; and

WHEREAS, Initially, citizens were encouraged to apply for such permits, and to erect improvements on lots surveyed for "recreational" and "commercial" use permits; and

WHEREAS, Marginal lands were originally selected and surveyed as "tracts" in various locations along highways, rivers, lakeshores, and other areas, such lands generally being unsuited for grazing, timber, mining, or revenue producing uses, other than recreation, the sums yielded from such recreation having been several times the value of the land thus used as of now; and

WHEREAS, Permittee occupants of these tracts of land provide a protection and "custodial" care as against promiscuous, unidentified users who occupy public lands at will, where abundant evidence exists of desecration by such unidentified occupants, plus inconsideration for the privilege of such public land use, without paying any fee, or having any responsibility resulting from such use; and

WHEREAS, Special use permittees have erected substantial homes in such tracts, including substantial commercial establishments to serve permittee and public alike, and also including the building of roads, extension of powerlines, and numerous other safety benefits and conveniences; and

WHEREAS, Lamps and other open-flame lights originally provided the only illumination and power and liquid petroleum gas for light and heat were added along with other improvements toward health and safety; and

WHEREAS, During the late 1930's, the Forest Service ceased to survey additional lots, turning away thousands of applicants when abundant marginal land space existed, and adopted policies of increased "policing" of permittees, making repeated references to possible permit cancellations, with cancellations probable at any time on 10 years notice; and

WHEREAS, The improvements erected in good faith on public lands by several thousand permittees in the State of California alone, represent values in improvements of more than hundreds of millions, if not billions of dollars; and

WHEREAS, No better or more beneficial use of such lands has been suggested, nor is there likely to be any, in view of the personal attention and responsible care given by permittee members in each such permit community; and

WHEREAS, In the cases where permittees have already, in some instances, been deprived of family enjoyment and recreation, by demands that the improvements be demolished and removed from the lot, without compensation for the cost of demolition and removal, no provision for payment to the permittee of the fair market value has been considered; and

WHEREAS, Such an arbitrary policy adds no benefit to the United

States Forest Service, or the people of the United States, but instead diminishes and dilutes the acceptable and satisfactory situation originally intended by Congress, and substitutes arbitrary permit cancellation, with no consideration for the inequities and injustices involved; 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 take appropriate steps to give just and equitable consideration to the property rights of all United States Forest Service special use permittees and provide for a "fair market value" payment in cash to any such permittee should his permit be canceled or, for any reason, not renewed; and be it further

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

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## RESOLUTION CHAPTER 125

*Senate Joint Resolution No. 27—Relative to declaring support for legislation making the Veterans' Administration accountable to Congress.*

[Filed with Secretary of State September 5, 1973.]

WHEREAS, Public and congressional concern over the quality of patient care and general administration at Veterans' Administration hospitals has prompted the introduction of legislation in the House of Representatives; and

WHEREAS, Under the proposed legislation, no funds for hospital construction, alteration, and the acquisition of hospitals and domiciliary facilities involving an expenditure in excess of $100,000, and no funds for the alteration of any such facility involving an expenditure in excess of $500,000, may be made unless written notice is first submitted to Congress and unless neither house of Congress has, within 90 calendar days, adopted a resolution opposing the proposed expenditure; and

WHEREAS, The proposed legislation also provides that no change or readjustments in the schedule of ratings for the disabilities of veterans, and no matters pertaining to the closing of V.A. hospitals and other facilities, and the transfer of real property under V.A. jurisdiction, shall be made without written notice to Congress and that, prior to the 90-day period, neither house of Congress has adopted a resolution stating it does not favor such an action by the Veterans' Administration; and

WHEREAS, The Veterans' Administration, one of the largest

agencies in the federal government, should be subject to tighter budgetary controls to insure maximum benefits for veterans from each federal dollar spent; now, therefore, be it

*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California urges passage of the proposed legislation; and be it further

*Resolved,* That the Secretary of the Senate transmit copies of this resolution to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 126

*Assembly Concurrent Resolution No. 21—Relative to bicycle safety classes in elementary schools.*

[Filed with Secretary of State September 5, 1973 ]

WHEREAS, The current California bicycle boom has brought with it an alarming increase in the number of bicycle accidents; and

WHEREAS, Through the first quarter of 1972, the total number of bicyclist victims killed and injured increased by 65.9 percent over the first quarter of 1971; and

WHEREAS, More than 75 percent of bicyclist victims were age 15 or less; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Superintendent of Public Instruction and local school district governing boards encourage bicycle safety instruction in all public elementary schools; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the Superintendent of Public Instruction and to the president of each school district governing board in the State of California that maintains an elementary school.

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## RESOLUTION CHAPTER 127

*Assembly Concurrent Resolution No. 73—Relative to private vocational schools.*

[Filed with Secretary of State September 5, 1973 ]

WHEREAS, Private vocational schools provide programs in business and office, marketing and distribution, health occupations, and other technical, trade and industrial education; and these programs prepare individuals in our state to become useful citizens and productive workers; and

WHEREAS, Private vocational schools have made a major

contribution to the economic development of our state and nation, and have contributed substantially to meeting the needs for trained manpower in California; and

WHEREAS, The enrollment in over 1,700 private vocational schools exceeds 200,000 students, making California one of the leaders in private vocational school activity; and

WHEREAS, High school seniors need to be made aware of alternatives in postsecondary education so that they can pursue a program that is consistent with their goals and objectives; and

WHEREAS, Private vocational schools' most effective way of informing high school seniors of the training offered by their institutions is through a direct mailing to their homes; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Legislature supports the efforts being made by private vocational schools and encourages high school districts to make available to, or to provide, private vocational schools with a list of graduating seniors, with their areas of interest in higher education, as provided by Section 10751.5 of the Education Code; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the governing board of each school district that maintains high schools.

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## RESOLUTION CHAPTER 128

*Assembly Joint Resolution No. 38—Relative to bus service in the City of Simi Valley.*

[Filed with Secretary of State September 6, 1973 ]

WHEREAS, Simi Valley is a rapidly growing area which is not presently being served by any mass transportation system; and

WHEREAS, The City of Simi Valley has had an application pending before the Urban Mass Transportation Administration for over nine months for a $92,000 grant to fund two-thirds of the estimated cost of the buses necessary to commence bus service within the city; and

WHEREAS, Such bus service will help relieve the ever-growing traffic problems on the city streets by providing an alternate mode of transportation to the automobile; 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 requests the Urban Mass Transportation Administrator to approve the application of the City of Simi Valley for a grant of $92,000 to initiate bus service therein; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit a copy of this resolution to the Urban Mass Transportation Administrator.

## RESOLUTION CHAPTER 129

*Assembly Joint Resolution No. 45—Relative to federal legislation concerning schoolbus safety.*

[Filed with Secretary of State September 6, 1973.]

WHEREAS, The California Legislature has had a long interest and history in the development of safety standards for schoolbuses; and

WHEREAS, In 1971 alone, 46,000 accidents occurred involving schoolbuses nationwide, with 150 children killed and 56,000 injured; and

WHEREAS, More than 1,300 children suffer facial and dental injuries every year as a result of schoolbus accidents; and

WHEREAS, The schoolbus industry, local school authorities, and the federal government have shown an historic resistance to changing the current dangerous situation; and

WHEREAS, Technology is currently available to design and build safer schoolbuses at a minimum cost increase; and

WHEREAS, In view of the long and useful life of the average schoolbus, the annual cost in dollars for a reduction of death and injury is of marginal importance; and

WHEREAS, The California Legislature finds that the price of inaction leading to human tragedy is too great a cost to pay; and

WHEREAS, Legislation has been introduced in the United States Congress that will require the Department of Transportation to develop strong safety standards in at least eight critical areas, including increased structural strength, emergency exits, interior protection for children, floor strength, and improved seating systems; now, therefore, be it

*Resolved by the Assembly and the Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorialize the President and Congress of the United States to give immediate and favorable attention to federal legislation concerning the development of safety standards in schoolbuses; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President of the United States and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 130

*Assembly Concurrent Resolution No. 31—Relative to driving under the influence of drugs.*

[Filed with Secretary of State September 6, 1973 ]

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Legislature hereby requests the Department of the California Highway Patrol, in cooperation with the Department of Justice and the Department of Health, to study the subject of chemical testing of the blood, breath, and urine for the presence of drugs, for the purpose of determining whether a person was under the influence of drugs while driving a motor vehicle, and to report thereon, and also to report on any suggested changes, in view of the study, in the laws relating to driving a motor vehicle while under the influence of drugs to the Legislature not later than June 10, 1974; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the Commissioner of the California Highway Patrol, the Attorney General of California, and the Director of Health.

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## RESOLUTION CHAPTER 131

*Assembly Concurrent Resolution No. 36—Relative to the appointment of women to boards, commissions, committees, and councils.*

[Filed with Secretary of State September 6, 1973 ]

WHEREAS, Women in California constitute a majority of the state's population; and

WHEREAS, Qualified women should be included in government policymaking to represent more adequately the public interest; and

WHEREAS, Surveys at state and local levels of government have indicated that women are underrepresented on appointive boards, commissions, committees, and councils; and

WHEREAS, Women qualified by virtue of educational achievement and vocational or organizational experience are available for appointment to public advisory bodies; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Governor be urged to increase the number of women appointed to state boards, commissions, committees, and councils so that the percentage of women in such positions will more nearly reflect the percentage of women in California's population; and be it further

*Resolved,* That appointing powers at county and municipal levels of government be urged to increase the numbers of women appointed to boards, commissions, committees, and councils within their jurisdictions so that the percentage of women in such positions will more nearly reflect the percentage of women in the population of each jurisdiction; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the Governor, to the board of supervisors of each county, and to the city council of each incorporated city.

# RESOLUTION CHAPTER 132

*Assembly Concurrent Resolution No. 69—Relative to corporal punishment in public schools.*

[Filed with Secretary of State September 6, 1973 ]

WHEREAS, Section 10854 of the Education Code requires the governing boards of school districts to adopt rules and regulations authorizing certificated personnel to administer reasonable corporal or other punishment to pupils when such is deemed an appropriate corrective measure; and

WHEREAS, A need exists to conduct a survey and compile information concerning the administration of corporal punishment in the public schools; and

WHEREAS, Such inquiry should be directed to the particular types of regulations which have been promulgated by the governing boards of all school districts throughout the state relating to corporal punishment, and determining the identity and number of those districts which forbid such form of disciplinary action; and

WHEREAS, The Legislature should be apprised of limitations which have been prescribed by the districts concerning the administration of such punishment, such as whether witnesses need be present, whether prior parental consent is required, whether certain persons are exempted, whether only specified school personnel may administer such punishment, and whether an instrument may be used in the administration of the punishment; and

WHEREAS, In addition, the Legislature should be apprised of additional methods of student discipline presently utilized by school personnel; and

WHEREAS, Information should also be compiled concerning the records, if any, which are kept concerning the administration of corporal punishment, and whether such records are included in the permanent file of pupils, and the type of conduct which generally is defined as constituting sufficient grounds for the administration of corporal punishment, and whether parents are informed as to such disciplinary actions; and

WHEREAS, The survey may provide statistical and fiscal information such as the following:

(a) The number of instances of administration of corporal punishment in the first half of the 1972–73 school year according to race, sex, and grade level.

(b) The number of parental complaints to principals, school boards, or courts which occurred during this time interval.

(c) The school district expenditures incurred in defending teachers from accusations of unjustified or excessive corporal punishments; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Department of Education is directed to

conduct a study on the administration of corporal punishment in the public schools, and to report to the Legislature by January 1, 1974, its findings on the questions which are hereinabove set forth; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit a copy of this resolution to the Department of Education.

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## RESOLUTION CHAPTER 133

*Assembly Concurrent Resolution No. 41—Relative to consumer education.*

[Filed with Secretary of State September 7, 1973 ]

WHEREAS, Because today's economy is so complex, it poses many challenges and presents to the consumer numerous alternatives; and

WHEREAS, The well-informed consumer in today's society must understand himself as an individual by recognizing his personal potential, by creating goals and ambitions, by developing a value system, and by acquiring a workable image of the life style he wishes to maintain; and

WHEREAS, The individual consumer must be aware of all the sources of aid that are available to him, at the city, state, and national level, and from public and private organizations; and

WHEREAS, The consumer must understand his role in our free enterprise system, must know how that system functions—the different types of businesses, the interrelationship of supply and demand, the importance of consumer spending, and the nature of today's marketplace—mass production, marketing techniques, advertising and merchandising, and the fraudulent and deceptive practices that may exist there; and

WHEREAS, The consumer must know the protection he is afforded in the marketplace by local, state, and national laws and regulations; and

WHEREAS, The consumer must have the knowledge and skills required to make intelligent decisions in the marketplace; and

WHEREAS, The consumer must also be aware of the alternatives open to him in the management of his money in preparing budgets, in banking and saving money, in buying on credit, in securing insurance of all types, in making investments, and in providing for retirement and making wills; and

WHEREAS, President Nixon has declared that the consumer has: (1) the right to make an intelligent choice among products and services; and (2) the right to accurate information on which to make his free choice; and (3) the right to expect that his health and safety are taken into account by those who seek his patronage; and (4) the right to register his dissatisfaction, and have his complaint heard and weighed, when his interests are badly served; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Legislature urges and encourages the State Board of Education, all county boards of education and school district governing boards, and all teachers of all California school districts to place a high priority on programs of consumer education; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the State Board of Education and the Superintendent of Public Instruction.

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## RESOLUTION CHAPTER 134

*Assembly Concurrent Resolution No. 29—Relative to Rancho Guejito.*

[Filed with Secretary of State September 11, 1973.]

WHEREAS, Rancho Guejito, in San Diego County, is approximately 20,000 acres of hill and valley land in an essentially undeveloped condition; and

WHEREAS, Rancho Guejito is in private ownership and is the only original Spanish land grant known still to be intact in one ownership; and

WHEREAS, The lands of Rancho Guejito possess many of the attributes normally found within the Southwest Mountains and Valleys Landscape Province of California, some of which appear to be of notable quality; and

WHEREAS, There appears to be a deficiency of lands and resources preserved for posterity in the Southwest Mountains and Valleys Landscape Province; and

WHEREAS, Rancho Guejito possesses historic and prehistoric values which may be of great significance to the story of human endeavors in California; and

WHEREAS, There is a great need for land and facilities for public outdoor recreation in southern California; and

WHEREAS, Rancho Guejito appears to lie within reasonable driving range of the Los Angeles, Orange County, and San Diego metropolitan areas; and

WHEREAS, The Legislature has enacted, and the Governor has signed, an act authorizing the presentation to the California electorate of a $250,000,000 bond issue for state and local parks and recreation at the primary election in 1974; and

WHEREAS, Rancho Guejito may be an outstanding project for consideration in the event the electorate authorizes such bond issue in 1974; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Department of Parks and Recreation is hereby requested to undertake a study to determine the feasibility

of acquiring and developing Rancho Guejito in San Diego County as a unit of the state park system; and be it further

*Resolved,* That the Department of Parks and Recreation report its findings and recommendations to the Legislature no later than October 1, 1974; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit a copy of this resolution to the Director of Parks and Recreation.

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## RESOLUTION CHAPTER 135

*Assembly Joint Resolution No. 42—Relative to offshore superports.*

[Filed with Secretary of State September 11, 1973.]

WHEREAS, A variety of recent circumstances have stimulated the development of crude petroleum transportation systems which include the transport of such petroleum products in large quantities to onshore refineries by means of new transport vehicles; and

WHEREAS, Modern technological advances have led to the development of very large deep-draft ocean tankers in excess of 250,000 dead-weight tons; and

WHEREAS, These very large deep-draft tankers will require port depths in excess of 90 feet; and

WHEREAS, There are no existing ports in California capable of accommodating such very large deep-draft tankers; and

WHEREAS, The United States Army Corps of Engineers is currently conducting a study as to the possible location on the West Coast of ports, sometimes called "superports," capable of handling these very large deep-draft tankers; and

WHEREAS, The existing data seems to indicate that such superports will most likely be constructed and operated at offshore locations; and

WHEREAS, The likelihood of such superports actually being constructed adjacent to California's coastline in the near future is great; and

WHEREAS, The location and operation of any such superport near the coast of California is of significant and vital concern and interest to the state and its people; and

WHEREAS, It appears possible that the actual location of such offshore superports may be outside the legal jurisdiction of the State of California; now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature respectfully memorializes the President to support, and the Congress of the United States to enact, legislation which would require authorization for the construction of such offshore superports from the coastal state or states adjacent to whose shores such superport would be located whether or not it would be located within the boundary of such state or states; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 136

*Assembly Joint Resolution No. 52—Relative to the Auburn Dam Project*

[Filed with Secretary of State September 11, 1973 ]

WHEREAS, The United States Bureau of Reclamation is constructing the Auburn Dam on the American River in the State of California; and

WHEREAS, The Auburn Dam Project, which is proposed to have a reservoir capacity of 2,300,000 acre-feet, is urgently needed to provide flood protection for the area surrounding and including the City of Sacramento; and

WHEREAS, The additional water supply which will be made available by the project for municipal and industrial and agricultural purposes will greatly benefit the people and economy of the State of California; and

WHEREAS, The project will have installed capacity to generate 750 megawatts of nonpolluting hydroelectric power, which is most urgently needed by the people of California; and

WHEREAS, The project also will assist in maintaining adequate flows in the lower reaches of the American River; and

WHEREAS, The State of California and the Boards of Supervisors of Placer, El Dorado, Sacramento, and San Joaquin Counties, as well as numerous other local agencies, strongly support the construction of the Auburn Dam Project at the earliest possible time; 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 memorializes the President and the Congress of the United States to proceed with the construction of the Auburn Dam Project on the American River in the State of California as quickly as possible; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

# RESOLUTION CHAPTER 137

*Assembly Joint Resolution No. 56—Relative to the Roseville munitions disaster of April 28, 1973.*

[Filed with Secretary of State September 11, 1973 ]

WHEREAS, On Saturday, April 28, 1973, a train carrying United States Navy munitions exploded in the Roseville, California, railroad yard of the Southern Pacific Transportation Company resulting in personal injuries and extensive damage to property; and

WHEREAS, The Federal Bureau of Investigation, several different branches of the Department of Defense, the Federal Bureau of Explosives, the Department of Transportation, the Federal Railroad Administration, and the Alcohol, Tobacco and Firearms Division of the Treasury Department are all conducting investigations; and

WHEREAS, It is in the interest of all the people, as well as the public and private agencies directly involved, that the transportation of such munitions proceed in the future with safety and expediency; 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 memorializes the President and Congress of the United States to require that the reports of the investigations concerning the Roseville, California, disaster of April 28, 1973, include findings concerning the safety of munitions and explosives shipments through populated areas and recommendations whether such shipments should be prohibited; that all such reports be made available to the public; and that copies of the report of each such investigation be transmitted to the Speaker of the Assembly and the Rules Committee of the Senate, of the State of California; and be it further

*Resolved,* That pending the results of such investigations, the Interstate Commerce Commission, the Federal Department of Transportation, the Federal Hazardous Materials Regulation Board, and the Federal Railroad Administration act to ensure that adequate safeguards are taken in the shipment of munitions and explosives by rail through heavily populated areas; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Chairman of the Interstate Commerce Commission, the Secretary of Transportation, the Chairman of the Hazardous Materials Regulation Board, and the Administrator of the Federal Railroad Administration, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

## RESOLUTION CHAPTER 138

*Senate Concurrent Resolution No. 9—Relative to the W. W. Brookey Memorial Bridge.*

[Filed with Secretary of State September 11, 1973.]

WHEREAS, W. W. Brookey served the City of Riverbank as the city engineer from the time the city was incorporated on September 1, 1922, until his death on May 13, 1971; and

WHEREAS, His 49 years of service to the city exemplified the highest measure of loyalty, integrity, and dedication to the city and his profession; and

WHEREAS, It is only fitting that his long and exemplary service to his beloved city be given permanent recognition by naming a bridge in the city and on the state highway system in his memory; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the Riverbank Overhead, Bridge No. 38-11, located in the City of Riverbank and on State Highway Route 108, is hereby officially designated the W. W. Brookey Memorial Bridge; and be it further

*Resolved,* That the Department of Public Works be directed to erect appropriate signs and markers, consistent with signing requirements for the state highway system, showing this official designation; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the Director of Public Works.

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## RESOLUTION CHAPTER 139

*Senate Concurrent Resolution No. 24—Relative to State Highway Route 84.*

[Filed with Secretary of State September 11, 1973 ]

WHEREAS, State Highway Route 84 in Yolo County includes the routing for a connecting highway between the communities of Broderick, Bryte, and West Sacramento; and

WHEREAS, This route is to include the extension of Kegle Drive in Broderick to a direct connection with West Sacramento; and

WHEREAS, The original construction schedule for this route was the 1972–73 budget year, and this date has now been postponed by the California Highway Commission to the 1977–78 budget year; and

WHEREAS, The lack of a direct connection between these communities with a population of over 25,000 people is a significant barrier to community development and causes delays and increased expenditures, including unsafe conditions for police, fire, and

ambulance protection, school transportation, and truck traffic; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the members hereby request the California Highway Commission to allocate funds for, and the Department of Public Works to proceed with, the construction of that portion of State Highway Route 84 extending Kegle Drive in Broderick to a direct connection with West Sacramento as a priority project in the 1975–76 fiscal year or as soon thereafter when funds are available; and be it further

*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the California Highway Commission and the Director of Public Works.

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## RESOLUTION CHAPTER 140

*Senate Concurrent Resolution No. 37—Relative to reading instruction in public schools.*

[Filed with Secretary of State September 11, 1973.]

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the Legislature, cognizant of the relationship between educational achievement and reading comprehension, hereby urges that school districts throughout the state investigate the possibility of offering speed-reading courses in the curriculum of its elementary and secondary schools; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the Superintendent of Public Instruction.

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## RESOLUTION CHAPTER 141

*Senate Concurrent Resolution No. 47—Relative to development of a model bicycle ordinance.*

[Filed with Secretary of State September 11, 1973.]

WHEREAS, The ownership of bicycles and their operation on public streets and highways has increased in recent years; and

WHEREAS, The frequency of collisions between bicycles and motor vehicles on shared public streets and highways is increasing disproportionately to the increased use of bicycles; and

WHEREAS, The California Vehicle Code establishes rules of the road governing the operation of bicycles and motor vehicles on public streets and highways, violation of which is frequently the

cause of collisions between such vehicles; and

WHEREAS, The California Legislature requested the Department of Public Works to study and report on the most economically feasible method of safely accommodating use of existing public streets and highways by bicyclists, and such report was submitted in April 1972; and

WHEREAS, Many local jurisdictions are seeking assistance and guidance in planning, establishing, and controlling special bicycle facilities within or adjacent to public streets and highways; and

WHEREAS, Many provisions of the California Vehicle Code may be inconsistent or ambiguous when applied to traffic situations involving special bicycle facilities within or adjacent to public streets and highways, providing inadequate guidance to motorist and bicyclist alike; and

WHEREAS, It is desirable that local ordinances regulating the operation of bicycles be uniform in application, having due regard for local conditions requiring variations; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the Legislature hereby requests and authorizes the Department of Transportation, in consultation with the Department of the California Highway Patrol, Office of Traffic Safety, and the Department of Parks and Recreation, and pursuant to the advice and counsel of representatives of the League of California Cities, County Supervisors Association of California, Institute of Transportation and Traffic Engineering of the University of California, highway user groups or associations, cycling groups or associations, local law enforcement agencies, city and county traffic engineers, and city and county planners, to organize a special Statewide Bikeway Committee to review and analyze the aforementioned problems, and recommend appropriate steps to the Legislature for their expeditious mitigation or resolution; and be it further

*Resolved,* That such committee review the California Vehicle Code to identify provisions which give motorists and bicyclists inadequate guidelines when such traffic conflicts, and recommend amendments as appropriate; and be it further

*Resolved,* That such committee review various local ordinances relating to the operation of bicycles on or adjacent to public streets and highways and develop a model bicycle ordinance suitable for the guidance of local jurisdictions in adopting local bicycle ordinances; and be it further

*Resolved,* That such committee review existing and planned bicycle facilities within or adjacent to public streets and highways and evaluate their effect on cyclist and motorist safety, and where appropriate outline recommendations for such facilities which promote traffic safety; and be it further

*Resolved,* That the Department of Transportation and the Office of Traffic Safety seek financial assistance from the federal government for the study requested hereby; and be it further

*Resolved,* That such committee report its preliminary findings and recommendations to the Legislature by March 15, 1974, and submit a final report and recommendations to the Legislature by December 10, 1974; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the Department of Transportation.

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## RESOLUTION CHAPTER 142

*Senate Concurrent Resolution No. 65—Relative to the University of California.*

[Filed with Secretary of State September 11, 1973.]

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the President of the University of California is requested to review the expenditure of public funds for athletic programs which discriminate against participants on the basis of sex and which do not provide equal opportunities for participation and use of facilities for both female and male students; and be it further

*Resolved,* That the President of the University of California is requested to report to the Legislature by April 1, 1974, concerning the expenditure of public funds in such athletic programs, and to account for the expenditures of all public funds during the 1972–73 fiscal year in athletic programs for men and women, including the expenditure of public funds for staff salaries, equipment, and uniforms; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the President of the University of California.

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## RESOLUTION CHAPTER 143

*Assembly Joint Resolution No. 17—Relative to urging Congress to adopt a uniform certificate of title law.*

[Filed with Secretary of State September 12, 1973 ]

WHEREAS, The need for a uniform, nationwide certificate of title law for vehicles is substantial and would help reduce interstate vehicle theft; and

WHEREAS, Even if California, or any other state, were to develop the most effective controls imaginable for the prevention of illegal titling and stolen vehicle conversion, if other states have no title laws or very inadequate ones, the interstate aspects of vehicle theft will continue to create serious problems; and

WHEREAS, Not all states have certificate of title laws and the

certificate of title laws of some states are very weak and nearly as unreliable as those of states not having any title laws whatsoever; and

WHEREAS, Because of this, it is possible for a vehicle stolen in California to be registered or titled in another state and sold or retitled in yet another state, or even in California if the numbers on the document are not the same as on the vehicle stolen; and

WHEREAS, Two congressional bills were submitted last year which, in part, would have required certificate of title legislation in all states; and

WHEREAS, These provisions of the bills were deleted so that states could be given the opportunity to develop such legislation on a voluntary basis; and

WHEREAS, California would very much like to see eliminated the major governmental weakness in vehicle theft prevention which is external to California, thereby deterring interstate traffic in stolen vehicles; now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature respectfully memorializes the President and Congress of the United States, if all states do not voluntarily enact adequate certificate of title statutes by the end of 1973, to enact legislation requiring each state to enact such statutes and to establish the necessary procedures and safeguards to assure a reasonable degree of integrity for the certificates of title issued thereunder; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of Transportation, to the Attorney General of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 144

*Assembly Joint Resolution No. 54—Relative to airline fares.*

[Filed with Secretary of State September 12, 1973.]

WHEREAS, The Legislature of the State of California recognizes the desirability of reinstituting reduced air fares for youths and senior citizens; and

WHEREAS, The Congress of the United States is presently considering legislation, S. 181 and H.R. 2698, which would permit the airlines to establish reduced air fares for young people between the ages of 12 and 22 and senior citizens over 65; and

WHEREAS, In view of the fact that presently many airplanes are flying with empty seats, the present fare structure constitutes a wasteful expenditure of a great national resource and further contributes to the financial deficit which many commercial air

carriers are currently experiencing; 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 memorializes the President and the Congress of the United States to enact S. 181 or H.R. 2698 so as to reinstitute reduced air fares for young people and senior citizens; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 145

*Senate Constitutional Amendment No. 15—A resolution to propose to the people of the State of California an amendment to the Constitution of the state, by repealing Article XXVI thereof, and by adding Article XXVI thereto, relating to motor vehicle revenues.*

[Filed with Secretary of State September 13, 1973 ]

*Resolved by the Senate, the Assembly concurring,* That the Legislature of the State of California at its 1973–74 Regular Session commencing on the eighth day of January, 1973, two-thirds of the members elected to each of the two houses of the Legislature voting therefor, hereby proposes to the people of the State of California that the Constitution of the state be amended as follows:

First—That Article XXVI be repealed.

Second—That Article XXVI be added, to read:

### ARTICLE XXVI

#### MOTOR VEHICLE REVENUES

SECTION 1. Revenues from taxes imposed by the state on motor vehicle fuels for use in motor vehicles upon public streets and highways, over and above the costs of collection and any refunds authorized by law, shall be used for the following purposes:

(a) The research, planning, construction, improvement, maintenance, and operation of public streets and highways (and their related public facilities for nonmotorized traffic), including the mitigation of their environmental effects, the payment for property taken or damaged for such purposes, and the administrative costs necessarily incurred in the foregoing purposes.

(b) The research, planning, construction, and improvement of exclusive public mass transit guideways (and their related fixed facilities), including the mitigation of their environmental effects,

the payment for property taken or damaged for such purposes, the administrative costs necessarily incurred in the foregoing purposes, and the maintenance of the structures and the immediate right-of-way for the public mass transit guideways, but excluding the maintenance and operating costs for mass transit power systems and mass transit passenger facilities, vehicles, equipment, and services.

SEC. 2. Revenues from fees and taxes imposed by the state upon vehicles or their use or operation, over and above the costs of collection and any refunds authorized by law, shall be used for the following purposes:

(a) The state administration and enforcement of laws regulating the use, operation, or registration of vehicles used upon the public streets and highways of this state, including the enforcement of traffic and vehicle laws by state agencies and the mitigation of the environmental effects of motor vehicle operation due to air and sound emissions.

(b) The purposes specified in Section 1 of this article.

SEC. 3. The Legislature shall provide for the allocation of the revenues to be used for the purposes specified in Section 1 of this article in a manner which ensures the continuance of existing statutory allocation formulas for cities, counties, and areas of the state, until it determines that another basis for an equitable, geographical, and jurisdictional distribution exists; provided that, until such determination is made, any use of such revenues for purposes specified in subdivision (b) of Section 1 of this article by or in a city, county, or area of the state shall be included within the existing statutory allocations to, or for expenditure in, that city, county, or area. Any future statutory revisions shall provide for the allocation of these revenues, together with other similar revenues, in a manner which gives equal consideration to the transportation needs of all areas of the state and all segments of the population consistent with the orderly achievement of the adopted local, regional, and statewide goals for ground transportation in local general plans, regional transportation plans, and the California Transportation Plan.

SEC. 4. Revenues allocated pursuant to Section 3 may not be expended for the purposes specified in subdivision (b) of Section 1, except for research and planning, until such use is approved by a majority of the votes cast on the proposition authorizing such use of such revenues in an election held throughout the county or counties, or a specified area of a county or counties, within which the revenues are to be expended. The Legislature may authorize the revenues approved for allocation or expenditure under this section to be pledged or used for the payment of principal and interest on voter-approved bonds issued for the purposes specified in subdivision (b) of Section 1.

SEC. 5. The Legislature may authorize up to 25 percent of the revenues available for expenditure by any city or county, or by the state, for the purposes specified in subdivision (a) of Section 1 of this

article to be pledged or used for the payment of principal and interest on voter-approved bonds issued for such purposes

SEC. 6. This article shall not prevent the designated tax revenues from being temporarily loaned to the State General Fund upon condition that amounts loaned be repaid to the funds from which they were borrowed.

SEC. 7. This article shall not affect or apply to fees or taxes imposed pursuant to the Sales and Use Tax Law or the Vehicle License Fee Law, and all amendments and additions now or hereafter made to such statutes.

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## RESOLUTION CHAPTER 146

*Assembly Concurrent Resolution No. 82—Relative to teacher training in California.*

[Filed with Secretary of State September 13, 1973 ]

WHEREAS, The person who is a teacher occupies the most vital role in relation to the person who is learner in our educational system; and

WHEREAS, The training of persons to be teachers—both preservice and in service—is vital to the human, healthy, effective, efficient, and economical operation of our public schools; and

WHEREAS, The Legislature of California allocates millions of dollars of taxpayer funds each year to public institutions of higher education (especially the California State University and Colleges) for the training of persons to be teachers; and

WHEREAS, The Legislature allocates additional millions of dollars of taxpayer funds each year to public institutions of higher education (especially the University of California) for research in education; and

WHEREAS, The Legislature has additionally funded special projects—both research and operational—for teacher training—preservice and in service; and

WHEREAS, The Legislature is providing substantial funding to school districts for the operation of our public schools, and some support moneys are being utilized for in-service training of teachers in an effort to assure that teachers meet the needs of their pupils and are made aware of new teaching techniques; and

WHEREAS, The Legislature specially funds the California State University and Colleges to pay school districts for teacher training opportunities (master teaching program); and

WHEREAS, The Legislature is funding the University of California and the California State University and Colleges to educate particular students to be teachers, and funding other projects (such as RATE projects and P.D.C. projects) to educate the same students to be teachers; and

WHEREAS, The Legislature is being asked to enact legislation to provide substantial additional funds for in-service training; and

WHEREAS, The taxpayers indirectly fund in-service training through state and property taxes which pay for increased salaries for teachers for their having taken additional training; and

WHEREAS, In addition to the agencies and programs enumerated above, both the State Department of Education and the Commission for Teacher Preparation and Licensing have statutory responsibility in these matters; and

WHEREAS, It appears that the Legislature and taxpayers may be paying at least twice as much, if not three or more times as much, as is necessary in offering training for teachers; and

WHEREAS, It appears that no public agency is exercising the responsibility to interrelate and intercommunicate and coordinate all the public-funded efforts for the training of teachers to serve the public interest, educationally, economically and efficiently; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Legislative Analyst is hereby directed to undertake a comprehensive study of teacher training in California, including its operations, methods, funding, adequacy, relevancy, respective responsibilities, efficiency and economy; and report his findings, together with recommendations, to the Legislature prior to February 1, 1974; and be it further

*Resolved,* That the Education Subcommittee of the Assembly Ways and Means Committee shall hold as soon as possible a public hearing on the matter of teacher training in California, inviting all interested and responsible parties; and be it further

*Resolved,* That the Chief Clerk of the Assembly distribute copies of this resolution to each of the following: the Governor; the President pro Tem of the Senate; the Speaker of the Assembly; the Legislative Analyst; Department of Finance; Department of Education; the Superintendent of Public Instruction; State Board of Education; Commission for Teacher Preparation and Licensing; University of California; California State University and Colleges; Association of Independent California Colleges and Universities; California School Boards Association; Association of California School Administrators; California Teachers Association; California Federation of Teachers; United Teachers of Los Angeles; Long Beach Professional Development Center; Fresno Professional Development Center (rural and bilingual center); Tehama County Professional Development Center; RATE at U.C., Santa Cruz; RATE at Pasadena Unified School District and Occidental College; RATE at UCLA; and the California Council on the Education of Teachers.

## RESOLUTION CHAPTER 147

*Assembly Joint Resolution No. 2—Relative to the Federally Assisted Code Enforcement Program.*

[Filed with Secretary of State September 13, 1973 ]

WHEREAS, The Federally Assisted Code Enforcement Program, also known as F.A.C.E., is one of the most successful programs for achieving improvement of declining neighborhoods and older housing; and

WHEREAS, The program is coming to a halt in California and elsewhere throughout the nation, because the Department of Housing and Urban Development has failed to request approval for its funding due to lack of support for the program by the Office of Management and Budget; and

WHEREAS, The record of F.A.C.E. has been impressive, for more than 496,000 dwelling units throughout the country have been rehabilitated at the very low cost to the taxpayer of less than $700 per unit; and

WHEREAS, In contrast, new construction is estimated to cost from $15,000 to $35,000 per unit; and

WHEREAS, The Office of Management and Budget has not yet released $70,000,000 appropriated by Congress to support this worthy program during the current fiscal year; 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 memorializes the President and Congress of the United States, the Director of the Office of Management and Budget, and the Secretary of Housing and Urban Development to take all steps necessary to provide adequate funding for the continuation of the Federally Assisted Code Enforcement Program during the current and succeeding fiscal years; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Director of the Office of Management and Budget, and to the Secretary of Housing and Urban Development.

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## RESOLUTION CHAPTER 148

*Assembly Joint Resolution No. 25—Relative to vehicle noise standards.*

[Filed with Secretary of State September 13, 1973 ]

WHEREAS, The Legislature of the State of California has long recognized the problems of vehicle noise; and

WHEREAS, The Legislature has actively sought to control unwanted sound emissions from vehicles for over 15 years; and

WHEREAS, The State of California has led the nation in the fight against vehicle noise; and

WHEREAS, The Assembly Transportation Committee Technical Advisory Panel on Vehicle Noise was created under House Resolution No. 104 in 1971; and

WHEREAS, The Technical Advisory Panel on Vehicle Noise has found that California's vehicle noise standards are the most stringent in the nation; and

WHEREAS, The Environmental Protection Agency will soon issue and promulgate new vehicle noise standards; and

WHEREAS, The Technical Advisory Panel on Vehicle Noise has found that, if the federal vehicle noise standards are less stringent than California's vehicle noise standards, California's innovative efforts to control vehicle noise may be destroyed and years of the California Highway Patrol's enforcement efforts may be lost; 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 memorializes the Environmental Protection Agency to adopt California's strict new vehicle noise standards as the federal standards; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit a copy of this resolution to the Administrator of the Environmental Protection Agency.

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## RESOLUTION CHAPTER 149

*Assembly Joint Resolution No. 58—Relative to the National Guard and other reserve elements.*

[Filed with Secretary of State September 13, 1973 ]

WHEREAS, The National Guard and other reserve elements are an important facet in national defense and in resolving domestic emergencies; and

WHEREAS, To maintain a high degree of efficiency and effectiveness, the National Guard and other reserve elements must retain their skilled and experienced corps of men and women; and

WHEREAS, The National Guard and other reserve elements are presently facing a crisis as great numbers of its ranks are failing to reenlist; 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 memorializes the President and Congress of the United States to

initiate and support legislation to grant a bonus to each National Guardsman or persons of other reserve elements who extends his enlistment for three years; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 150

*Senate Concurrent Resolution No. 6—Relative to establishing a Department of Motor Vehicles office at Half Moon Bay.*

[Filed with Secretary of State September 13, 1973 ]

WHEREAS, The Half Moon Bay office of the Department of Motor Vehicles, before its closure, served a large area to which no other such facility was readily available; and

WHEREAS, The Half Moon Bay area is undergoing a rapid population growth and demands for the department's services in this area will also be increased; and

WHEREAS, The Department of Motor Vehicles has closed an office formerly maintained in this area; and

WHEREAS, The residents of the Half Moon Bay area, many of them senior citizens, will be forced to travel great distances to adjacent communities to transact their business with the Department of Motor Vehicles; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the Department of Motor Vehicles is requested to reinstitute the service formerly provided at Half Moon Bay prior to closure of the department's office there; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the Director of Motor Vehicles.

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## RESOLUTION CHAPTER 151

*Senate Concurrent Resolution No. 19—Relative to acquisition, construction, and improvement of student health facilities.*

[Filed with Secretary of State September 13, 1973 ]

WHEREAS, The Trustees of the California State University and Colleges have established a student health facilities fee to provide for the acquisition, construction, and improvement of student health

facilities; and

WHEREAS, Several of the campuses require adequate student health facilities to provide proper medical care to their students; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That, pursuant to the requirement of California Education Code Section 23752.4 and the approval of the Public Works Board, approval is hereby given for the construction and improvement of student health centers at the following campuses:

California State College, Bakersfield
California State College, Dominguez Hills
California State University, Humboldt
California State University, Long Beach
California State University, Los Angeles
California State University, Northridge
California State Polytechnic University, Pomona
California State University, San Francisco
California State College, Stanislaus;

and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the Trustees of the California State University and Colleges and to each of the state universities or colleges above so named.

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## RESOLUTION CHAPTER 152

*Senate Concurrent Resolution No. 32—Relative to the Ray E. Ware Bridge.*

[Filed with Secretary of State September 13, 1973.]

WHEREAS, Ray E. Ware, descendant of a pioneer Mendocino County family, served as postmaster at Fort Bragg from 1934 to 1946, an office his father held from 1914 to 1930; and

WHEREAS, He also served as Judge of the Ten Mile Justice Court from 1952 to 1971, an office his father also held from 1932 to 1942; and

WHEREAS, In addition, he served as a member of the Fort Bragg City Council and was instrumental in having the Veterans Memorial Building constructed; and

WHEREAS, While in business as a soda water distributor, he realized the importance of an all-weather highway system and, as a result, represented at various times the Redwood Empire Association, the Highway 20 Association, and the Shoreline Highway Association to insure that the northern coastal area of the state received its fair share of state highway construction funds; and

WHEREAS, His service to Fort Bragg and his contributions to the

development of the state highway system should be recognized; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the bridge numbered 10-153, located on State Highway Route 1 over Caspar Creek, is hereby officially designated the Ray E. Ware Bridge; and be it further

*Resolved,* That the Department of Public Works be directed to erect appropriate signs and markers, consistent with signing requirements for the state highway system, showing this official designation; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the Director of Public Works.

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## RESOLUTION CHAPTER 153

*Senate Concurrent Resolution No. 33—Relative to the Frank J. Hyman Bridge.*

[Filed with Secretary of State September 13, 1973 ]

WHEREAS, Frank J. Hyman contributed substantially to the commercial development of the Fort Bragg area through his wide range of activities in the boating, fishing, and lumber industries, and in farming and land development; and

WHEREAS, He is a member of the Fort Bragg Chamber of Commerce, serving as its president in 1953; Mendocino County Chamber of Commerce, serving as a director; Mendocino County Historical Society; Noyo Harbor Commission; and the advisory board in the planning and construction of the Mendocino County Hospital; and

WHEREAS, He activated the Paul Bunyan Association and was instrumental in forming the Noyo Harbor Commission and the Fort Bragg Rural Fire District; and

WHEREAS, He was also instrumental in having the state park system expanded to include MacKerricher State Park, and in having the highway from Fort Bragg to Leggett included as a part of State Highway Routes 1 and 208 and the highway from Fort Bragg to Willits included as a part of State Highway Route 20; and

WHEREAS, His service to the Fort Bragg area and his contributions to the development of the state highway system should be recognized; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the bridge numbered 10-161, located on State Highway Route 1 over Ten Mile River, is hereby officially designated the Frank J. Hyman Bridge; and be it further

*Resolved,* That the Department of Public Works be directed to erect appropriate signs and markers, consistent with signing requirements for the state highway system, showing this official

designation; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the Director of Public Works.

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## RESOLUTION CHAPTER 154

*Senate Constitutional Amendment No. 6—A resolution to propose to the people of the State of California an amendment to the Constitution of the state, by amending subdivision (c) of Section 7 of Article IV thereof, relating to meetings of the Legislature*

[Filed with Secretary of State September 14, 1973 ]

*Resolved by the Senate, the Assembly concurring,* That the Legislature of the State of California at its 1973–74 Regular Session commencing on the eighth day of January, 1973, two-thirds of the members elected to each of the two houses of the Legislature voting therefor, hereby proposes to the people of the State of California that the Constitution of this state be amended by amending subdivision (c) of Section 7 of Article IV thereof to read:

(c) The proceedings of each house and the committees thereof shall be public except as provided by statute or by concurrent resolution, which such resolution is adopted by a two-thirds vote of the members of each house, provided, that if there is a conflict between such a statute and concurrent resolution, the last adopted shall prevail.

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## RESOLUTION CHAPTER 155

*Senate Concurrent Resolution No. 27—Relative to Santa Monica Boulevard.*

[Filed with Secretary of State September 14, 1973 ]

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the Department of Public Works is hereby requested to undertake immediately the following steps to improve the traffic flow on Santa Monica Boulevard (State Highway Route 2) between the San Diego Freeway (State Highway Route 405) and La Cienega Boulevard in the City of Los Angeles:

(a) Grant higher construction priorities to the department's proposed projects to improve the traffic capacity on the above portion of Santa Monica Boulevard.

(b) Join the local public entities in petitioning the Interstate Commerce Commission to authorize the abandonment of the railroad right-of-way adjacent to the above portion of Santa Monica

Boulevard, and acquire such right-of-way.

(c) Cooperate with the local public entities in implementing other traffic control techniques, including, but not limited to, synchronization of traffic signals and limitation on parking, on the above portion of Santa Monica Boulevard; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the Director of Public Works.

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## RESOLUTION CHAPTER 156

*Senate Concurrent Resolution No. 46—Relative to competitive food sales.*

[Filed with Secretary of State September 14, 1973 ]

WHEREAS, The United States Department of Agriculture has issued nationwide regulations regarding competitive food sales at schools receiving federal assistance for nonprofit lunch programs under the National School Lunch Program or Food Distribution Program (surplus commodities); and

WHEREAS, These regulations do not restrict the discretion of the states in setting more restrictive regulations; and

WHEREAS, The State Board of Education has adopted a policy regarding competitive food sales; and

WHEREAS, Such policy states that in elementary and junior high schools participating in the National School Lunch or Food Distribution Program, student organizations may not conduct food sales on school premises during the regular schoolday, except that the governing board may approve specific student organizations to sell specified food items not more than twice each school year per student organization, provided that such sales do not begin until after 2 o'clock in the afternoon; and further that in senior high schools the governing board may approve specific student organizations to conduct sales of specified items on school premises during the regular schoolday, except from one hour before and extending through the school's officially designated lunch period; and

WHEREAS, The State Board of Education's policy does not provide guidelines for the distribution of profits from such sales; and

WHEREAS, The policy does not provide guidelines for determining the nutritional quality of foods offered for sale on school premises; and

WHEREAS, The profit motive of competitive food sales and the health-educational motives of the nonprofit school sales program are often in direct conflict; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the State Board of Education shall formulate nutritional guidelines for the selection of foods to be sold

on school campuses, other than those foods sold as part of the type A lunch program; and be it further

*Resolved,* That the State Board of Education shall formulate guidelines for the distribution of profits earned from such sales; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the State Board of Education.

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## RESOLUTION CHAPTER 157

*Senate Concurrent Resolution No. 82—Relative to wastewater treatment plant operators.*

[Filed with Secretary of State September 14, 1973.]

WHEREAS, The provisions of Chapter 9 (commencing with Section 13625) of Division 7 of the Water Code, as enacted by Chapter 1315 of the Statutes of 1972, require supervisors and operators of governmentally owned or operated wastewater treatment plants to possess a certificate of appropriate grade in accordance with regulations adopted by the State Water Resources Control Board; and

WHEREAS, The State Water Resources Control Board adopted regulations on July 5, 1973, which require the certification of wastewater treatment plant supervisors and operators; and

WHEREAS, Under such regulations currently employed civil service wastewater treatment plant supervisors and operators will be required, in order to qualify for certification, to complete the new educational requirements by January 1, 1975; and

WHEREAS, It will be impossible for many currently employed individuals who hold permanent civil service status to complete the new educational requirements within the prescribed time; and

WHEREAS, Such new educational requirements discriminate against experienced employees with a record of proven performance but with little formal education; and

WHEREAS, It is reasonable and equitable that employees with extensive experience and a proven level of competency should be permitted to substitute such experience for the educational requirements of the new certificate; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the State Water Resources Control Board is requested to revise its regulations for the certificate of wastewater treatment plant supervisors and operators to permit approximately 750 currently employed plant supervisors and operators with a record of proven performance to substitute experience for the educational requirements of the new certificate; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the State Water Resources Control Board.

## RESOLUTION CHAPTER 158

*Assembly Constitutional Amendment No. 30—A resolution to propose to the people of the State of California an amendment to the Constitution of the state, by amending Section 2.8 of Article XIII thereof, relating to property taxation.*

[Filed with Secretary of State September 18, 1973 ]

*Resolved by the Assembly, the Senate concurring,* That the Legislature of the State of California at its 1973–74 Regular Session commencing on the eighth day of January, 1973, two-thirds of the members elected to each of the two houses of the Legislature voting therefor, hereby proposes to the people of the State of California that the Constitution of the state be amended by amending Section 2.8 of Article XIII thereof, as follows:

SEC. 2.8. The Legislature shall have the power to authorize local taxing agencies to provide for the assessment or reassessment of taxable property where after the lien date for a given tax year taxable property is damaged or destroyed by a misfortune or calamity.

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## RESOLUTION CHAPTER 159

*Assembly Constitutional Amendment No. 91—A resolution to propose to the people of the State of California an amendment to the Constitution of the state, by adding Section 1 to Article XX thereof, relating to local government.*

[Filed with Secretary of State September 18, 1973 ]

*Resolved by the Assembly, the Senate concurring,* That the Legislature of the State of California at its 1973–74 Regular Session, commencing on the eighth day of January, 1973, two-thirds of the members elected to each of the two houses of the Legislature voting therefor, hereby proposes to the people of the State of California that the Constitution of the state be amended by adding Section 1 to Article XX thereof, to read:

SEC. 1. Notwithstanding the provisions of Section 6 of Article XI, the County of Sacramento and all or any of the cities within the County of Sacramento may be consolidated as a charter city and county as provided by statute, with the approval of a majority of the electors of the county voting on the question of such consolidation and upon such other vote as the Legislature may prescribe in such statute. The charter City and County of Sacramento shall be a charter city and a charter county. Its charter city powers supersede conflicting charter county powers.

## RESOLUTION CHAPTER 160

*Assembly Concurrent Resolution No. 51—Relative to directing the State Office of Planning and Research to study Chino Hills as an area of critical environmental concern.*

[Filed with Secretary of State September 18, 1973 ]

WHEREAS, The urban areas of the state are becoming deficient in open-space areas; and

WHEREAS, The establishment of open-space areas near urban centers has been encouraged by legislative and academic studies; and

WHEREAS, The Chino Hills, in a portion of Orange, San Bernardino, Los Angeles, and Riverside Counties, could supply the open-space needs of urban areas within this region; and

WHEREAS, The State Department of Parks and Recreation has recommended that the area be acquired and maintained jointly by the four counties as regional open space; and

WHEREAS, The Office of Planning and Research within state government was proposed to identify areas of statewide significance and critical environmental concern; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the State Office of Planning and Research be directed to study Chino Hills as an area of statewide significance and critical environmental concern and make recommendations as to the manner in which that area may be preserved as urban open space; and be it further

*Resolved,* That the State Office of Planning and Research submit its findings and recommendations to the Legislature no later than January 7, 1974; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit a copy of this resolution to the State Office of Planning and Research.

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## RESOLUTION CHAPTER 161

*Assembly Concurrent Resolution No. 64—Relative to the California Maritime Academy.*

[Filed with Secretary of State September 18, 1973 ]

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Board of Governors of the California Maritime Academy is hereby requested, under the general powers given to it under Section 26052 of the Education Code, to adopt admission standards and policies that will insure that all applicants for admission to the academy shall compete and shall be judged as to qualifications on an equal basis, with no preference to be accorded

an applicant on the basis of any personal nomination or recommendation submitted on his behalf; and be it further

*Resolved,* That any provision or direction to the contrary made or expressed in Resolution Chapter 216 (Senate Concurrent Resolution No. 81) of the Statutes of 1955 is hereby superseded and be deemed inoperative and of no force or effect; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit a copy of this resolution to the Board of Governors of the California Maritime Academy.

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## RESOLUTION CHAPTER 162

*Assembly Concurrent Resolution No. 79—Relative to the instruction of mathematics in public schools.*

[Filed with Secretary of State September 18, 1973 ]

WHEREAS, The Department of Education indicates that there has occurred a steady decline in the mathematics achievement scores of sixth-grade pupils during the last three years; and

WHEREAS, It has been alleged that the decline in such scores is, in part, the result of the textbooks currently utilized in the elementary grades which emphasize the development of conceptual skills at the expense of computational skills; and

WHEREAS, It has also been alleged that the criteria used to select the mathematics textbooks currently in use in the schools was too general to be of substantial use to the Curriculum Commission in its selection procedures; and

WHEREAS, The Legislative Analyst in the Analysis of the Budget Bill, 1973–74 recommends that the Mathematics Task Force in the Department of Education be funded and expanded during the budget year to develop a plan of corrective action to improve the quality of mathematics programs in the public schools; and

WHEREAS, Under the current textbook adoption schedule the State Board of Education will issue a call for bids from publishers for new mathematics materials by September 1, 1974, for use in the public schools by September 1, 1976; and

WHEREAS, The Mathematics Task Force may not have sufficient time to perform an in-depth analysis of the causes and solutions to the problems of mathematics achievement as a result of the current adoption schedule; 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 requests the Superintendent of Public Instruction to direct the Mathematics Task Force to develop comprehensive criteria to be recommended to the Curriculum Commission for their evaluation of the mathematics textbooks proposed for adoption; and be it further

*Resolved,* That such criteria emphasize arithmetic computational

skills, including, but not limited to, the ability to mentally add, subtract, multiply, and divide simple numerical computations at the elementary level and that such criteria be incorporated into the criteria utilized by the Curriculum Commission; and be it further

*Resolved,* That the Department of Education submit a report to the Legislature not later than February 1, 1974, indicating criteria to be recommended to the Curriculum Commission for its evaluation of the mathematics textbooks proposed for adoption for use in the public schools in 1976; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the State Board of Education, the Curriculum Commission, and the Superintendent of Public Instruction.

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## RESOLUTION CHAPTER 163

*Assembly Concurrent Resolution No. 81—Relative to handicapped student facilities at the California State University and Colleges.*

[Filed with Secretary of State September 18, 1973.]

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Trustees of the California State University and Colleges shall in conjunction with the California State University and Colleges Academic Senate, the California State University and Colleges Student Presidents' Association, and the Staff Council of the California State University and Colleges, conduct a study relating to existing facilities, conditions, and available services for physically handicapped students at the California State University and Colleges; and be it further

*Resolved,* That the Trustees of the California State University and Colleges report its findings to the Legislature by January 1, 1975; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the Trustees of the California State University and Colleges, the California State University and Colleges Academic Senate, the California State University and Colleges Student Presidents' Association, and the Staff Council of the California State University and Colleges.

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## RESOLUTION CHAPTER 164

*Assembly Concurrent Resolution No. 87—Relative to consumer education.*

[Filed with Secretary of State September 18, 1973.]

WHEREAS, Few students in California's public school system receive instruction in consumer law and consumer economics; and

WHEREAS, Most young people are poorly informed on such practical matters as the cost of credit, the provisions of contracts and warranties, comparison shopping, representations in advertising, the quality of goods and services, legal remedies for fraud, and other features of consumer protection; and

WHEREAS, Unfair or deceptive business practices have a disproportionate impact on the economic well-being of young people from low-income communities; and

WHEREAS, An early awareness of consumer rights and responsibilities could be the most effective long-range protection against unfair or deceptive business practices; and

WHEREAS, California's public school students frequently express an active interest in consumer education programs; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Department of Education, jointly with the Department of Consumer Affairs, are requested to conduct a study of current consumer education programs that are being conducted; and be it further

*Resolved,* That the findings of this study include descriptions of various approaches to consumer education which may be considered for adoption by California public schools, and proposals for development of pilot programs for consumer education in the public schools; and be it further

*Resolved,* That it is requested that a report of the findings of this study be filed with the Chief Clerk of the Assembly and with the Secretary of the Senate no later than January 1, 1974.

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## RESOLUTION CHAPTER 165

*Assembly Concurrent Resolution No. 93—Relative to an Arthur A. Ohnimus Memorial Redwood.*

[Filed with Secretary of State September 18, 1973 ]

WHEREAS, For nearly half a century a kindly and gentle man, Arthur A. Ohnimus, provided exceptionally able and dedicated service to the Legislature, which earned for him the highest esteem and deepest respect of the members; and

WHEREAS, Arthur, who was first made an attaché of the Assembly in 1915, was elected minute clerk in 1921, and, except for a brief period between 1937 and 1940 when he did not seek the office, served as Chief Clerk of the Assembly from 1923 until his retirement in 1963; and

WHEREAS, He also served the people of this state as an Assistant District Attorney in San Francisco and as a Deputy Attorney

General; and

WHEREAS, In view of the invaluable services which he rendered to the Legislature and people of California, it would be fitting to plant a noble Sequoia sempervirens in Capitol Park in tribute to the memory of Arthur A. Ohnimus; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the members request the Department of General Services to plant a Sequoia sempervirens in Capitol Park in memory of Arthur A. Ohnimus, and be it further

*Resolved,* That the Chief Clerk transmit a copy of this resolution to the Director of General Services.

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## RESOLUTION CHAPTER 166

*Assembly Concurrent Resolution No. 129—Relative to the California State Exposition and Fair.*

[Filed with Secretary of State September 18, 1973 ]

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Members hereby direct the California State Exposition and Fair Executive Committee to report to the Joint Committee on Fair Allocation and Classification, the chairman of the Senate Finance Committee, and the chairman of the Assembly Ways and Means Committee, not later than November 15, 1973, its plans and recommendations for the modification of the fair facilities during the 1974 calendar year and its plans and recommendations for the five-year capital outlay program, which shall include, but not be limited to, the actual amount of money that it anticipates will be necessary to complete such program; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit a copy of this resolution to the California State Exposition and Fair Executive Committee.

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## RESOLUTION CHAPTER 167

*Assembly Joint Resolution No. 18—Relative to the Anadromous Fish Conservation Act.*

[Filed with Secretary of State September 18, 1973 ]

WHEREAS, Congress in extending the Anadromous Fish Conservation Act (P.L. 91-249) made funds appropriated under such act available until expended; and

WHEREAS, The Secretary of the Interior through administrative regulation has required the obligation of funds within the year of

appropriation; and

WHEREAS, Orderly planning, programming, and budgeting for participation by the various states is not feasible within the period of the fiscal year which remains after allocation; now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California memorializes the Secretary of the Interior to extend the period of obligation for funds appropriated under the Anadromous Fish Conservation Act through the fiscal year following the year of appropriation; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of the Interior, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 168

*Assembly Joint Resolution No. 19—Relative to anadromous fish conservation.*

[Filed with Secretary of State September 18, 1973 ]

WHEREAS, The Anadromous Fish Conservation Act (Public Law 89-304, as amended by Public Law 91-249) provides that federal costs for projects administered by a single state shall not exceed 50 percent; and

WHEREAS, Man's encroachment into the environment continues to negatively affect anadromous fish resources; and

WHEREAS, There are insufficient state funds to accomplish all the programs necessary to properly maintain and enhance the anadromous fisheries; and

WHEREAS, Several states have difficulty in providing enough matching funds to meet half the cost of some of the many needed projects; and

WHEREAS, By paying 75 percent of the costs, the federal government could enable the states to match funds for many additional, severely needed projects; 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 memorializes the President to support, and the Congress of the United States to enact, changes in the provisions of the Anadromous Fish Conservation Act to provide that the federal share for anadromous fish conservation projects be increased to 75 percent; and be it further

*Resolved,* That the Legislature of the State of California further memorializes the President to support, and the Congress of the United States to enact, legislation to increase the annual expenditure

authorization under such federal act to $20,000,000 and to increase the appropriation up to the amount authorized in order to more fully meet the needs of the anadromous fish resource; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 169

*Assembly Joint Resolution No. 20—Relative to the Federal Water Project Recreation Act.*

[Filed with Secretary of State September 18, 1973.]

WHEREAS, The Federal Water Project Recreation Act (P.L. 89-72) prescribes that full consideration be given to enhancement of fish and wildlife as a purpose of federal water projects; and

WHEREAS, Anadromous and resident fish populations of the Pacific Coast traverse state lines and are exceptionally valuable resources of national significance for which the demand is greater than the supply; and

WHEREAS, Some federal water developments may have the potential for increasing anadromous and resident fish resources with benefits to both commercial and sport fishermen; and

WHEREAS, The act requires that nonfederal interests must agree to pay one-half of the separable costs and all operation, maintenance, and replacement costs assigned to fish and wildlife enhancement in connection with federal water projects; and

WHEREAS, State or local agencies often do not possess the financial capability of meeting the cost-sharing provisions of the act, and because of budgetary limitations, the fish and wildlife enhancement purposes of the project will be deleted, permanently eliminating project potentials for enhancement; and

WHEREAS, The act limits federal funding to $100,000 for fish and wildlife enhancement at projects authorized prior to 1965, and among such projects many opportunities to enhance fish and wildlife resources cannot be fully realized within this limitation; and

WHEREAS, Some question exists as to the application of the provisions of the act to areas downstream from a project but within the project impact area, although it is in such downstream areas that enhancement may be achieved for species such as salmon and steelhead trout; 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 memorializes the President and the Congress of the United States to amend the Federal Water Project Recreation Act (P.L. 89-72) as

follows:

(a) To make all costs of enhancing anadromous and resident fishes at federal water developments nonreimbursable federal costs; and

(b) To provide for operation and maintenance of such enhancement facilities by either federal or nonfederal bodies as may be appropriate; and

(c) To remove the $100,000 limitation that presently applies to projects authorized prior to 1965; and

(d) To specifically include enhancement in areas downstream from any project but within the impact area of such project; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of the Interior, to the Secretary of Commerce, to the Secretary of Defense, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 170

*Assembly Joint Resolution No. 32—Relative to providing assistance to Nicaraguan earthquake victims.*

[Filed with Secretary of State September 18, 1973.]

WHEREAS, The capital city of Managua, Nicaragua, was totally destroyed by the earthquake which occurred on December 23, 1972; and

WHEREAS, The population of Nicaragua is comprised of over two million people; and

WHEREAS, A drought in 1972 destroyed 90 percent of the crops, leaving the country financially unstable; and

WHEREAS, Over 300,000 people were left homeless and financially destitute because major businesses and industries were centralized in Managua; and

WHEREAS, There are large Nicaraguan communities spread throughout the United States, in New York, New Jersey, Philadelphia, New Orleans, Miami, Chicago, and major cities in California, particularly San Francisco, in which the estimated Nicaraguan population is of about 40,000 people, which constitutes the largest proportion of Spanish-speaking; and

WHEREAS, It will take at least a year to begin to normalize general conditions of the welfare of the Nicaraguan people; and

WHEREAS, Nicaragua has always been a friend and firm supporter of the United States, as demonstrated by the help given to San Francisco in the disastrous 1906 earthquake; now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California, in

consequence of the general feeling towards the people of Nicaragua, responds in supporting continuous assistance to the Nicaraguan earthquake victims and requests the following:

(a) That the State of California give every possible support to the local united efforts of the Nicaraguan earthquake relief program and make available whatever resources it has to aid the Nicaraguan people, including medical supplies, medical assistance, food, local transportation, manpower, centralization of collection of goods, and other emergency needs.

(b) That the United States provide whatever transportation necessary to move the cargo contributed to Nicaragua.

(c) That the United States Immigration Service initiate a refugee program for Nicaraguans wishing to come to the United States similar to the one adopted for Cuban refugees, and also provide extensions of visas and permits for Nicaraguan tourists and students stranded in this country.

(d) That the President and the Congress of the United States, the Governor of the State of California, private groups, religious groups, and individuals open their hearts in a true humanitarian spirit towards the unfortunate victims of the Nicaraguan disaster; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, 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 Governor of the State of California.

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## RESOLUTION CHAPTER 171

*Assembly Joint Resolution No. 48—Relative to the international metric system.*

[Filed with Secretary of State September 18, 1973.]

WHEREAS, The United States is the only major industrial nation in the world that has not adopted the metric system as the principal system of measurement; and

WHEREAS, the Secretary of Commerce has determined in a study authorized by Congress that the increasing use of the metric system is inevitable and that the adoption of the metric system would improve our position in world trade markets; and

WHEREAS, Other nations' trading communities like the European Economic Community are establishing restrictive industrial standards favoring the metric system; and

WHEREAS, the metric system would aid our educational system by simplifying the teaching of math and shortening the time needed to learn math; and

WHEREAS, The State of Ohio has already instituted a 10-year plan

to convert all highway mileage signs to metric; and

WHEREAS, The spreading use of the metric system is creating confusion and unnecessary antipathy towards the metric system; now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature respectfully memorializes the Congress to enact this year legislation establishing the necessary machinery to coordinate the conversion from the imperial system to the metric system, and to establish a deadline of 10 years in which to achieve metric conversion; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 172

*Assembly Joint Resolution No. 51—Relative to memorializing the United States Department of Labor not to cut back funding for the East Bay Skills Center.*

[Filed with Secretary of State September 18, 1973.]

WHEREAS, The East Bay Skills Center has been a highly successful job training and placement program ever since its inception in 1966; and

WHEREAS, Operated by the Peralta Community College District and funded by federal sources under the Manpower Development and Training Act, the East Bay Skills Center boasts a high job placement record of trainees who have completed the prescribed programs; and

WHEREAS, Despite drastic funding cutbacks over the past two years, the skills center has managed to carry on training programs which are current and vital; and

WHEREAS, Both the Peralta College District and the Oakland City Council have commended the effectiveness of the skills center and urge its continued federal support; 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 memorializes the United States Department of Labor not to cut back funding of the East Bay Skills Center; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the United States Department of Labor, and to each Senator and Representative from California in the Congress of the United States.

## RESOLUTION CHAPTER 173

*Assembly Joint Resolution No. 66—Relative to memorializing Congress to support federal "buy American" legislation.*

[Filed with Secretary of State September 18, 1973]

WHEREAS, The Congress of the United States is currently considering several pieces of legislation which would amend the "Buy American Act" of 1933; and

WHEREAS, These proposed amendments, if enacted, would:

1. Establish a 50-percent preference for domestic goods, when purchases are made by all departments of the federal government.

2. Redefine a "domestic product," as one having at least 75 percent of the cost of all components of American origin.

3. Allow all states to have "buy American" legislation or administrative rulings requiring the purchase of domestic materials with public moneys, if they wish.

4. Require the provisions of the federal "Buy American Act" be made a part of any contract financed in whole or in part by federal loans or grants; and

WHEREAS, Such legislation would greatly strengthen many important sectors of the American economy by encouraging increased use of domestic products; 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 memorializes the Members of Congress to enact legislation pending before it amending the "Buy American Act" of 1933; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 174

*Senate Concurrent Resolution No. 42—Relative to Interstate Route 15.*

[Filed with Secretary of State September 18, 1973.]

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the California Highway Commission and the Department of Public Works are hereby requested to assign the highest priority to the construction of that portion of Interstate Route 15 in the County of San Diego to full freeway standards; and be it further

*Resolved,* That the Secretary of the Senate transmit copies of this

resolution to the California Highway Commission and the Director of Public Works.

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## RESOLUTION CHAPTER 175

*Senate Concurrent Resolution No. 57—Relative to the Pygmy Forest Ecological Staircase.*

[Filed with Secretary of State September 18, 1973.]

WHEREAS, The Jughandle Creek watershed in coastal Mendocino County, although barely 1,000 acres in size, has achieved international scientific recognition due to its unusual soil and biologic conditions; and

WHEREAS, The presence of a rare pygmy forest in the Jughandle Creek watershed led to its designation in 1969 by the federal government as a registered natural national landmark; and

WHEREAS, Its peculiar stairstep configuration has caused the Jughandle Creek watershed to become known as the "Pygmy Forest Ecological Staircase" by the thousands of scientists and students who investigate its natural wonders each year; and

WHEREAS, Through the extension of the Jackson State Forest and the private acquisition of other key parcels by California scientists and conservationists, there has been a substantial and determined effort to protect a majority of the acreage and the natural values of the staircase from incompatible land uses; and

WHEREAS, It appears the conservation and public use of the staircase may best be assured through public acquisition of those private parcels remaining in the watershed; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the Resources Agency, working through its Departments of Conservation and Parks and Recreation, is directed to investigate the cost and desirability of public acquisition of those private lands remaining in the Jughandle Creek watershed; the feasibility of linking nearby state park system lands to the watershed as a means of enhancing nature interpretation opportunities for park visitors; and the feasibility of incorporating the state's Mendocino Woodlands camp facilities into the aforementioned "Pygmy Forest Ecological Staircase" concept to provide housing opportunities for students investigating the staircase's natural wonders; and be it further

*Resolved,* That the Resources Agency report the results and findings of such investigations to the Legislature no later than the fifth calendar day of the 1974 Regular Session; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the Secretary of the Resources Agency.

## RESOLUTION CHAPTER 176

*Senate Concurrent Resolution No. 58—Relative to the Fort Ross School.*

[Filed with Secretary of State September 18, 1973 ]

WHEREAS, It has come to the attention of the Members of the Legislature that the historic Fort Ross School building located in Sonoma County has been declared by the Fort Ross School District as no longer being of educational use; and

WHEREAS, This 1885 school building is, therefore, subject to demolition; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the Department of Parks and Recreation is directed to make every effort to preserve the Fort Ross School building and to relocate the school building within the Fort Ross State Historic Park; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the Director of Parks and Recreation.

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## RESOLUTION CHAPTER 177

*Senate Joint Resolution No. 28—Relative to increasing funds provided under the Federal-State Partnership Program.*

[Filed with Secretary of State September 18, 1973 ]

WHEREAS, The Congress appropriates to the National Endowment for the Arts under the Federal-State Partnership Program an equal amount for each state to be used for funding projects and productions in the arts; and

WHEREAS, Such allotments are made without regard to the amount of the appropriation by each state for the arts, and without regard to the needs, population or the level of artistic activity in each state; and

WHEREAS, It is expected that each state shall receive in Federal-State Partnership Program funds one hundred fifty thousand dollars ($150,000) in the fiscal year 1974; and

WHEREAS, For example, California, with a population of 19,953,134 (1970), and Alaska, with a population of 302,173 (1970), will receive the same amount; 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 requests the Congress to amend the National Foundation on the Arts and Humanities Act of 1965 to provide that funds appropriated to the National Endowment for the Arts under the Federal-State Partnership Program be increased and allotted at least in part on the

basis of population, needs and the level of artistic activity in each state, including the amount of appropriation each state makes to its own arts agency; and be it further

*Resolved,* That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to each Senator and Representative from California in the Congress of the United States, to the Chairman of the National Council on the Arts, and to each member of the National Council on the Arts.

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## RESOLUTION CHAPTER 178

*Assembly Concurrent Resolution No. 20—Relative to a study of establishing a medical school in the San Fernando Valley of Los Angeles County.*

[Filed with Secretary of State September 19, 1973 ]

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Joint Committee on the Siting of Teaching Hospitals is hereby requested to conduct a study of the feasibility of establishing a medical school in the San Fernando Valley of Los Angeles County and to report its findings and recommendations to the Legislature by no later than January 15, 1975; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit a copy of this resolution to the Joint Committee on the Siting of Teaching Hospitals.

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## RESOLUTION CHAPTER 179

*Assembly Concurrent Resolution No. 74—Relative to the Judicial Council.*

[Filed with Secretary of State September 19, 1973 ]

WHEREAS, All California citizens and residents are entitled to equal justice under law; and

WHEREAS, Substantial numbers of non-English-speaking citizens and residents are subjected to application of the law in English only at various stages of the judicial process; and

WHEREAS, These non-English-speaking citizens and residents frequently experience serious communication problems because of their inability to communicate in English; and

WHEREAS, These communication difficulties frequently jeopardize access to equal justice under the law and threaten the liberty and property rights of non-English-speaking citizens and

residents; now, therefore, be it

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

(1) That the Judicial Council shall immediately undertake a comprehensive research study to identify and evaluate, at every stage of the judicial process, both criminal and civil, the language needs of non-English-speaking citizens and residents; and

(2) That contact be made with officers and officials directly involved at every stage of the judicial process, to identify, collect and analyze all pertinent data; and

(3) That contact be made with state and federal agencies dealing with minority problems and bilingual needs;

(4) That the Judicial Council should fully utilize appropriate consultant services and technical assistance in performing its functions under this resolution; and

(5) That the study shall include:

(a) Identification of tasks and responsibilities of interpreters at various stages of the judicial process;

(b) Identification of documents and forms that need to be provided in languages other than English;

(c) Standards of qualifications and competency for interpreters at various stages of the judicial process;

(d) The needs faced by non-English-speaking citizens and residents in contact with all justice-related units of government, including, but not limited to, police and sheriffs' offices, district attorneys' offices, public defenders' offices, all courts and the offices of county clerks;

(e) The development, design and conduct of training programs for interpreters;

(f) Development of an interpreter utilization model suitable for use in both urban and rural settings;

(g) Identification of both urban and rural justice systems receptive to testing a developed interpreter utilization model for a one-year period;

(h) Development of a suitable system to fully evaluate the effectiveness of any developed model;

(6) That the Judicial Council shall submit an application for funding of the study desired by this resolution to the California Council on Criminal Justice; and

(7) That the California Council on Criminal Justice should fund the study as a part of its obligation to improve the criminal justice system within California; and

(8) That this study should be completed and a report made to the Legislature by January 31, 1975; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit a copy of this resolution to the Judicial Council.

# RESOLUTION CHAPTER 180

*Assembly Concurrent Resolution No. 132—Relative to physicians.*

[Filed with Secretary of State September 19, 1973.]

WHEREAS, The Legislature is concerned that California citizens wishing to become trained as physicians have adequate opportunities to receive such training in medical schools located within the state; and

WHEREAS, California currently ranks 48th among all states in undergraduate medical school openings in relation to total population; and

WHEREAS, The Legislature finds there is a need for more physicians, particularly in the fields of primary care and in rural areas throughout the state; and

WHEREAS, The Legislature is therefore concerned that any expansion of medical education programs emphasizes the training of physicians in fields of primary care who are oriented to work in areas of need; and

WHEREAS, The Legislature is also concerned that any expansion of medical education programs requiring state funds emphasizes the utilization of community hospitals as sites for clinical training, and generally minimizes any capital outlay expenditures; and

WHEREAS, The Carnegie Commission's report on Higher Education and the Nation's Health recommends that the most desirable site for development of a new medical school in California is Fresno; and

WHEREAS, Prominent elements in the Fresno community, including the Area Health Education Center in Fresno, strongly support the development of a community-service-oriented medical school emphasizing the training of primary care physicians, and have proposed that such a medical school be developed; and

WHEREAS, Congress has appropriated funds under the provisions of PL90-541, The Veterans Administration Medical School Assistance and Health Manpower Training Act of 1972, that would enable the development of such a medical school in Fresno at minimal cost to the state, particularly for capital outlay; and

WHEREAS, The State of California must give assurance to the federal government that it would give continuing support to any medical school development pursuant to PL90-541 before the federal government approves any application for funds to support development of a medical school; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Joint Committee on the Siting of Teaching Hospitals investigate the desirability of establishing a new medical school in Fresno, with particular reference to:

(a) Whether the proposed new medical school would result in a marked increase in the training of primary care physicians who

would locate in the San Joaquin Valley;

(b) Whether the proposed new medical school would improve the availability of needed medical service in Fresno and throughout the San Joaquin Valley;

(c) Benefits, other than subdivisions (a) and (b) above, to the Fresno area and the state at large which would result from development of a new medical school in Fresno;

(d) What the long-range costs to the state would be if the proposed medical school were built in Fresno, both in terms of operational and capital outlay support;

(e) The type of relationships that should exist between the proposed medical school and various elements of the state's higher education system to insure the most effective and efficient operation of the school to meet the needs of the state and the San Joaquin Valley;

(f) Whether the state should support an application for federal funds to initiate development of the proposed new medical school in Fresno; and be it further

*Resolved,* That the Joint Committee on the Siting of Teaching Hospitals report its findings and recommendations to the Legislature no later than January 1, 1974.

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## RESOLUTION CHAPTER 181

*Assembly Concurrent Resolution No. 131—Relative to the Joint Committee on the Master Plan for Higher Education.*

[Filed with Secretary of State September 20, 1973 ]

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Joint Committee on the Master Plan for Higher Education is continued in existence until January 12, 1974, with all of the rights, duties and powers conferred upon that committee by Resolution Chapter 285 of the Statutes of 1970 and Resolution Chapters 129 and 232 of the Statutes of 1971; and be it further

*Resolved,* That the committee is empowered to expend any funds heretofore or hereafter made available and accept additional allocations made available by the Joint Rules Committee; provided that, in accordance with Joint Rule 36.8, any expenditure of funds shall be made in compliance with policies set forth by the Joint Rules Committee and shall be subject to the approval of the Joint Rules Committee.

## RESOLUTION CHAPTER 182

*Assembly Joint Resolution No. 35—Relative to the Rural Electrification Administration.*

[Filed with Secretary of State September 20, 1973 ]

WHEREAS, The Rural Electrification Administration (REA) has, in the nearly 38 years of its existence, brought low-cost electrical and telephone service to countless millions of people living in rural and sparsely populated regions, and by providing these vital services has furthered the more complete unification of the people of this country by helping to bring the benefits of technology and modern communication to all; and

WHEREAS, The success of REA over these many years has been due to the availability of loans at an interest rate of 2 percent for rural electrification and telephone installation; and

WHEREAS, The Department of Agriculture has announced that the REA electrical and telephone 2 percent interest loan program is being converted to a program of insured and guaranteed loans at 5 to 7 percent interest; and

WHEREAS, This proposed change will increase many times over the charges involved in securing funds for these vital and important projects, and will deny or delay the benefits of electricity and modern communications to some of this country's most disadvantaged people; 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 memorializes the Congress of the United States to appropriate, and the President of the United States to expend, funds enabling REA to continue its program of rural electrification and telephone loans at 2 percent interest; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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## RESOLUTION CHAPTER 183

*Assembly Joint Resolution No. 65—Relative to commemorative postage stamps in recognition of the contributions of this nation's hunters and fishermen.*

[Filed with Secretary of State September 20, 1973 ]

WHEREAS, The outstanding contributions of this nation's hunters and fishermen to recreation, conservation, and the economy deserve special recognition; and

WHEREAS, In California, in 1851 and 1852, hunters and anglers are recorded as having been the primary leaders in major conservation programs; and

WHEREAS, American sportsmen-conservationists are responsible for the founding of state fish and game departments in all 50 states, and they requested that they, themselves, be required to buy hunting and fishing licenses and that the money collected be used to support state and national conservation programs, and hunters and fishermen requested that purchases of their fishing and hunting equipment be taxed and that the money be used for land acquisition, research, and habitat management for fish and wildlife for the enjoyment of all Americans; and

WHEREAS, America's hunters and fishermen asked for season and bag limits so that everyone would have an equal chance to harvest an annual crop of game and fish without damage to the basic breeding stock of any species; and

WHEREAS, Sportsmen's programs have benefited hundreds of nongame fish and wildlife species through habitat preservation and development; and

WHEREAS, Hunters and fishermen through the sportsmen-conservationists organizations such as the California Wildlife Federation, Ocean Fish Protective Association, California Waterfowl Association, the National Wildlife Federation, the National Rifle Association, Ducks Unlimited, and Izaak Walton League (and all affiliated units of these organizations) have led the nation in the battle for a better environment and wise use of our natural resources; and

WHEREAS, The California Legislature commends the hunters and fishermen of this state and nation for their continuing leadership and participation in conservation programs and activities so vital to fish and wildlife welfare; 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 memorializes the President and Congress of the United States to petition the United States Postal Service to institute an annual issue of commemorative postage stamps in recognition of the unparalleled contributions of this nation's hunters and fishermen to the conservation and wise use of all our natural resources; and be it further

*Resolved,* That the postal service's annual issue of such stamps be instituted in conjunction with the President's approval or declaration of a National Hunting and Fishing Day; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

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# RESOLUTION CHAPTER 184

*Assembly Concurrent Resolution No. 60—Relative to transportation planning.*

[Filed with Secretary of State September 20, 1973 ]

WHEREAS, Section 13991 of the Government Code requires the State Transportation Board to prepare and submit to the Legislature a report concerning transportation planning; and

WHEREAS, Section 13991 further provides that the board may allocate funds from the Transportation Planning and Research Account in the State Transportation Fund, and the Department of Transportation shall undertake the development of the California Transportation Plan, when authorized to do so by the Legislature subsequent to the submission of the report required by that section; and

WHEREAS, The board has submitted the report required pursuant to Section 13991; and

WHEREAS, The various forms of regional agencies discussed and the issues of intergovernmental roles and responsibilities addressed in that report are continuing in nature, and must be considered throughout the process of developing the California Transportation Plan; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That the Legislature hereby acknowledges receipt of the Section 13991 report prepared by the State Transportation Board, with the understanding that authorization for the board to allocate the funds from the Transportation Planning and Research Account in the State Transportation Fund, and for the Department of Transportation to undertake the development of the California Transportation Plan, will be accomplished by legislative appropriation of funds from the account; and be it further

*Resolved,* That the Legislature accepts the Section 13991 report with the additional understanding that the board has not made a fixed and irrevocable recommendation on the form and authority of regional agencies in transportation planning, and that the state transportation system planning process called for by Chapter 1253 of the Statutes of 1972 (A.B. 69) will provide more information on which to make final recommendations; and be it further

*Resolved,* That the State Transportation Board is hereby requested to consult with and actively secure the advice of cities, counties, statutorily created regional transportation planning agencies, and councils of government in the formulation and evaluation of state policies, plans, and procedures for transportation programs; and be it further

*Resolved,* That the State Transportation Board is hereby requested to assure that there is maximum opportunity for local self-determination in the overall transportation planning and development process; and be it further

*Resolved,* That the State Transportation Board is hereby requested to submit to the Legislature, not later than November 1, 1973, a report on the proposed allocations to be made to regional planning agencies from the Transportation Planning and Research Account in the State Transportation Fund; and be it further

*Resolved,* That the State Board of Transportation is hereby requested to include, in the report of progress on the California Transportation Plan to be submitted to the Legislature not later than July 1, 1974, a statement of their activities pursuant to this resolution; and be it further

*Resolved,* That the Legislature hereby acknowledges its appreciation to the State Transportation Board for its continuing efforts to achieve a balanced transportation system in the state; and be it further

*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the State Transportation Board and to the Secretary of the Business and Transportation Agency.

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## RESOLUTION CHAPTER 185

*Assembly Concurrent Resolution No. 117—Relative to the creation of the Joint Committee on Postsecondary Education.*

[Filed with Secretary of State September 20, 1973 ]

WHEREAS, There are rapid changes and developments in postsecondary education; and

WHEREAS, Informed public policy requires continuing expertise; and

WHEREAS, The Legislature bears much responsibility in determining educational policy; and

WHEREAS, The Joint Committee on the Master Plan for Higher Education recommended that the Legislature increase its policy staff capability in postsecondary education; now, therefore, be it

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

1. Effective January 12, 1974, the Joint Committee on the Master Plan for Higher Education is changed in name to the Joint Committee on Postsecondary Education, which is hereby authorized and directed to ascertain, study and analyze all facts relating to postsecondary education, 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 report its recommendations for appropriate legislation.

2. The committee shall:

(a) Develop a study plan each year consisting of selected policy issues after consultation with the segments of postsecondary education, the Postsecondary Education Commission, students, faculty, and other interested individuals, organizations and state agencies. Adoption of the study plan shall be followed by an analysis of issues, relevant data, and policy alternatives; public hearings to determine whether legislation is needed; and drafting of legislation as appropriate.

(b) Provide summaries and critiques of reports by the Postsecondary Education Commission, State Scholarship and Loan Commission, Department of Finance, and national and state commissions and study groups. Monitor studies being conducted by the Postsecondary Education Commission pursuant to the Report of the Joint Committee on the Master Plan for Higher Education.

(c) Conduct studies requested by the Legislature.

(d) Provide consultation and technical assistance to legislators on matters pertaining to postsecondary education.

(e) Prepare legislation pursuant to the recommendations in the Report of the Joint Committee on the Master Plan for Higher Education.

(f) Provide periodic seminars for legislative staff and interested legislators. The seminars shall utilize persons prominent in postsecondary education and postsecondary education research.

(g) Assist in the analysis of postsecondary education legislation upon request from the Assembly and Senate Committees on Education.

(h) Maintain continuous contact with organizations such as the Western Interstate Commission for Higher Education, the Education Commission of the States, the American Council on Education, and similar organizations.

3. The committee shall consist of five Members of the Senate, appointed by the Committee on Rules thereof, and five Members of the Assembly, appointed by the Speaker thereof. Vacancies occurring in the membership of the committee shall be filled by the appointing power.

4. The committee is authorized to act during this session of the Legislature, including any recess, until November 30, 1974, with authority to file its final report not later than November 30, 1974. On January 12, 1974, the committee shall assume the functions and duties outlined herein in addition to any uncompleted functions and responsibilities assigned to the Joint Committee on the Master Plan for Higher Education after September 1, 1973.

5. The committee and its members shall have and exercise all of the rights, duties and powers conferred upon investigating committees and their members by the provisions of the Joint Rules of the Senate and Assembly as they are adopted and amended from time to time, which provisions are incorporated herein and made

applicable to this committee and its members.

6. The committee has the following additional powers and duties:

(a) To contract with such other agencies, public or private, as it deems necessary for the rendition and affording of such services, facilities, studies and reports to the committee as will best assist it to carry out the purposes for which it is created.

(b) To cooperate with and secure the cooperation of county, city, city and county, and other local law enforcement agencies in investigating any matter within the scope of this resolution and to direct the sheriff of any county to serve subpoenas, orders and other process issued by the committee.

(c) To report its findings and recommendations to the Legislature and to the people from time to time and at any time, not later than herein provided.

(d) To do any and all other things necessary or convenient to enable it fully and adequately to exercise its powers, perform its duties, and accomplish the objects and purposes of this resolution.

7. The Joint Rules Committee may make such money available from the Contingent Funds of the Assembly and Senate as it deems necessary for the expenses of the committee and its members. In accordance with Joint Rule 36.8, any such expenditure of funds shall be made in compliance with policies set forth by the Joint Rules Committee and shall be subject to the approval of the Joint Rules Committee.

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## RESOLUTION CHAPTER 186

*Assembly Concurrent Resolution No. 126—Relative to conference committees.*

[Filed with Secretary of State September 20, 1973 ]

*Resolved by the Assembly of the State of California, the Senate thereof concurring,* That Rule 29.5 be added to the Joint Rules of the Senate and Assembly for the 1973–74 Regular Session, to read:

### Conference Committees

29.5. All meetings of any conference committee dealing with the Budget Bill shall be open to the public.

## RESOLUTION CHAPTER 187

*Senate Concurrent Resolution No. 43—Relative to assessment practices.*

[Filed with Secretary of State September 20, 1973 ]

WHEREAS, Section 1 of Article XIII of the State Constitution requires that all property not otherwise exempt shall be taxed in proportion to its value; and

WHEREAS, It has come to the attention of the Members of the Legislature that it is the practice of some assessors to practice "cluster assessing," whereby one parcel, taken as being typical, is used as the basis for the revaluation of all other property in the area by the same uniform percentage; and

WHEREAS, The fact that each parcel of real property is unique and cannot be equated with any other parcel of real property makes "cluster assessing" inaccurate and inequitable; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the members request that assessors cease using "cluster assessing" and to assess each parcel at the required percentage of its full cash value on an individual basis as required by the State Constitution; and be it further

*Resolved,* That the Secretary of the Senate transmit copies of this resolution to each assessor in the state.

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## RESOLUTION CHAPTER 188

*Senate Concurrent Resolution No. 70—Relative to tests of air pollution control device on 1966–70 state-owned cars.*

[Filed with Secretary of State September 20, 1973.]

WHEREAS, In 1971 the Legislature required by statute that the State Air Resources Board require installation of devices to control the emission of oxides of nitrogen on 1966–70 model vehicles having a manufacturer's gross vehicle weight rating of under 6,001 pounds as soon as such devices were approved and available; and

WHEREAS, The State Air Resources Board approved six such devices and set up a schedule for installation on approximately 5,000,000 California vehicles of that vintage still operating; and

WHEREAS, Testimony before the Senate Transportation Committee revealed that, while the approved devices would curtail the emission of the oxides of nitrogen, there was a serious area of controversy over the effect of these devices on the vehicles involved; and

WHEREAS, The people of the state should not be required to participate in a mandatory program of this nature unless there is a

probability that the benefits to be expected bear a reasonable relationship to the expense and inconvenience of such a program; and

WHEREAS, The California State Senate, on May 31, 1973, adopted a resolution (Senate Concurrent Resolution No. 52) requesting the Air Resources Board to delay the installation of these devices until January 31, 1974; and

WHEREAS, The State Air Resources Board, at its Los Angeles meeting on June 7, 1973, did suspend its orders for installation of these devices until October 1, 1973; and

WHEREAS, The Department of General Services and the Division of Highways have in their ownership and control a substantial number of state vehicles which appropriately may be used to evaluate the advantages and disadvantages of any program designed to require the installation of such devices on privately owned models of such vehicles; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the Department of General Services and the Division of Highways are hereby directed forthwith to install one of the approved devices on each of the 1966–70 state-owned vehicles having a manufacturer's gross vehicle weight rating of under 6,001 pounds operated under their authority, with approximately the same total number of each of such devices being installed; and be it further

*Resolved,* That each agency make a complete study, in cooperation with and under the direction of the State Air Resources Board, concerning the full effect on the operation of these vehicles with such devices, and report to the State Air Resources Board no later than December 1, 1973; and be it further

*Resolved,* That the State Air Resources Board report to the Legislature no later than January 31, 1974, with a compilation of the results of these tests and its evaluations of the advantages and disadvantages of the attachment of such devices to these vehicles, and with recommendations for any appropriate legislation; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the State Air Resources Board, the Department of General Services, and the Division of Highways.

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## RESOLUTION CHAPTER 189

*Senate Concurrent Resolution No. 72—Relative to conference committees.*

[Filed with Secretary of State September 20, 1973 ]

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That Rule 29.5 be added to the Temporary Joint Rules of the Senate and Assembly for the 1973–74 Regular Session, to read:

Conference Committees

29.5. All meetings of any conference committee dealing with the Budget Bill shall be open to the public.

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## RESOLUTION CHAPTER 190

*Senate Concurrent Resolution No. 75—Relative to Standard Oil Corporation.*

[Filed with Secretary of State September 20, 1973.]

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the State of California, acting through the Department of General Services, explore the possibility of establishing a multicompany charge card to help eliminate the monopolistic tendency of the present contract.

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the Department of General Services.

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## RESOLUTION CHAPTER 191

*Senate Concurrent Resolution No. 77—Relative to the Joint Committee on Seismic Safety.*

[Filed with Secretary of State September 20, 1973 ]

WHEREAS, The urban areas of California are increasingly more vulnerable to seismic disaster because of the ever-increasing strain along major fault traces and the increasing concentration of population; and

WHEREAS, The world's earthquake experts agree that California will experience and is chronologically overdue for another "great" earthquake of the magnitude of that experienced by San Francisco in 1906; and

WHEREAS, In Resolution Chapter 378 of the Statutes of 1969, the Legislature assigned the Joint Committee on Seismic Safety responsibility for developing a comprehensive statewide seismic safety plan by mid-1974 and has invested over $225,000 in that effort which is near completion; and

WHEREAS, The Joint Committee on Seismic Safety, its staff,

technical consultants, and over 70 volunteer experts in five advisory groups have been molded into a working organization with a common base of understanding, integrated working programs, and tens of thousands of hours of donated time devoted to arriving at this point of the four-year study; and

WHEREAS, During 1971 and 1972, the joint committee authored and passed 11 items of legislation which could not be held until the comprehensive seismic safety plan was completed; and

WHEREAS, Legislation pertaining to emergency service structures and local disaster plans is currently being proposed by the joint committee in order to promote immediate remedies to these problems; and

WHEREAS, Although the advisors to the joint committee are meeting monthly with the assistance of necessary staffing, the final comprehensive legislative proposal, including elements on engineering considerations and earthquake sciences, governmental organization and performance, land use planning, disaster preparedness, and postearthquake recovery and redevelopment, cannot be completed in proper form by the volunteer advisors prior to 1974; and

WHEREAS, Numerous pertinent seismic safety bills recommended in the joint committee's final report will be introduced in 1974, and the assistance of the technical advisors and staff is necessary to insure the adequate drafting and proper presentation and support for the legislation through this legislative session; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the chairman and the Joint Committee on Seismic Safety shall, with the assistance of the volunteer advisors, continue the development and implementation of a comprehensive statewide seismic safety plan as specified in Resolution Chapter 378 of the Statutes of 1969 through December 1974; and be it further

*Resolved,* That the joint committee shall introduce immediately applicable items of legislation as soon as these are developed rather than at the conclusion of the study; and be it further

*Resolved,* That a preliminary draft of the final comprehensive seismic safety plan shall be presented to the Joint Committee on Seismic Safety as a progress report of the advisors to the joint committee by October 31, 1973, and that the final report be presented to the Legislature by June 30, 1974.

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## RESOLUTION CHAPTER 192

*Senate Concurrent Resolution No. 81—Relative to external higher education program.*

[Filed with Secretary of State September 20, 1973.]

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the Joint Committee on Master Plan for Higher Education is hereby directed to undertake a limited study of higher education in California by determining the feasibility of implementing an external higher education program in the state which leads to A.A., B.A. and B.S. degrees and certificates of achievement; and be it further

*Resolved,* That the Joint Committee on Master Plan for Higher Education is directed to contract with a private consulting firm for such study, provided that the Joint Rules Committee has approved the final contract; and be it further

*Resolved,* That the money necessary for such a study is hereby made available from the Contingent Funds of the Assembly and Senate for the expenses of conducting such study.

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## RESOLUTION CHAPTER 193

*Senate Joint Resolution No. 24—Relative to national veterans' cemeteries.*

[Filed with Secretary of State September 20, 1973 ]

WHEREAS, A shortage of burial space in our national cemeteries has prevented thousands of veterans from being paid last respects in the manner for which they are entitled; and

WHEREAS, This is a deplorable situation for a country whose men have served her so faithfully and so well; and

WHEREAS, More than 3 million California veterans are now eligible for such interment but may not receive final tribute from their country unless provision is made for them by Congress; now, therefore, be it

*Resolved by the Senate and Assembly of the State of California, jointly,* That the Legislature of the State of California memorializes the Congress for swift passage of legislation to provide for national cemeteries to accommodate the 3 million California veterans who are eligible for such interment; and be it further

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

## RESOLUTION CHAPTER 194

*Senate Concurrent Resolution No. 86—Relative to a recess of the Legislature.*

[Filed with Secretary of State December 6, 1973 ]

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the Senate shall be in recess from adjournment on Friday, December 7, 1973, until 4 o'clock p.m., Monday, January 7, 1974, and that the Assembly shall be in recess from adjournment on Friday, December 7, 1973, until 11 o'clock a.m., Monday, January 7, 1974.

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## RESOLUTION CHAPTER 195

*Senate Concurrent Resolution No. 84—Relative to exclusive highway lanes for buses and multiple-occupant motor vehicles.*

[Filed with Secretary of State December 7, 1973 ]

WHEREAS, The nation and the State of California are experiencing a shortage in the supply of available energy of between 10 and 17 percent; and

WHEREAS, This shortage represents a crisis in the availability of energy to households, industry and government which can be mitigated only by the efficient use of the existing energy supply; and

WHEREAS, Transportation consumes one-half of the annual domestic supply of petroleum which represents nearly 24 percent of the total demand for energy; and

WHEREAS, The private automobile consumes 60 percent of the petroleum used in transportation; and

WHEREAS, The automobile, in achieving approximately 18 passenger miles per gallon, is considerably less efficient than the transit bus which achieves approximately 40 passenger miles per gallon of fuel; and

WHEREAS, The greatest and the most inefficient use of the automobile is when it is used for a daily commute trip by one person; and

WHEREAS, An objective for meeting the energy crisis is to use efficiently available petroleum resources; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the State Department of Transportation and its Divisions of Mass Transportation and Highways promptly take steps to make available appropriate lanes on the highways of California metropolitan areas for the exclusive use of public transit buses and multiple-occupant motor vehicles during commute hours; and be it further

*Resolved,* That the State Department of Transportation and its Divisions of Mass Transportation and Highways, in meeting this objective, work with the transit operators, city and county governments and areawide transportation planning organizations; and be it further

*Resolved,* That the State Department of Transportation report back to the Legislature on the steps taken to implement this resolution within ninety (90) days of the adoption of this resolution; and be it further

*Resolved,* That the Secretary of the Senate transmit a copy of this resolution to the Department of Transportation.

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## RESOLUTION CHAPTER 196

*Senate Concurrent Resolution No. 87—Approving amendments to the Charter of the City of San Diego, State of California, ratified by the qualified electors of the city at a general municipal election held therein on the sixth day of November, 1973*

[Filed with Secretary of State December 7, 1973.]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City of San Diego, a municipal corporation in the County of San Diego, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

We, the undersigned, Pete Wilson, Mayor of The City of San Diego, and Edward Nielsen, City Clerk of said City, do hereby certify and declare as follows:

The City of San Diego, a municipal corporation, is now and since the year 1931 has been organized and existing under and pursuant to the provisions of a freeholders' charter adopted in accordance with and by virtue of the then effective provisions of Section 8, Article XI of the Constitution of the State of California.

That pursuant to and in accordance with the provisions of Sections 3 and 5, Article XI of the Constitution of the State of California, the City Council of said City, being the legislative body thereof, on its own motion proposed to the qualified electors of The City of San Diego certain amendments to the Charter of the said City, which amendments were designated as Propositions B, C, D, E, F, G, H, J and K, and submitted said propositions to the qualified electors of the City of San Diego at the general municipal election held on November 6, 1973

That said proposed charter amendments were published and advertised in the San Diego Daily Transcript, a daily newspaper of general circulation in the City of San Diego, and the official newspaper of said City, and in each edition thereof during the day of publication, to wit: September 20, 1973.

That copies of said proposed charter amendments were printed in convenient pamphlet form and in type of not less than ten point, and were mailed to each of the qualified electors of said City, and that until the date fixed for the election herein described, a notice was advertised and published in the San Diego Daily Transcript, a daily newspaper of general circulation published in the City of San Diego, and the official newspaper of said City, that copies of said proposed charter amendments could be had upon application therefor at the office of the City Clerk of The City of San Diego.

That such copies of said proposed charter amendments could be had upon application therefor at the office of the City Clerk of said City until the date fixed for said election. That said proposed amendments were submitted to the qualified electors of said City at said general municipal election held in said City.

That at said election of the said proposed amendments to the Charter of The City of San Diego, a majority of the qualified voters of the City voting on said proposed amendments voted in favor of Propositions E, H and K and said proposed amendments were ratified by a majority of the qualified electors of said City voting thereon. That all of said proceedings were duly and regularly had and taken in accordance with the Constitution of the State of California and the Charter of The City of San Diego and the laws of the State of California.

That as to the amendments of the Charter of The City of San Diego hereinafter set forth, this certificate shall be taken as a full and complete certification as to the regularity of all proceedings had and done in connection therewith.

That the proposed amendments to the Charter of The City of San Diego, which were so ratified by a majority of the electors of said City, are in words and figures as follows:

PROPOSITION E

Add Sections 12.1, 24.1 and 41.1 to Articles III, IV and V of the Charter of The City of San Diego to read as follows:

Section 12.1. Councilmanic Salaries.

On or before February 15 of every even year, the Salary Setting Commission shall recommend to the Council the enactment of an ordinance establishing the salary of members of the Council for the period commencing July 1 of that even year and ending two years thereafter. The Council may adopt the salaries by ordinance as recommended by the Commission, or in some lesser amount, but in no event may it increase the amount. The ordinance shall be subject to the referendum provisions of this Charter and upon the filing of a sufficient petition, the ordinance shall not become effective and shall be repealed by the Council or shall forthwith be submitted to a vote of the people at the next general statewide election.

Section 24.1. Mayor's Salary.

On or before February 15 of every even year, the Salary Setting Commission shall recommend to the Council the enactment of an ordinance establishing the Mayor's salary for the period commencing July 1 of that even year and ending two years thereafter. The Council shall adopt the salary by ordinance, as recommended by the Commission, or in some lesser amount, but in no event may it increase the amount. The ordinance shall be subject to the referendum provisions of this Charter and upon the filing of a sufficient petition, the ordinance shall not become effective and shall be repealed by the Council or shall forthwith be submitted to a vote of the people at the next general statewide election.

Section 41.1. Salary Setting Commission.

There is hereby created a Salary Setting Commission consisting of seven members who shall be appointed by the Civil Service Commission for a term of four years. The first members shall be appointed for a term commencing January 1, 1974. Initially, the Commissioners shall be appointed in a manner so that three are appointed for two-year terms and four are appointed for four-year terms. The Salary Setting Commission shall recommend to the Council the enactment of an ordinance establishing salaries for the Mayor and Council as provided by this Charter. The Council shall provide the funds necessary to enable the Commission to perform its duties. The Civil Service Commission in its appointments shall take into consideration sex, race and geographical area so that the membership of such Commission shall reflect the entire community.

## PROPOSITION H

Amend Section 58 of Article V of the Charter of The City of San Diego to read as follows:

Section 58. Fire Department.

The Fire Department shall consist of a Chief of the Fire Department and such other officers, members and employees as the Council may from time to time prescribe by ordinance.

The Chief of the Fire Department shall be appointed by the City Manager and the appointment shall be confirmed by a majority of the Council, provided, however, that the Chief of the Fire Department may be removed by the City Manager at any time in the manner provided for in Section 30 of Article V of this Charter. The Chief of the Fire Department shall have all power and authority necessary for the operation and control of the Fire Department and the protection of the lives and property of the people of the City from fire.

The Chief of the Fire Department, with the approval of the City Manager, shall direct and supervise the personnel. Members of the Fire Department shall be subject to all the Civil Service provisions

of this Charter contained in Article VIII. This section shall not become effective until July 1, 1974.

PROPOSITION K

Add Sections 42 and 224 to Articles V and XIV of the Charter of The City of San Diego to read as follows:

Section 42. Membership Selection.

The appointing authority in selecting appointees to commissions, boards, committees or panels shall take into consideration sex, race and geographical area so that the membership of such commissions, boards, committees or panels shall reflect the entire community.

Section 224. Gender.

Wherever in this Charter the masculine gender is used, the same shall be deemed amended to include the feminine gender.

and we further certify that we have compared the foregoing proposed and ratified amendments to the Charter of The City of San Diego with the original proposal submitting the same to the electors of said City, and find that the foregoing is a full, true and exact copy thereof.

In witness whereof, we have hereunto set our hands and caused the seal of said The City of San Diego to be affixed hereto this 4th day of December, 1973.

PETE WILSON
(SEAL) Pete Wilson
Mayor of The City of
San Diego, California
EDWARD NIELSEN
Edward Nielsen
City Clerk of The City
of San Diego, California

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Senate of the State of California, the Assembly thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City of San Diego, as proposed to, and adopted and ratified by, the electors of the city as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City of San Diego.

## RESOLUTION CHAPTER 197

*Senate Joint Resolution No. 38—Relative to fuel rationing.*

[Filed with Secretary of State December 7, 1973 ]

WHEREAS, The allocation of fuel pursuant to any legislation enacted by the Congress of the United States should be made to each state on the basis of its total statewide need for fuel; and

WHEREAS, In view of the fact that the need for various types of fuel varies from state to state, such legislation should authorize each state to determine what portion of its total fuel allocation is to be allocated to meet its various fuel requirements; 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, if fuel rationing is necessary, to enact such legislation which would allocate fuel to each state on the basis of its total statewide need for fuel and authorize each state to determine what portion of its total fuel allocation is to be allocated to meet its various fuel requirements; and be it further

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

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## RESOLUTION CHAPTER 198

*Assembly Concurrent Resolution No. 140—Approving an amendment to the Charter of the City of Santa Barbara, County of Santa Barbara, State of California, ratified by the qualified electors of the city at a general municipal election held therein on the 17th day of April, 1973.*

[Filed with Secretary of State December 11, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption and ratification of an amendment to the Charter of the City of Santa Barbara, a municipal corporation in the County of Santa Barbara, State of California, as hereinafter set forth in the certificate of the mayor and city clerk of the city, as follows:

CERTIFICATE OF RATIFICATION OF A CHARTER AMENDMENT BY ELECTORS OF THE CITY OF SANTA BARBARA

State of California
County of Santa Barbara } ss
City of Santa Barbara

We, the undersigned, David T. Shiffman, Mayor of the City of Santa Barbara, and J. E. Newton, City Clerk of said City, do hereby certify and declare as follows:

That the City of Santa Barbara, a municipal corporation in the County of Santa Barbara, State of California, is now and at all times herein mentioned was a city duly organized, existing and acting under a freeholders charter adopted under and pursuant to Section 3 of Article XI of the Constitution of the State of California.

That in accordance with the provisions of Section 3 of Article XI of the Constitution of the State of California, the Council of said City, being the legislative body thereof, duly and regularly submitted to the qualified electors of said City a certain proposal for the amendment of the Charter of said City at a general municipal election duly and regularly called and held for that purpose in said City on the 17th day of April, 1973, said charter amendment being herein designated as Charter Amendment No. 2.

That on the 2nd day of March, 1973, said Council caused said proposed Charter amendment to be duly and regularly published and advertised in each and every edition of said 2nd day of March, 1973, in the Santa Barbara News-Press, a daily newspaper of general circulation, printed, published and circulated in said City, there being no official paper of said City.

That said Council caused copies of said proposed Charter amendment to be printed in convenient pamphlet form and in type of not less than 10-point and caused copies thereof to be mailed to each of the qualified electors of said City.

That said Council, until the day fixed for the election upon said proposed Charter amendment, did advertise in said Santa Barbara News-Press, a daily newspaper of general circulation in said City, a notice that copies thereof might be had upon application therefor; that copies of said proposed Charter amendment could be had upon application therefor at the office of the City Clerk of said City up to and including the day fixed for said election.

That said general municipal election was duly and regularly held in said City on the 17th day of April, 1973, which date was not less than forty (40) and not more than sixty (60) days after completion of the advertising of said proposed Charter amendment, and the returns of said election were duly and regularly canvassed and the results declared and entered, namely, that at said election a majority of the qualified electors voting thereon voted in favor of and did ratify said Charter amendment hereinafter specifically set forth.

That said amendment to the Charter of said City so ratified by the

voters of said City is as follows, to wit:

Charter Amendment No. 2

That Section 1211 of Article XII of the Charter of the City of Santa Barbara (1967) be changed to read as follows:

"Article XII

"Fiscal Administration

"Section 1211. Salaries. Annual Adjustment. In order to provide understandable methods of salary setting which will result in compensation reasonable to employees and taxpayers alike, the salary administration policy and procedures for the City shall be implemented in a manner consistent with modern public personnel administration.

(a) The City Administrator shall annually review the salary schedules, rates of compensation, and related benefits of all the Officers, Mangement Employees, General Employees, and Police and Fire Employees of the City, as such employee groups may be defined by ordinance, in accordance with the wage compensation policy hereinafter set forth.

(b) The compensation which shall be paid to Police and Fire personnel shall be the salary or wage rate at least equal to the average rate for each comparable position paid by the twenty cities in California, the populations of which are nearest to that of the City as of January first preceding the adjustment specified in subsection (e) of this section and on file with the State Controller and known as the "Estimated Population" by the State Controller.

(c) The salary or wage rates of General Employees of the City shall be annually adjusted to reflect at least the percentage change, if any, which occurred in the annual average of the monthly United States Retail Consumer Price Indices (All Items) of the preceding calendar year, as compared with the annual average of such indices for the prior preceding calendar year. For purposes of this Subsection the term United States Retail Consumer Price Indices (All Items) shall include any succeeding survey or index serving substantially the same purpose as the United States Retail Consumer Price Indices (All Items) which may replace said survey in case such survey is ever discontinued.

(d) Compensation for Management Employees of the City shall be in accordance with the Management Compensation Plan specified by ordinance. The salaries of Management Employees shall be annually reviewed and adjusted on the basis of comparability with other public jurisdictions having departmental divisions of similar size and positions. In recommending salary adjustments to the Council, the City Administrator shall take into account cost-of-living indices, recruitment difficulties, staff organization, and

responsibility.

(e) The City Council shall annually by ordinance or resolution effective on the first day of July of each year adjust the salary schedules and rates of compensation of all City officers and employees, other than City Councilmen, in accordance with the provisions of this section.

(f) This section shall become operative and effective on January 1, 1974.

Notwithstanding the foregoing provisions of this Section: (1) when the functions, duties, demands or responsibilities of a position or classification are substantially changed, (2) when a sufficient number of applicants for a class or position is not available, (3) when the ability, capabilities, background or experience of the occupant of an office or position are substantially different from those of the previous occupant, or (4) when a new position is created, the City Council may change and establish the salary for any such office, position or classification so as to be fair and just and compatible with the facts, circumstances and consideration as above set forth. Salary schedules or rates shall not be changed except in accordance with this Section."

That we have compared the amendment as stated herein with the original proposal submitted to the electors of said City and find and certify that it is a full, true and correct copy thereof.

In witness whereof, we have hereunto set our hands and caused the seal of said City of Santa Barbara to be affixed hereto this 10th day of July, 1973.

DAVID T. SHIFFMAN
David T. Shiffman
(SEAL) Mayor of the City of
Santa Barbara, California
J. E. NEWTON
J. E. Newton, City Clerk of
the City of Santa Barbara,
California

and

WHEREAS, The proposed amendment to the charter, as adopted and ratified as hereinabove set forth, has been and now is duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendment to the Charter of the City of Santa Barbara, as proposed to, and adopted and ratified by, the electors of the city, as hereinabove fully set forth, is hereby approved as a whole, without alteration or amendment, for and as an amendment to, and as part of, the Charter

of the City of Santa Barbara.

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## RESOLUTION CHAPTER 199

*Assembly Concurrent Resolution No. 141—Approving amendments to the Charter of the City and County of San Francisco, State of California, ratified by the qualified electors of the city and county at the general municipal and special state election held therein on the 6th day of November, 1973.*

[Filed with Secretary of State December 11, 1973 ]

WHEREAS, Proceedings have been taken and had for the proposal, adoption, and ratification of amendments to the Charter of the City and County of San Francisco, a municipal corporation in the State of California, as hereinafter set forth in the certificate of the president and clerk of the board of supervisors of the city and county, as follows:

Whereas, The City and County of San Francisco, State of California, contains a population of over 500,000 inhabitants, and has been ever since the eighth day of January, in the year 1932, and is now organized and acting under a freeholders' charter adopted under and by virtue of Article XI of the Constitution of the State of California, which charter was duly ratified by the qualified electors of said city and county at an election held for that purpose on the twenty-sixth day of March, 1931, and approved by the Legislature of the State of California and filed in the Office of the Secretary of State on the fifth day of May, 1931 (Statutes of 1931, page 2973); and

Whereas, The governing body of said city and county, namely, the board of supervisors thereof, duly proposed to the qualified electors of the city and county nine (9) amendments to said charter; and

Whereas, Said governing body in accordance with the provisions of Article XI of the Constitution of the State of California and the provisions of Chapter 3, Part I. Division 2, Title 4 of the Government Code of the State of California, did cause said nine (9) proposed amendments to said charter to be published, once in the official newspaper of the said City and County of San Francisco and each edition thereof issued or published on the date of said publication, to wit, in the "San Francisco Examiner," a newspaper of general circulation in the City and County of San Francisco and the official newspaper of said city and county; and

Whereas, Said governing body caused copies of said charter amendments to be printed in convenient pamphlet form and in type of not less than 10-point, and caused copies thereof to be mailed to each of the qualified electors of said City and County of San Francisco, and until the day fixed for the election upon said charter amendments advertised in said "San Francisco Examiner," a newspaper of general circulation in the City and County of San

Francisco, a notice that copies of said charter amendments could be had upon application therefor at the office of the board of supervisors; and

Whereas, The said governing body of said city and county ordered placed upon the ballot at the General Municipal and Special State Election held in the City and County of San Francisco on the sixth day of November, 1973, the said nine (9) several proposals to amend the charter of the City and County of San Francisco; and

Whereas, Said General Municipal and Special State Election was held in said City and County of San Francisco on the sixth day of November, 1973, which day was more than 40 days and less than 60 days from the completion of the publication of said proposed charter amendments for one day in said "San Francisco Examiner," and each edition thereof as hereinbefore set forth; and

Whereas, The registrar of voters did, in the manner provided by law, duly and regularly canvass the returns of said election, and on the twenty-first day of November, 1973, duly certify to the board of supervisors the results of said Direct Primary Election as determined from the canvass of the returns thereof; and

Whereas, At said General Municipal and Special State Election so held on the sixth day of November, 1973, seven (7) of said proposed amendments were ratified by a majority of the electors of said City and County voting thereon, to wit, charter amendments designated as propositions D, E, F, G, H, I and J, and two (2) other charter amendments submitted at said General Municipal and Special State Election, to wit, charter amendments designated as propositions K and L, received less than a majority of the votes of the electors voting thereon and were not ratified; and

Whereas, The said charter amendments so ratified by the electors of the City and County of San Francisco are now submitted to the Legislature of the State of California for approval or rejection as a whole without change by resolution of said Legislature in accordance with the provisions of Section 3 of Article XI of the Constitution of the State of California, and are in words and figures as follows:

## CHARTER AMENDMENT

### Proposition D

Describing and setting forth a proposal to the qualified electors of the City and County of San Francisco to amend the Charter of said city and county by adding Section 9.100-1 thereto, and amending Sections 9.103, 9.105, 9.106 and 9.115 thereof, relating to municipal elections and the election for the office of Mayor.

The Board of Supervisors of the City and County of San Francisco hereby submits to the qualified electors of said city and county at an election to be held therein on November 6, 1973, a proposal to amend the Charter of said city and county by adding Section 9.100-1 thereto, and amending Sections 9.103, 9.105, 9.106 and 9.115 thereof, to read

as follows:

9.100-1 Election of Mayor

Notwithstanding any other provisions or limitations of this Charter, the mayor shall be elected at large by the voters of the city and county in the manner prescribed in this section.

At the general municipal election in 1975, and at the general municipal election in every fourth year thereafter, there shall be elected a mayor; provided, however, that should no candidate for the office of mayor receive at the general municipal election a majority of the votes cast for all candidates for said office, the two candidates receiving the highest numbers of votes cast for any of such candidates shall thereby qualify as candidates for the office of mayor at a runoff election to be held on the second Thursday of the next ensuing December. The mayor shall be elected for a term of four years, from the commencement of his respective term as herein specified. Each term of office of a duly elected mayor shall commence at twelve o'clock noon on the 8th day of January following the date of his election.

No person elected as mayor shall be eligible, for a period of one year after his last day of said service as mayor, for appointment to any full time position carrying compensation in the city and county service.

9.103 Municipal Elections

On Tuesday after the first Monday in November in 1931 any every second year thereafter, there shall be held in the city and county an election to be known as the general municipal election, at which the electors of the city and county shall choose such officers or qualify such candidates as are required by this charter to be elected or qualified at that time.

In the event that a runoff election for the office of mayor is required to be held pursuant to the provisions of section 9.100-1 of this charter, on the second Thursday in December of 1975 and every fourth year thereafter there shall be held an election to be known as the municipal runoff election, at which the electors of the city and county shall elect a mayor. The office of mayor shall be the only office to be voted on at said municipal runoff election, and no other office or measure shall be voted on at said election.

Special municipal elections shall be called by the registrar when required by this charter on the filing of appropriate initiative, referendum or recall petitions, as provided by this charter, and may be called by the supervisors for bond issues, declarations of policy, or for the voting on candidates for city and county offices not subject to election at general municipal elections or municipal runoff elections.

All provisions of the general laws of this state, including penal laws, respecting the registration of voters, initiative, referendum and recall petitions, elections, canvass of returns and all matters

pertinent to any and all of these, shall be applicable to the city and county except as otherwise provided by this charter or by ordinance adopted by the board of supervisors as authorized by this charter relative to any rights, powers or duties of the city and county or its officers. When not prohibited by general law, the supervisors by ordinance may provide that the publication of precincts and polling places shall be by posting only.

9.105 Material on Candidates Mailed to Voters

The registrar shall, before each municipal election other than a municipal runoff election, cause to be printed in pamphlet form and mailed to each registered voter with the sample ballot, a copy of all statements of qualifications of candidates received by him, to be followed by the names and addresses and occupations of all sponsors of all officers to be voted for in said city and county.

The registrar shall cause ballots to be printed identical with the ballot to be used in each assembly district at each general municipal or municipal runoff election and shall furnish copies of the same on application to registered voters at his office at least thirty days before the date fixed for either of such elections. He shall also furnish copies of all material required by this charter to be mailed to the voters prior to either of such elections. Commencing at least thirty days before the date fixed for either of such elections, the registrar shall mail to each voter entitled to vote on such election a copy of the ballot to be used in his district, and a copy of all material required by this charter to be mailed to the voters prior to either of such elections, so that all said sample ballots and material shall have been mailed at least ten days before either of said elections. The rotation of names of candidates on ballots shall be as provided by general law.

9.106 Precinct Boards of Election

The registrar shall, at each municipal, runoff or special election, prepare lists for and appoint for each election precinct a precinct board of election officers to hold and conduct such election at the precinct for which said board is appointed. Such board shall consist of one inspector, one judge and two clerks, who shall perform all the duties required by law at such polling place, except as in this charter provided. When voting machines are used, one inspector and two judges shall be appointed. The general law as to the appointment of election officers shall apply when not otherwise provided herein. The registrar is authorized to withhold the pay of any election officer who neglects, disregards or violates the election laws.

9.115 Substantial Compliance

No informalities in conducting municipal, special, runoff, initiative, referendum or recall elections shall invalidate such elections if they have been conducted fairly and in substantial compliance with and conformity to the requirements of this charter.

CHARTER AMENDMENT

Proposition E

Describing and setting forth a proposal to the qualified electors of the City and County of San Francisco to amend the charter of said city and county by amending Section 8.509 thereof and adding Section 8.536 thereto, relating to retirement benefits of "miscellaneous" officers and employees.

The Board of Supervisors of the City and County of San Francisco hereby submits to the qualified electors of said city and county at an election to be held therein on November 6, 1973, a proposal to amend the charter of said city and county by amending Section 8.509 thereof and adding Section 8.536 thereto, to read as follows:

8.509 Retirement—Miscellaneous Officers and Employees On and After July 1, 1947

Miscellaneous officers and employees, as defined in this section, who are members of the retirement system under this section of the charter on February 1, 1969, and persons who become miscellaneous officers and employees after February 1, 1969, shall be members of the retirement system, subject to the following provisions of this section, in addition to the provisions contained in sections 3.670, 3.672, 8.500, 8.510 and 8.520 of this charter notwithstanding the provisions of any other section of the charter, provided that the retirement system shall be applied to persons employed on a part-time, temporary or substitute basis only as the board of supervisors shall determine by ordinance enacted by three-fourths vote of all members of the board. Miscellaneous officers and employees of the said departments who are members of the retirement system under section 8.507 of the charter on February 1, 1969 shall continue to be members of the system under section 8.507 and shall not be subject to any of the provisions of this section, except as specifically provided in this section.

(A) The following words and phrases as used in this section, unless a different meaning is plainly required by the context, shall have the following meaning:

"Retirement allowance," or "allowance," shall mean equal monthly payments, beginning to accrue upon the date of retirement, and continuing for life unless a different term of payment is definitely provided by the context.

"Compensation," as distinguished from benefits under the workmen's compensation laws of the State of California shall mean all remuneration whether in cash or by other allowances made by the city and county, for service qualifying for credit under this section.

"Compensation earnable" shall mean the compensation as determined by the retirement board, which would have been earned by the member had he worked, throughout the period under consideration, the average number of days ordinarily worked by

persons in the same grade or class of positions as the positions held by him during such period and at the rate of pay attached to such positions, it being assumed that during any absence, he was in the position held by him at the beginning of the absence, and that prior to entering city-service he was in the position first held by him in city-service.

"Benefit" shall include "allowance," "retirement allowance," and "death benefit."

"Average final compensation" shall mean the average monthly compensation earned by a member during any five consecutive years of credited service in the retirement system in which his average final compensation is the highest, unless the board of supervisors shall otherwise provide by ordinance enacted by three-fourths vote of all members of the board.

For the purposes of the retirement system and of this section, the terms "miscellaneous officer or employee," or "member," as used in this section shall mean any officer or employee who is not a member of the fire or police departments as defined in the charter for the purpose of the retirement system, under section 8.507 of the charter.

"Retirement system" or "system" shall mean San Francisco City and County Employees' Retirement System as created in section 8.500 of the charter.

"Retirement board" shall mean "retirement board" as created in section 3.670 of the charter.

"Charter" shall mean the charter of the City and County of San Francisco.

Words used in the masculine gender shall include the feminine and neuter genders, and singular numbers shall include the plural and the plural the singular.

"Interest" shall mean interest at the rate adopted by the retirement board.

(B) Any member who completes at least twenty years of service in the aggregate credited in the retirement system and attains the age of fifty years, or at least ten years of service in the aggregate credited in the retirement system, and attains the age of sixty years, said service to be computed under subsection (G) hereof, may retire for service at his option. Members shall be retired on the first day of the month next following the attainment by them of the age of sixty-five years. A member retired after reaching the age of sixty years shall receive a service retirement allowance at the rate of 2 per cent of said average final compensation for each year of service; provided, however, that upon the compulsory retirement of a member upon his attainment of the age of sixty-five years, if the allowance available to such member pursuant to the provisions of subsection (F) of this section shall be greater in amount than the service retirement allowance otherwise payable to such member under this subsection (B), then such member shall receive as his service retirement allowance, in lieu of the allowance otherwise payable under this subsection (B), an allowance computed in

accordance with the formula provided in said subsection (F). The service retirement allowance of any member retiring prior to attaining the age of sixty years, after rendering twenty years or more of such service and having attained the age of fifty years, computed under subsection (G), shall be an allowance equal to the percentage of said average final compensation set forth opposite his age at retirement, taken to the preceding completed quarter year, for each year of service, computed under subsection (G):

| Age at Retirement | Per cent for Each Year of Credited Service |
|---|---|
| 50 | 1.0000 |
| 50¼ | 1.0250 |
| 50½ | 1.0500 |
| 50¾ | 1.0750 |
| 51 | 1.1000 |
| 51¼ | 1.1250 |
| 51½ | 1.1500 |
| 51¾ | 1.1750 |
| 52 | 1.2000 |
| 52¼ | 1.2250 |
| 52½ | 1.2500 |
| 52¾ | 1.2750 |
| 53 | 1.3000 |
| 53¼ | 1.3250 |
| 53½ | 1.3500 |
| 53¾ | 1.3750 |
| 54 | 1.4000 |
| 54¼ | 1.4250 |
| 54½ | 1.4500 |
| 54¾ | 1.4750 |
| 55 | 1.5000 |
| 55¼ | 1.5250 |
| 55½ | 1.5500 |
| 55¾ | 1.5750 |
| 56 | 1.6000 |
| 56¼ | 1.6250 |
| 56½ | 1.6500 |
| 56¾ | 1.6750 |
| 57 | 1.7000 |
| 57¼ | 1.7250 |
| 57½ | 1.7500 |
| 57¾ | 1.7750 |
| 58 | 1.8000 |
| 58¼ | 1.8250 |
| 58½ | 1.8500 |
| 58¾ | 1.8750 |
| 59 | 1.9000 |
| 59¼ | 1.9250 |

| | |
|---|---|
| 59½ | 1.9500 |
| 59¾ | 1.9750 |

In no event shall a member's retirement allowance exceed seventy-five per cent of his average final compensation.

Before the first payment of a retirement allowance is made, a member retired under this subsection or subsection (C) of this section, may elect to receive the actuarial equivalent of his allowance, partly in an allowance to be received by him throughout his life, and partly in other benefits payable after his death to another person or persons, provided that such election shall be subject to all the conditions prescribed by the board of supervisors to govern similar elections by other members of the retirement system, including the character and amount, of such other benefits; provided, however, that at any time within 30 days after the date on which his compulsory retirement would otherwise have become effective, a member who has attained the age of 65 years may elect, without right of revocation, to withdraw his accumulated contributions, said election to be exercised in writing on a form furnished by the retirement system and filed at the office of said system and a member so electing shall be considered as having terminated his membership in said system on the date immediately preceding the date on which his compulsory retirement would otherwise have become effective and he shall be paid forthwith his accumulated contributions, with interest credited thereon. Notwithstanding the provisions of section 8.514 of this charter, the portion of service retirement allowance provided by the city and county's contributions shall be not less than $100 per month upon retirement after thirty years of service and after attaining the age of sixty years, and provided further that as to any member within fifteen years or more of service at the compulsory retirement age of sixty-five, the portion of the service retirement allowance provided by the city and county's contribution shall be such that the total retirement allowance shall not be less than $100 per month. In the calculations under this subsection of the retirement allowance of a member having credit for service in a position in the evening schools and service in any other position, separate retirement allowances shall be calculated, in the manner prescribed for each class of service, the average final compensation in each case being that for the respective class of service; provided that the aggregate retirement allowance shall be taken into account in applying the provisions of this subsection providing for a minimum retirement allowance. Part time service and compensation shall be reduced to full time service and compensation in the manner prescribed by the board of supervisors, and when so reduced shall be applied on full time service and compensation in the calculation of retirement allowances.

(C) Any member who becomes incapacitated for performance of duty because of disability determined by the retirement board to be

of extended and uncertain duration, and who shall have completed at least ten years of service credited in the retirement system in the aggregate, computed as provided in subsection (G) hereof, shall be retired upon an allowance of one and eight-tenths per cent of the average final compensation of said member, as defined in subsection (A) hereof for each year of credited service, if such retirement allowance exceeds forty per cent of his average final compensation; otherwise one and eight-tenths per cent of his average final compensation multiplied by the number of years of city-service which would be credited to him were such city-service to continue until attainment by him of age sixty, but such retirement allowance shall not exceed forty per cent of such average final compensation. In the calculation under this subsection of the retirement allowance of a member having credit for service in a position in the evening schools and service in any other position, separate retirement allowances shall be calculated, in the manner prescribed, for each class of service, the average final compensation in each case being that for the respective class of service; provided that the average final compensation upon which the minimum total retirement allowance is calculated in such case shall be based on the compensation earnable by the member in the classes of service rendered by him during the one (1) year immediately preceding his retirement. Part time service and compensation shall be reduced to full time service and compensation in the manner prescribed by the board of supervisors, and when so reduced shall be applied as full time service and compensation in the calculation of retirement allowances. The question of retiring a member under this subsection may be brought before the retirement board on said board's own motion, by recommendation of any commission or board, or by said member or his guardian. If his disability shall cease, his retirement allowance shall cease, and he shall be restored to service in the position or classification he occupied at the time of his retirement.

(D) No modification of benefits provided in this section shall be made because of any amounts payable to or on account of any member under workmen's compensation laws of the State of California.

(E) If a member shall die, before his retirement, regardless of cause:

(1) If no benefit is payable under subdivision (2) of this subsection (E), a death benefit shall be paid to his estate or designated beneficiary consisting of the compensation earnable by him during the six months immediately preceding death, plus his contributions and interest credited thereon.

(2) If, at the date of his death, he was qualified for service retirement by reason of service and age under the provisions of subsection (B) of this section, and he has designated as beneficiary his surviving spouse, who was married to him for at least one full year immediately prior to the date of his death, one-half of the retirement allowance to which the member would have been entitled if he had

retired for service on the date of his death shall be paid to such surviving spouse who was his designated beneficiary at the date of his death, until such spouse's death or remarriage, or if there be no surviving spouse, to the unmarried child or children of such member under the age of eighteen years, collectively, until every such child dies, marries or attains the age of eighteen years, provided that no child shall receive any allowance after marrying or attaining the age of eighteen years. If, at the death of such surviving spouse, who was receiving an allowance under this subdivision (2), there be one or more unmarried children of such member under the age of eighteen years, such allowance shall continue to such child or children, collectively, until every such child dies, marries or attains the age of eighteen years, provided that no child shall receive any allowance after marrying or attaining the age of eighteen years. If the total of the payments of allowance made pursuant to this subdivision (2) is less than the benefit which was otherwise payable under subdivision (1) of this subsection, the amount of said benefit payable under subdivision (1) less an amount equal to the total of the payments of allowance made pursuant to this subdivision (2) shall be paid in lump sum as follows:

(a) If the person last entitled to said allowance is the remarried surviving spouse of such member, to such spouse.

(b) Otherwise, to the surviving children of the member, share and share alike, or if there are no such children, to the estate of the person last entitled to said allowance.

The surviving spouse may elect, on a form provided by the retirement system and filed in the office of the retirement system before the first payment of the allowance provided herein, to receive the benefit provided in subdivision (1) of this subsection in lieu of the allowance which otherwise would be payable under the provisions of this subdivision. If a surviving spouse, who was entitled to make the election herein provided, shall die before or after making such election but before receiving any payment pursuant to such election, then the legally appointed guardian of the unmarried children of the member under the age of eighteen years may make the election herein provided before any benefit has been paid under this subsection (E), for and on behalf of such children if in his judgment it appears to be in their interest and advantage, and the election so made shall be binding and conclusive upon all parties in interest.

If any person other than such surviving spouse shall have and be paid a community property interest in any portion of any benefit provided under this subsection (E), any allowance payable under this subdivision (2) shall be reduced by the actuarial equivalent, at the date of the member's death, of the amount of benefits paid to such other person.

Upon the death of a member after retirement and regardless of the cause of death, a death benefit shall be paid to his estate or designated beneficiary in the manner and subject to the conditions

prescribed by the board of supervisors for the payment of a similar death benefit upon the death of other retired members.

(F) Should any miscellaneous member cease to be employed as such a member, through any cause other than death or retirement, all of his contributions, with interest credited thereon, shall be refunded to him subject to the conditions prescribed by the board of supervisors to cover similar terminations of employment and reemployment with and without redeposit of withdrawn accumulated contributions of other members of the retirement system, provided that if such member is entitled to be credited with at least ten years of service or if his accumulated contributions exceed one thousand dollars ($1,000), he shall have the right to elect, without right of revocation and within 90 days after said termination of service, or if the termination was by lay-off, 90 days after the retirement board determines the termination to be permanent, whether to allow his accumulated contributions to remain in the retirement fund and to receive benefits only as provided in this paragraph. Failure to make such election shall be deemed an irrevocable election to withdraw his accumulated contributions. A person who elects to allow his accumulated contributions to remain in the retirement fund shall be subject to the same age requirements as apply to other members under this section for service retirement but he shall not be subject to a minimum service requirement. Upon the qualification of such member for retirement by reason of age, he shall be entitled to receive a retirement allowance which shall be the actuarial equivalent of his accumulated contributions and an equal amount of the contributions of the city and county, plus 1⅔ per cent of his average final compensation for each year of service credited to him as rendered prior to his first membership in the retirement system. Upon the death of such member prior to retirement, his contributions with interest credited thereon shall be paid to his estate or designated beneficiary.

(G) The following time and service shall be included in the computation of the service to be credited to a member for the purpose of determining whether such member qualifies for retirement and calculating benefits:

(1) Time during which said member is a member of the retirement system and during and for which said member is entitled to receive compensation because of services as a miscellaneous officer or employee.

(2) Service in the fire and police departments which is not credited as service of a member under this section shall count under this section upon transfer of a member of either of such departments to employment entitling him to membership in the retirement system under this section, provided that the accumulated contribution standing to the credit of such member shall be adjusted by refund to the member or by payment of the member to bring the account at the time of such transfer to the amount which would have been credited to it had the member been a miscellaneous employee

throughout the period of his service in either of such departments at the compensation he received in such departments.

(3) Time during which said member is absent from a status included in paragraphs (1) or (2) next preceding which is not deemed absence from service under the provisions of section 8.520 of the charter and for which such member is entitled to receive credit as service for the city and county by virtue of contributions made in accordance with the provisions of such section.

(4) Prior service determined and credited as prescribed by the board of supervisors for persons who are members under section 8.507.

(5) The board of supervisors, by ordinance enacted by a three-fourths vote of its members, may provide for the crediting as service under the retirement system of service, other than military service, rendered as an employee of the federal government and service rendered as an employee of the State of California or any public entity or public agency in the State of California. Said ordinance shall provide that all contributions required as the result of the crediting of such service shall be made by the member and that no contributions therefor shall be required of the city and county.

(H) All payments provided under this section shall be made from funds derived from the following sources, plus interest earned on said funds:

(1) The rate of contribution of each member under this section shall be based on his nearest age at the effective date of his membership in the retirement system. The normal rate of contribution of each member, to be effective from the effective date of membership under this section, shall be such as, on the average for such member, will provide, assuming service without interruption, under subsection (B) of this section, one-half of that portion of the service retirement allowance to which he would be entitled if retired at age sixty or higher age after rendering ten years of service for retirement under that subsection. No adjustment shall be included in said rates because of time during which members have contributed at different rates. Members' rates of contributions shall be changed only in the manner prescribed by the board of supervisors for changing contribution rates of other members.

(2) There shall be deducted from each payment of compensation made to a member under this section, a sum determined by applying the member's rate of contribution to such compensation. Amounts which would have been deducted in the absence of the limit on such deductions according to service credited, shall be paid to the retirement system following the removal of such limit, in manners and at times approved by the retirement board. The sum so deducted shall be paid forthwith to the retirement system. Said contribution shall be credited to the individual account of the member from whose salary it was deducted, and the total of said contributions, together with interest credited thereon in the same

manner as is prescribed by the board of supervisors for crediting interest to contributions of other members of the retirement system, shall be applied to provide part of the retirement allowance granted to, or allowance granted on account of said member, under this section or shall be paid to said member or his estate or beneficiary as provided in subsections (E) and (F) of this section, provided that the portion of the salaries of the teachers as provided in section 8.507, paragraph (a), as a basis for fixing the contributions to be made, and the benefits to be received, by the teachers under the retirement system shall be determined by the method provided in section 8.507, paragraph (a) and shall not be less than eighty per cent of the total salary received by the teachers, unless the board of supervisors shall otherwise provide by ordinance enacted by three-fourths vote of all members of the board.

(3) Contributions based on time included in paragraphs (1) and (3) or subsection (G), and deducted prior to July 1, 1947, from compensation of persons who become members under this section, and standing with interest thereon, to the credit of such members on the records of the retirement system on said date, shall continue to be credited to the individual accounts of said members and shall be combined with and administered in the same manner as the contributions deducted after said date.

(4) The total contributions, with interest thereon, made by or charged against the city and county and standing to its credit, on July 1, 1948, in the accounts of the retirement system, on account of persons who become members under this section, shall be applied to provide the benefits under this section.

(5) The city and county shall contribute to the retirement system such amounts as may be necessary, when added to the contributions referred to in the preceding paragraphs of this subsection (H), to provide the benefits payable under this section. Such contributions of the city and county to provide the portion of the benefits hereunder which shall be based on service rendered by each member prior to the date upon which his rate of contribution is determined in paragraph (1), subsection (H), shall not be less during any fiscal year than the amount of such benefits paid during said year. Such contributions of the city and county to provide the portion of the benefits hereunder which shall be based on service rendered by respective members on and after the date stated in the next preceding sentence, shall be made in annual installments, and the installment to be paid in any year shall be determined by the application of a percentage to the total salaries paid during said year, to persons who are members under this section, said percentage to be the ratio of the value of the effective date hereof, or at the later date of a periodical actuarial valuation and investigation into the experience under the system, of the benefits thereafter to be paid under this section, from contributions of the city and county, less the amount of such contributions, and plus accumulated interest thereon, then held by said system to provide said benefits on account

of service rendered by respective member after the date stated in the sentence next preceding, to the value at said respective dates of salaries thereafter payable to said members. Said values shall be determined by the actuary, who shall take into account the interest which shall be earned on said contributions, the compensation experience of members, and the probabilities of separation by all causes, of members from service before retirement and of death after retirement. Said percentage shall be changed only on the basis of said periodical actuarial valuation and investigation into the experience under the system. Said actuarial valuation shall be made every even-numbered year and said investigation into the experience under the system shall be made every odd-numbered year.

Notwithstanding the provisions of this subdivision (5), any additional liabilities created by the amendments of this Section 8.509 contained in the proposition therefor submitted to the electorate on November 6, 1973, shall be amortized over a period of 30 years.

(6) To promote the stability of the retirement system through a joint participation in the result of variations in the experience under mortality, investment and other contingencies, the contributions of both members and the city and county held by the system to provide the benefits under this section, shall be a part of the fund in which all other assets of said system are included. Nothing in the section shall affect the obligations of the city and county to pay to the retirement system any amounts which may or shall become due under the provisions of the charter prior to the effective date hereof, and which are represented on July 1, 1947, in the accounts of said system by debits against the city and county.

(I) Upon the completion of the years of service set forth in subsection (B) of this section as requisite to retirement, a member shall be entitled to retire at any time thereafter in accordance with the provisions of said subsection (B), and nothing shall deprive said member of said right.

(J) No person retired under this section, for service or disability and entitled to receive a retirement allowance under the retirement system shall serve in any elective or appointive position in the city and county service, including membership on boards and commissions, nor shall such persons receive any payment for service rendered to the city and county after retirement, provided that service as an election officer or juror shall not be affected by this section.

(K) Any section or part of any section in this charter, insofar as it should conflict with this section, or with any part thereof, shall be superseded by the contents of this section. In the event that any word, phrase, clause or subsection of this section shall be adjudged unconstitutional, the remainder thereof shall remain in full force and effect.

(L) Notwithstanding the provisions of subsections (B), (C), (F) and (I) of this section, any member convicted of a crime involving

moral turpitude committed in connection with his duties as an officer or employee of the City and County of San Francisco, shall, upon his removal from office or employment pursuant to the provisions of this charter, forfeit all rights to any benefits under the retirement system except refund of his accumulated contributions; provided, however, that if such member is qualified for service retirement by reason of service and age under the provisions of subsection (B) of this section, he shall have the right to elect, without right of revocation and within 90 days after his removal from office or employment, whether to withdraw all of his accumulated contributions or to receive as his sole benefit under the retirement system an annuity which shall be the actuarial equivalent of his accumulated contributions at the time of such removal from office or employment.

(M) The amendments of this section contained in the proposition therefor submitted to the electorate on November 6, 1973, shall be effective on the first day of the month next following their ratification by the State Legislature. Said amendments do not and shall not increase any allowance first in effect prior to the effective date of said amendments, nor shall they give any person retired prior to said effective date, or his successors in interest, any claim against the city and county for any increase in any retirement allowance paid or payable for time prior to said effective date.

8.536 Increasing Retirement Allowances of Miscellaneous Officers and Employees Retired on or after July 1, 1947, and Prior to July 1, 1974

(a) Every retirement allowance payable to or on account of a member who retired for service under the provisions of subsection (B) of section 8.509 of this charter on or after July 1, 1947 and prior to July 1, 1974, after having attained the age of sixty (60) years is hereby increased for time commencing on July 1, 1974, to the amount it would have been if such allowance had been computed, on the date such retirement allowance was first effective, on the basis of two (2) per cent of such member's average final compensation for each year of credited service.

(b) Every retirement allowance payable to or on account of a member who retired for service under the provisions of subsection (B) of section 8.509 of this charter on or after July 1, 1947 and prior to July 1, 1974, prior to having attained the age of sixty (60) years is hereby increased for time commencing on July 1, 1974, to the amount it would have been if such allowance had been computed, on the date such retirement allowance was first effective, on the basis of the per cent of such member's average final compensation for each year of credited service as is set forth in the following table opposite his age at retirement, taken to the preceding completed quarter year:

| Age at Retirement | Per Cent for Each Year of Credited Service |
|---|---|
| 55 | 1.5000 |
| 55¼ | 1.5250 |
| 55½ | 1.5500 |
| 55¾ | 1.5750 |
| 56 | 1.6000 |
| 56¼ | 1.6250 |
| 56½ | 1.6500 |
| 56¾ | 1.6750 |
| 57 | 1.7000 |
| 57¼ | 1.7250 |
| 57½ | 1.7500 |
| 57¾ | 1.7750 |
| 58 | 1.8000 |
| 58¼ | 1.8250 |
| 58½ | 1.8500 |
| 58¾ | 1.8750 |
| 59 | 1.9000 |
| 59¼ | 1.9250 |
| 59½ | 1.9500 |
| 59¾ | 1.9750 |

In no event shall a member's retirement allowance, as increased under the provisions of paragraph (a) or (b) of this section, exceed seventy-five per cent of his average final compensation.

(c) Every retirement allowance payable to or on account of a member who retired for disability under the provisions of subsection (C) of section 8.509 of this charter on or after July 1, 1947 and prior to July 1, 1974, is hereby increased for time commencing on July 1, 1974, to the amount it would have been if such allowance had been computed, on the date such retirement allowance was first effective, as follows:

(1) On the basis of one and eight-tenths per cent of such member's average final compensation for each year of credited service, if such retirement allowance exceeds forty (40) per cent of his said average final compensation;

(2) If such retirement allowance, as increased does not exceed forty (40) per cent of such member's average final compensation, the increase provided under this section shall be computed on the basis of one and eight-tenths per cent of his average final compensation multiplied by the number of years of city-service which would be credited to him were such city-service to continue until attainment by him of the age of sixty years; provided, however, that such retirement allowance shall not exceed forty (40) per cent of his said average final compensation.

This section does not give any person retired under the provisions of section 8.509, or his successors in interest, any claim against the city and county for any increase in any retirement allowance paid or

payable for time prior to July 1, 1974.

Any increase in any retirement allowance resulting from the recalculation provided for in this section shall be disregarded in connection with any adjustment of retirement allowances pursuant to the provisions of section 8.526 of this charter.

## CHARTER AMENDMENT

### Proposition F

Describing and setting forth a proposal to the qualified electors of the City and County of San Francisco to amend the Charter of the City and County of San Francisco by adding Section 7.403.1 thereto, relating to the transfer of park and other lands to the National Park Service of the United States Department of the Interior for inclusion in the Golden Gate National Recreation Area.

The Board of Supervisors of the City and County of San Francisco hereby submits to the qualified electors of said city and county at an election to be held therein on November 6, 1973, a proposal to amend the Charter of said city and county by adding Section 7.403.1 thereto, so that the same shall read as follows:

7.403.1 Transfer of Park and Other Lands to the National Park Service of the United States Department of the Interior

(a) Upon approval by the recreation and park commission, the board of supervisors may by ordinance authorize transfer by deed to the National Park Service of the United States Department of the Interior for inclusion in the Golden Gate National Recreation Area as presently defined and delimited by Public Law 92-589; 86 Stat. 1299, of any interest which the City and County of San Francisco has in lands restricted to use for recreation or park purposes or otherwise under the exclusive control, management or direction of the recreation and park commission, except the premises and grounds of the Palace of the Legion of Honor and Lincoln Park Golf Course, provided that said deed shall be executed under the restriction that said lands be reserved by the National Park Service of the United States Department of the Interior in perpetuity for recreation or park purposes with a right of reversion upon breach of said restriction, and provided further that said transfer shall be executed under such conditions and restrictions as shall prevent the reversion of any portion of said lands to any person or entity other than the City and County of San Francisco.

(b) Upon approval of the officer, board or commission in charge of the department responsible for the administration of any interest which the City and County of San Francisco has in property not referred to in subsection (a), the board of supervisors may by ordinance authorize transfer of such interest by deed to the National Park Service of the United States Department of the Interior for inclusion in the Golden Gate National Recreation Area as presently

defined and delimited by Public Law 92-589; 86 Stat. 1299, provided that said deed shall be executed under the restriction that said lands be reserved by the National Park Service of the United States Department of the Interior in perpetuity for recreation or park purposes with a right of reversion upon breach of said restriction, and provided further that said transfer shall be executed under such conditions and restrictions as shall prevent the reversion of any portion of said lands to any person or entity other than the City and County of San Francisco.

## CHARTER AMENDMENT

### Proposition G

Describing and setting forth a proposal to the qualified electors of the City and County of San Francisco to amend the Charter of said City and County by adding Section 7.308 thereto, relating to bonds for residential rehabilitation assistance.

The Board of Supervisors of the City and County of San Francisco hereby submits to the qualified electors of said City and County at an election to be held therein on November 6, 1973, a proposal to amend the Charter of said City and County by adding Section 7.308 thereto, reading as follows:

7.308 Bonds for Residential Rehabilitation Assistance

Notwithstanding any other provision of this charter, the board of supervisors may by ordinance from time to time authorize the issuance of bonds to establish a fund for the purpose of making loans to assist property owners with the rehabilitation of property in areas which shall be designated in advance by the board of supervisors as rehabilitation assistance areas or for the purpose of refunding such bonds. The issuance of such bonds shall be pursuant to procedures adopted by ordinance of the board of supervisors. The repayment of principal, interest and other charges on such loans to property owners, together with such other moneys as the board of supervisors may, in its discretion, make available therefor, shall be the sole source of funds pledged by the city and county for repayment of such bonds. Bonds issued under the provisions of this section shall not be deemed to constitute a debt or liability of the City and County of San Francisco or a pledge of the faith and credit of the City and County of San Francisco, but shall be payable solely from the funds specified in this section. The issuance of such bonds shall not directly, indirectly, or contingently obligate the board of supervisors to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment.

## CHARTER AMENDMENT

### Proposition H

Describing and setting forth a proposal to the qualified electors of the City and County of San Francisco to amend the Charter of said city and county by amending Section 8.569 thereof, to provide that certain pilots of fireboats and marine engineers of fireboats shall be included as "members of the Fire Department" for purposes of the Retirement System.

The Board of Supervisors of the City and County of San Francisco hereby submits to the qualified electors of said city and county at an election to be held therein on November 6, 1973, a proposal to amend the Charter of said city and county by amending Section 8.569 thereof, so that the same shall read as follows:

8.569 Definitions

The following words and phrases as used in this section, unless a different meaning is plainly required by the context, shall have the following meaning:

"Retirement allowance," "death allowance" or "allowance," shall mean equal monthly payments, beginning to accrue upon the date of retirement, or upon the day following the date of death, as the case may be, and continuing for life unless a different term of payment is definitely provided by the context.

"Compensation," as distinguished from benefits under the Workmen's Compensation Insurance and Safety Act of the State of California, shall mean the remuneration payable in cash, by the city and county, without deduction except for absence from duty, for time during which the individual receiving such remuneration is a member of the fire department, but excluding remuneration paid for overtime.

"Compensation earnable" shall mean the compensation which would have been earned had the member received compensation without interruption throughout the period under consideration and at the rates of remuneration attached at that time to the ranks or positions held by him during such period, it being assumed that during any absence he was in the rank or position held by him at the beginning of the absence, and that prior to becoming a member of the fire department, he was in the rank or position first held by him in such department.

"Benefit" shall include "allowance," "retirement allowance," "death allowance" and "death benefit."

"Final compensation" shall mean the monthly compensation earnable by a member at the time of his retirement, or death before retirement, as the case may be, at the rate of remuneration attached at that time to the rank or position which said member held, provided that said member has held said rank or position for at least one year immediately prior to said retirement or death; and

provided, further, that if said member has not held said rank or position for at least one year immediately prior to said retirement or death, "final compensation," as to such member, shall mean the monthly compensation earnable by such member in the rank or position next lower to the rank or position which he held at the time of retirement or death at the rate of remuneration attached at the time of said retirement or death to said next lower rank or position; provided, however, that in the case of a member's death before retirement as the result of a violent traumatic injury received in the performance of his duty, "final compensation," as to such member shall mean the monthly compensation earnable by such member at the rate of remuneration attached on the date he receives such injury to the rank or position held by such member on that date.

The amendment of the definition of "final compensation" contained in the proposition therefor submitted to the electorate on June 6, 1972, shall be retroactive and shall be applicable to any death allowance first effective on or after July 1, 1971. Said amendment does not and shall not increase any death allowance first in effect prior to July 1, 1971, nor shall said amendment give any person receiving a death allowance, or his successors in interest any claim against the city and county for any increase in any death allowance paid or payable for time prior to July 1, 1971.

For the purpose of the retirement system and of this section, the terms "member of the fire department," "member of the department," or "member" shall mean any officer or employee of the fire department, excluding such officers and employees as are members of the retirement system under section 8.565 of the charter, who was or shall be subject to the charter provisions governing entrance requirements of members of the uniformed force of said department, and said terms further shall mean, from the effective date of their employment in said department, persons employed on July 1, 1949, or employed thereafter, regardless of age, to perform the duties performed under the titles of pilot of fireboats or marine engineer of fireboats, or employed after July 1, 1949, at an age not greater than the maximum age then prescribed for entrance into employment in said uniformed force, to perform the duties now performed by members of the salvage corps in the fire department, or duties now performed under the title of hydrant-gateman. Any fire service performed by such member of the fire department outside the limits of the city and county and under orders of a superior officer of any such member, shall be considered as city and county service, and any disability or death incurred therein shall be covered under the provisions of the retirement system.

"Retirement system" or "system" shall mean San Francisco City and County Employees' Retirement System as created in section 8.500 of the charter.

"Retirement board" shall mean "retirement board" as created in section 3.670 of the charter.

"Charter" shall mean the charter of the City and County of San

Francisco.

Words used in the masculine gender shall include the feminine and neuter genders, and singular numbers shall include the plural and the plural the singular.

"Interest" shall mean interest at the rate adopted by the retirement board.

## CHARTER AMENDMENT

### Proposition I

Describing and setting forth a proposal to the qualified electors of the City and County of San Francisco to amend the Charter of said city and county by amending Sections 8.100, 8.320, 8.322, 8.323, 8.330, 8.332 and 8.340, relating to Civil Service procedures involving qualifications of applicants, protests of test items, eligible lists, appointment and disciplinary procedures.

The Board of Supervisors of the City and County of San Franciso hereby submits to the qualified electors of said city and county at an election to be held therein on November 6, 1973, a proposal to amend the Charter of said city and county by amending Sections 8.100, 8.320, 8.322, 8.323, 8.330, 8.332 and 8.340 thereof, to read as follows:

8.100 Qualifications

(a) No person shall be a candidate for any elective office nor shall be appointed as a member of any board or commission unless he shall have been a resident of the city and county for a period of at least five years and an elector thereof for at least one year immediately prior to the time of his taking office, unless otherwise specifically provided in this charter, and every elected officer and member of any board or commission shall continue to be a resident of the city and county during incumbency of office, and upon ceasing to be such resident, shall be removed from office.

(b) Except for those offices and positions and officers and employees specifically provided for in this section and other sections of the charter, the residential qualifications and requirements for all officers and employees and all offices and positions in the city and county service shall be as provided by ordinance of the board of supervisors.

8.320 Qualifications of Applicants

(a) Any person having the qualifications prescribed by section 8.100 of this charter may submit himself for any examination under conditions established by the civil service commission. Provided, however, applicants for positions as motorman, conductor or bus operator on the municipal railway need not be residents of the city and county at the time of application, examination or appointment, but must become residents within the meaning of section 8.100 within a reasonable time, not to exceed six months, after completion

of the probationary period provided in section 8.340.

(b) Applicants for entrance positions in the uniformed force of the fire department shall not be less than nineteen years of age at the time of taking the examination, nor less than twenty years of age or more than thirty-two years of age at the time of appointment and shall have the physical qualifications required for enlistment in any of the armed forces of the United States.

(c) Applicants for entrance positions in the uniformed force of the police department shall not be less than twenty years of age at the time of taking the examination, nor less than twenty-one years of age or more than thirty-five years of age at the time of appointment and shall have the physical qualifications required for enlistment in any of the armed forces of the United States.

(d) The commission shall advertise and may take further appropriate means to interest suitable applicants. When examinations for promotion are to be held, the commission shall give notice thereof to all persons in positions entitling them under the civil service rules, to participate in such examination, by posting information thereof in the office of the commission for a period of ten days and notifying the office, agency, or department concerned.

8.322 Protest of Written Questions and Answers

After the written portion of a civil service examination has been held, and prior to the scoring thereof, the questions used and the answers thereto shall be available for review by the participants. This review period shall not apply to questions and answers on any continuous or standardized entrance or concurrent entrance and promotive written test. During the review period, participants shall have an opportunity to protest questions or answers they believe to be incorrect or improper. The written portion of the examination shall not be scored until all protested items have been acted on and an official rating key has been adopted. After the rating key has been adopted, and the identification sheets have been opened, no further changes in the rating key shall be made.

8.323 Protest of Tentative List of Eligibles

Following the completion of any examination, a tentative list of eligibles shall be posted for the inspection of the public and of participants. The posting period shall be for a minimum of three (3) working days for entrance examinations or five (5) working days for promotional examinations. During this period the civil service commission may charge a fee of one dollar ($1.) for the inspection of the papers of any one eligible, which fee is waived for eligibles who wish to inspect their own papers. Inspection of papers shall include all documents supporting the eligible's rank and score, except neither the identity of the examiner giving any mark or grade in an oral examination or the questions and answers on any continuous or standardized entrance or concurrent entrance and promotive written test, shall be provided. The civil service commission shall

receive any protests concerning ratings during the posting period for the purpose of correcting errors. If no protests are received during the posting period, the eligible list is automatically adopted. If protests are received, the investigation and action of the civil service commission shall be expedited so that final adoption of the eligible list is not delayed beyond sixty (60) days after the date of posting.

8.330 Duration of Lists of Eligibles

The civil service commission may remove all names from the list of eligibles after they have remained thereon for more than two years and all names thereon shall be removed at the expiration of four years. The commission may, however, provide in the examination announcement that the list of eligibles secured thereby shall automatically expire at a date not less than two or more than four years after the adoption of such list.

8.332 Temporary and Emergency Appointments

When no list of eligibles exists or no eligible is available on an existing list for a position in the class requisitioned by the appointing officer, and immediate service in the position is required by the appointing officer and another list exists which is deemed by the civil service commission to be suitable to provide temporarily the service desired, the commission shall certify for civil service temporary appointment an eligible from such list; if no such other list deemed by the commission to be suitable exists, the commission pursuant to its rules may authorize the appointing officer to make a non-civil service or emergency appointment thereto for a period not exceeding one hundred and thirty working days. Non-civil service or emergency appointments extended beyond ninety days must be approved by the civil service commission. Such non-civil service or emergency appointment, however, shall cease prior to the expiration of such one hundred and thirty working days at the time a civil service eligible reports for duty as provided in section 8.329 of the charter.

If a list of eligibles exists for the position requisitioned, but immediate service is deemed necessary by the appointing officer pending the time an eligible from such list is certified and reports for duty as provided in section 8.329 of the charter, the commission may authorize the appointing officer to make a non-civil service or emergency appointment thereto for a period not exceeding thirty working days. Such non-civil service or emergency appointment, however, shall cease prior to the expiration of such thirty working days at the time a civil service eligible reports for duty as provided in section 8.329 of this charter.

No person shall be compensated under any non-civil service or emergency appointment or appointments as authorized under the provisions of the foregoing paragraphs of this section for a period exceeding one hundred and thirty working days in any fiscal or calendar year, and no claim or warrant therefor shall be approved,

allowed or paid for any compensation in excess of such one hundred and thirty working days in any fiscal or calendar year.

If no eligibles are available for appointment to a permanent position in the class requested by the appointing officer the commission shall immediately hold an examination and establish an eligible list for such position. If its annual appropriation is insufficient to meet the cost of said examination, it shall report to the mayor the estimated cost thereof, and the mayor shall request and the supervisors shall make supplemental appropriation therefor in the manner provided herein for supplemental appropriations.

8.340 Dismissal During Probation Period

Any person appointed to a permanent position shall be on probation for a period of six months, provided that the probationary period for entrance positions in the uniform rank of the police department, fire department and sheriff's department shall be for one year. At any time during the probationary period the appointing officer may terminate the appointment upon giving written notice of such termination to the employee and to the civil service commission specifying the reasons for such termination. Except in the case of uniformed members of the police and fire departments the civil service commission shall inquire into the circumstances. If the appointment resulted from an entrance examination the commission may declare such person dismissed or may return the name to the list of eligibles under such conditions for further appointment as the commission may deem just. If the appointment resulted from a promotional examination the employee shall have the right of appeal and hearing before the civil service commission. The commission shall render a decision within thirty days after receipt of the notice of termination and (a) may declare such person dismissed; or (b) order such person reinstated in his position without prejudice, and the commission may in its discretion order that the employee be paid salary from time of the termination of his appointment; or (c) order the return of such person to the position from which he was promoted. The decision of the commission shall be final. Immediately prior to the expiration of the probationary period the appointing officer shall report to the civil service commission as to the competence of the probationer for the position, and if competent, shall recommend permanent appointment.

## CHARTER AMENDMENT

### Proposition J

Describing and setting forth a proposal to the qualified electors of the City and County of San Francisco to amend the Charter of said City and County by amending Section 8.300 thereof, relating to exemption from the civil service provisions of the Charter of paraprofessional employees of the San Francisco Unified School

District and the San Francisco Community College District.

The Board of Supervisors of the City and County of San Francisco hereby submits to the qualified electors of said City and County at an election to be held therein on November 6, 1973, a proposal to amend the Charter of said City and County by amending Section 8.300 thereof, so that the same shall read as follows:

8.300 Civil Service Positions

(a) All positions in all departments and offices of the city and county, including positions created by laws of the State of California, where the compensation is paid by the city and county, shall be included in the classified civil service of the city and county, and shall be filled from lists of eligibles prepared by the civil service commission, excepting:

(1) Postitions in which attorneys and physicians are employed in their professional capacity to perform only duties included in their professions, but exclusive of any administrative or executive positions for which such professional status constitutes only part of the qualification therefor;

(2) All employees of the San Francisco Unified School District who serve in the capacity of paraprofessionals and technical instructional assistants employed by the San Francisco Community College District; provided, however, that presently employed persons be granted status and those who are on existing eligibility lists as of December 31, 1973 be granted status rights to appointment in rank order;

(3) Inmate help or student nurses, or part-time services, where the compensation including the value of any allowances in addition thereto does not exceed one hundred fifty dollars ($150) per month. Provided that for each fiscal year following fiscal year 1963, the civil service commission shall adjust the one hundred fifty dollar ($150) maximum for part-time service as provided herein, in accordance with the average percentage increase or decrease approved for all classifications under the provisions of section 8.400 and 8.401 of this charter, and such adjusted rate shall be included in the annual salary ordinance. Provided further that such part-time positions shall not be exempted from being filled from appropriate lists of civil service eligibles, except upon the recommendation of the appointing officer, who shall set forth the schedule of operations showing that the operations involved require the service of employees for not more than seventy (70) hours per month and approval of the civil service commission, including a certification that such part-time positions cannot practically be filled from existing eligible lists. These provisions shall not be used to split or divide any position into two or more units for the purpose of evading the provisions of this section;

(4) Persons employed in positions outside the city and county upon construction work being performed by the city and county when such positions are exempted from said classified civil service

by an order of the civil service commission;

(5) Persons employed in positions in any department for expert professional temporary services, and when such positions are exempted from said classified civil service for a specified period of said temporary service, by order of the civil service commission;

(6) Such positions as, by other provisions in this charter, are specifically exempted from, or where the appointment is designated as exclusive of, the civil service provisions of this charter.

The civil service rights, acquired by persons under the provisions of the charter superseded by this charter, shall continue under this charter.

Any person holding a salaried office under the city and county, whether by election or appointment, who shall, during his term of office, hold or retain any other salaried office under the government of the United States, or of this state, or who shall hold any other salaried office connected with the government of the city and county, or who shall become a member of the legislature, shall be deemed to have thereby vacated the office held by him under the city and county.

(b) Positions as heads of offices, agencies, departments, bureaus, or institutions shall be subject to the civil service provisions of this charter unless specifically exempted.

(c) Notwithstanding any other provisions of this charter, the city and county shall perform all acts necessary to protect the employment rights of employees of the port authority as specified in Section 20 of Statutes 1968, ch. 1333.

(d) All positions in buildings and improvements of the california academy of sciences for which funds shall be furnished by the city and county, under section 6.404(d) of this charter, shall be held by employees of the city and county, with the exception of the director, the secretary of the board of trustees of said california academy of sciences, the curators and other scientific and professional personnel, and occupants of part-time positions for which a total compensation of less than $80.00 per month is provided by the city and county, inclusive of allowance for maintenance and other incidental benefits. Positions held by employees of the city and county at said buildings and improvements shall be subject to the civil service provisions of this charter and the compensation thereof shall be subject to the salary standardization provisions of this charter, in like manner and extent in all respects as positions and compensations of employments in the city and county service generally, notwithstanding anything to the contrary contained in the charter or ordinances of said city and county. The chief administrative officer shall be the appointing officer as provided in this charter.

(e) All persons employed in the operating service of any public utility hereafter acquired by lease or under any other temporary arrangement, under which the city acquires the right to operate said utility, shall be continued in their respective positions and shall be deemed appointed to such positions under, and entitled to all, the

benefits of the civil service provisions of this charter for the period of time during which the city shall continue to operate said utility under said lease or other temporary arrangement. Should the city permanently acquire said utility, said persons shall come into the permanent employ of the city and county in their respective positions and shall be deemed permanently appointed thereto under the civil service provisions of the charter and shall be entitled to all the benefits thereof, all subject to the provisions contained in section 8.300 (f) and 8.450 of the charter; provided, however, that said employees who are taken over into the employ of the city under said lease or other temporary arrangement shall not be subject to the residential qualifications of the charter, during the term of said lease or other temporary arrangement. All employees of any such utility, acquired or operated by the city under any lease or other temporary arrangement, who come into the employ of said utility after the temporary acquisition of same, shall be subject to the civil service provisions of the charter. The civil service rights of any person who comes into the service of the city under any lease or other temporary arrangement for the acquisition and operation of said utility shall cease and terminate upon the expiration of said lease or other temporary arrangement.

(f) All persons employed in the operating service of any public utility hereafter acquired by the city and county, at the time the same is taken over by the city and county, and who shall have been so employed for at least one year prior to the date of such acquisition, shall be continued in their respective positions and shall be deemed appointed to such positions, under, and entitled to all the benefits of, the civil service provisions of this charter.

(g) All employees engaged in public utility work at the time this charter shall go into effect, and who have been permanently appointed to their respective positions in conformity with the civil service provisions of this charter, shall except as otherwise provided by this charter become employees of the public utilities commission under the classification held by each such employee at such time.

(h) Any employee who was a permanent civil service appointee assigned to the airport department under the public utilities commission immediately prior to the effective date of this section, shall be continued without loss in civil service rights as an appointee of the airport department, provided that civil service rights as they relate to layoff in the event of lack of work or lack of funds of all permanent employees of the public utilities commission, including the airport department, immediately prior to the effective date of this section, shall be continued without loss in the same manner and to the same extent as though the airport department had not by these amendments been created a separate city function under the airports commission.

State of California
City and County of San Francisco } ss

This is to certify that we, Ronald Pelosi, President of the Board of Supervisors of the City and County of San Francisco, and Philip P. Engler, Acting Clerk of the Board of Supervisors of said city and county, have compared the foregoing proposed and ratified amendments to the Charter of said City and County of San Francisco with the original proposals which were submitted to the electors of said city and county at the General Municipal and Special State Election held on Tuesday, the sixth day of November, One Thousand Nine Hundred and Seventy Three, and find that the foregoing is a full, true, correct and exact copy thereof, and we further certify that the facts set forth in the preamble preceding said amendments to said Charter are true.

In witness whereof, we have hereunto set our hands and caused the same to be authenticated by the seal of the City and County of San Francisco, this third day of December, One Thousand Nine Hundred and Seventy Three.

(SEAL)

RONALD PELOSI
President of the Board of
Supervisors of the City and
County of San Francisco
PHILIP P. ENGLER
Philip P. Engler
Acting Clerk of the Board of
Supervisors of the City and
County of San Francisco

Approved as to form:
THOMAS M. O'CONNOR
Thomas M. O'Connor
City Attorney

and

WHEREAS, The proposed amendments to the charter, as adopted and ratified as hereinabove set forth, have been and now are duly submitted to the Legislature of the State of California for approval or rejection, as a whole without power of alteration or amendment, in accordance with Section 3 of Article XI of the Constitution of the State of California; now, therefore, be it

*Resolved by the Assembly of the State of California, the Senate thereof concurring, a majority of all the members elected to each house voting therefor and concurring therein,* That the amendments to the Charter of the City and County of San Francisco, as proposed to, and adopted and ratified by, the electors of the city and county, as hereinabove fully set forth, are hereby approved as a whole, without alteration or amendment, for and as amendments to, and as part of, the Charter of the City and County of San Francisco.

# FIRST EXTRAORDINARY SESSION
# 1973

# PROCLAMATION BY THE ACTING GOVERNOR

## Convening the Legislature in First Extraordinary Session

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### PROCLAMATION

Executive Department
State of California

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

I, Ed Reinecke, Acting Governor of the State of California, by virtue of the power and authority in me vested by Section 3(b) of Article IV 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 fourth day of December, 1973, at 12:00 o'clock noon of said day for the following purpose and to legislate upon the following subject

To consider and act upon legislation relative to a state supplemental payment system for the aged, blind and disabled under the 1972 and 1973 Social Security Act amendments by Act of October, 1973, 86 Stat 1329, Public Law 92-603 and Act of July 9, 1973, 87 Stat 152, Public Law 93-66, and to provide for federal administration thereof

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 29th day of November, 1973

[SEAL]

ED REINECKE
Acting Governor of California

EDMUND G. BROWN JR
Secretary of State
By PHILLIP J MENDES
Deputy Secretary of State

# STATUTES OF CALIFORNIA

Passed at the 1973 First Extraordinary Session of the Legislature

None

# CONCURRENT RESOLUTION

Adopted at the 1973 First Extraordinary Session of the Legislature

## RESOLUTION CHAPTER 1

*Senate Concurrent Resolution No. 1—Relative to final adjournment of the 1973 First Extraordinary Session of the Legislature.*

[Filed with Secretary of State December 5, 1973.]

*Resolved by the Senate of the State of California, the Assembly thereof concurring,* That the 1973 First Extraordinary Session of the Legislature of the State of California shall adjourn sine die at 1 o'clock p.m. on Tuesday, December 4, 1973.