STATUTES OF CALIFORNIA

1979–80

REGULAR SESSION

1979 CHAPTERS

CHAPTER 1

An act to amend Sections 17240 and 17241 of the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 13, 1979 Filed with Secretary of State February 13, 1979]

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

SECTION 1. Section 17240 of the Revenue and Taxation Code is amended to read:

17240. (a) In the case of an individual, there is allowed as a deduction amounts paid in cash for the taxable year by or on behalf of such individual for his benefit—

(1) To an individual retirement account described in Section 17530(a).

(2) For an individual retirement annuity described in Section 17530(b), or

(3) For a retirement bond described in Section 17530.1 (but only if the bond is not redeemed within 12 months of the date of its issuance).

For purposes of this part, any amount paid by an employer to such a retirement account or for such a retirement annuity or retirement bond constitutes payment of compensation to the employee (other than a self-employed individual who is an employee within the meaning of Section 17502.2(a) includable in his gross income, whether or not a deduction for such payment is allowable under this section to the employee after the application of subdivision (b).

(b) Limitations and restrictions. (1) The amount allowable as a deduction under subdivision (a) to an individual for any taxable year may not exceed an amount equal to 15 percent of the compensation includable in his gross income for such taxable year, or one thousand five hundred dollars ($1,500), whichever is less.

(2) No deduction is allowed under subdivision (a) for an individual for the taxable year if for any part of such year—

(A) He was an active participant in—

(i) A plan described in Section 17501 which includes a trust exempt from tax under Section 17631,

(ii) An annuity plan described in Section 17511,

(iii) A qualified bond purchase plan described in Section 17526(a), or

(iv) A plan established for its employees by the United States, by a state or political division thereof, or by an agency or instrumentality of any of the foregoing, or

(B) Amounts were contributed by his employer for an annuity contract described in Section 17512 (whether or not his rights in such contract are nonforfeitable).

(3) No deduction is allowed under subdivision (a) with respect to any payment described in subdivision (a) which is made during the taxable year of an individual who has attained age 70½ before the close of such taxable year.

(4) No deduction is allowed under this section with respect to a rollover contribution described in Section 17503(d), 17511(e), 17530(d)(3), or 17530.1(b)(3)(C).

(5) In the case of an endowment contract described in Section 17530(b), no deduction is allowed under subdivision (a) for that portion of the amounts paid under the contract for the taxable year properly allocable, under regulations prescribed by the Franchise Tax Board, to the cost of life insurance

(6) No deduction is allowed under subdivision (a) for the taxable year if the individual claims the deduction allowed by Section 17241 for the taxable year.

(c) (1) For purposes of this section, the term "compensation" includes earned income as defined in Section 17502.2(b).

(2) In the case of married individuals the maximum deduction under subdivision (b)(1) shall be computed separately for each individual. For purposes of this section, the determination of whether an individual is married shall be made in accordance with the provisions of Section 17173

(3) For purposes of this section, a taxpayer shall be deemed to have made a contribution on the last day of the preceding taxable year if the contribution is made on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (including extensions thereof)

(4) (A) A member of a reserve component of the armed forces (as defined in Section 261(a) of Title 10 of the United States Code) is not considered to be an active participant in a plan described in subdivision (b)(3)(A)(iv) for a taxable year solely because he is a member of a reserve component unless he has served in excess of 90 days on active duty (other than active duty for training) during the year.

(B) An individual whose participation in a plan described in subdivision (b)(3)(A)(iv) is based solely upon his activity as a volunteer firefighter and whose accrued benefit as of the beginning of the taxable year is not more than an annual benefit of one thousand eight hundred dollars ($1,800) (when expressed as a single life annuity commencing at age 65) is not considered to be an active participant in such a plan for the taxable year

SEC 2 Section 17241 of the Revenue and Taxation Code is amended to read·

17241 (a) In the case of an individual, there is allowed as a deduction amounts paid in cash for a taxable year by or on behalf of such individual for the benefit of himself and his spouse—

(1) To an individual retirement account described in Section 17530(a),

(2) For an individual retirement annuity described in Section

17530(b),

(3) For a retirement bond described in Section 17530.1 (but only if the bond is not redeemed within 12 months of the date of its issuance)

For purposes of this part, any amount paid by an employer to such a retirement account or for such a retirement annuity or retirement bond constitutes payment of compensation to the employee (other than a self-employed individual who is an employee within the meaning of Section 17502.2(a) includable in his gross income, whether or not a deduction for such payment is allowable under this section to the employee after the application of subdivision (b)

(b) (1) The amount allowable as a deduction under subdivision (a) to an individual for any taxable year may not exceed—

(A) Twice the amount paid to the account or annuity, or for the bond, established for the individual or for his spouse to or for which the lesser amount was paid for the taxable year,

(B) An amount equal to 15 percent of the compensation includable in the individual's gross income for the taxable year, or

(C) One thousand seven hundred fifty dollars ($1,750), whichever is the smallest amount.

(2) No deduction is allowed under subdivision (a) for the taxable year if the individual claims the deduction allowed by Section 17240 for the taxable year

(3) No deduction is allowed under subdivision (a) for an individual for the taxable year if for any part of such year—

(A) He or his spouse was an active participant in—

(i) A plan described in Section 17501 which includes a trust exempt from tax under Section 17631,

(ii) An annuity plan described in Section 17511,

(iii) A qualified bond purchase plan described in Section 17526(a), or

(iv) A plan established for its employees by the United States, by a state or political subdivision thereof, or by an agency or instrumentality of any of the foregoing, or

(B) Amounts were contributed by his employer, or his spouse's employer, for an annuity contract described in Section 17512 (whether or not his, or his spouse's rights in such contract are nonforfeitable)

(4) No deduction is allowed under subdivision (a) with respect to any payment which is made for a taxable year of an individual if either the individual or his spouse has attained age 70½ before the close of such taxable year

(5) No deduction is allowed under this section with respect to a rollover contribution described in Section 17503(e), 17511(e), 17530(d)(3), or 17530.1(b)(3)(C)

(6) In the case of an endowment contract described in Section 17530(b), no deduction is allowed under subdivision (a) for that portion of the amounts paid under the contract for the taxable year properly allocable, under regulations prescribed by the Franchise Tax Board, to the cost of life insurance

(7) No deduction is allowed under subdivision (a) with respect to a payment described in subdivision (a) made for any taxable year of the individual if the spouse of the individual has any compensation (determined without regard to Section 911 of the Internal Revenue Code of 1954 as amended by P.L. 93-406) for the taxable year of such spouse ending with or within such taxable year.

(c) (1) For purposes of this section, the term "compensation" includes earned income as defined in Section 17502.2(b).

(2) This section shall be applied without regard to any community property laws.

(3) The determination of whether an individual is married for purposes of this section shall be made in accordance with the provisions of Section 17173

(4) For purposes of this section, a taxpayer shall be deemed to have made a contribution on the last day of the preceding taxable year if the contribution is made on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (including extensions thereof)

(5) A member of a reserve component of the armed forces or a volunteer firefighter is not considered to be an active participant in a plan described in subdivision (b) (3) (A) (iv) if, under Section 17240(c) (4), he is not considered to be an active participant in such a plan.

SEC 3 The provisions of this act shall apply in the computation of taxes for taxable years beginning on or after January 1, 1978.

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:

The Federal Tax Reform Act of 1978 authorized contributions to be made to an individual retirement account not later than the time prescribed by law for filing the return for such taxable year. California law provides that contributions may be made no later than 45 days after the close of the taxable year In order to avoid confusion, to allow individuals to comply with federal law without violating state law, and to promote savings, it is necessary that this act go into immediate effect

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CHAPTER 2

An act to add and repeal Section 45108 of the Education Code, relating to school districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 20, 1979 Filed with Secretary of State February 20, 1979]

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

SECTION 1 Section 45108 is added to the Education Code, to read

45108 If the governing board of any school district establishes positions in the categories described below and restricts initial appointments of new employees to persons in low-income groups or residing in specifically designated areas of the community, then such positions shall, in addition to the regular class title, be classified as "restricted." The positions shall be part of the classified service and persons so employed shall be classified employees for all purposes except that (1) they shall not be subject to the provisions of Section 45272 or 45273, and (2) they shall not acquire permanent status or seniority credit and shall not be eligible for promotion into the regular classified service until they have complied with the provisions of subdivision (c) of Section 45105.

The categories of positions for which the governing board may establish restrictions under this section are:

(a) The position of instructional aide, as defined in Section 45343.

(b) Any other position involving personal contacts with pupils or parents, that is established to assist school staff personnel responsible for school-community relations; educational support services for such areas as counseling, library, or health; or the correction or prevention of behavioral problems.

This section shall apply to districts that have adopted the merit system in the same manner and effect as if it were a part of Article 6 (commencing with Section 45240) of this chapter.

This section shall remain in effect only until June 30, 1979, and as of that date is repealed, unless a later enacted statute which is chaptered before June 30, 1979, deletes or extends such date

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

In order to reinstate the operation of the provision defining the authority of the governing board of school districts to establish restricted positions in the classified service, it is necessary that this act take effect immediately.

CHAPTER 3

An act to amend Sections 42103, 42300, and 42301 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy

[Approved by Governor February 27, 1979 Filed with Secretary of State February 27, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 42103 of the Revenue and Taxation Code is amended to read

42103 The annual assessment imposed by Sections 42101 and 42102 shall be one of the following

(a) In the total amount of twenty-five dollars ($25) for a manufacturer or wholesaler, for all its places of business in this state,

which regularly employs an average of at least three but fewer than 20 employees annually.

(b) In the total amount of one hundred dollars ($100) for a manufacturer or wholesaler, for all its places of business in this state, which regularly employs an average of at least 20 but fewer than 50 employees annually

(c) In the total amount of two hundred dollars ($200) for a manufacturer or wholesaler, for all its places of business in this state, which regularly employs an average of at least 50 but fewer than 100 employees annually.

(d) In the total amount of one thousand dollars ($1,000) for a manufacturer or wholesaler, for all its places of business in this state, which regularly employs an average of 100 or more employees annually.

SEC. 2. Section 42300 of the Revenue and Taxation Code is amended to read:

42300. The assessments imposed by this part in 1978 are due and payable on or before September 30, 1979; and the assessments imposed by this part for 1979 and subsequent years are due and payable to the board annually on or before the last day of the second calendar month next succeeding each calendar year or on or before the last day of the second calendar month next succeeding the close of such period as may be prescribed by the board pursuant to Section 42304. If a taxpayer ceases to do business in this state, the assessments imposed by this part are due and payable to the board on or before the last day of the calendar month next succeeding the close of the calendar quarter in which the taxpayer ceased to do business in this state

SEC. 3. Section 42301 of the Revenue and Taxation Code is amended to read:

42301. On or before the day specified in Section 42300 or such other period as the board may prescribe pursuant to Section 42304, a return for the preceding calendar year or other period shall be filed with the board in such form as the board may prescribe. Returns shall be signed by the person required to file the return or by his duly authorized agent but need not be verified by oath.

SEC. 4. (a) The State Board of Equalization shall, when funds are appropriated by the Legislature, make refunds to all taxpayers who have paid the Litter Control, Recycling, and Resources Recovery Assessment, but have been relieved of the obligation to pay the assessment, for the year commencing January 1, 1978, and thereafter, by reason of the amendments to Section 42103 of the Revenue and Taxation Code made by this act

(b) In lieu of making the refunds required by subdivision (a), the board shall, whenever it is feasible to do so, return the unendorsed check or money order forwarded by such taxpayer.

(c) Section 12419.5 of the Government Code does not apply to any refund or remittance made pursuant to this act

SEC. 5. (a) The provisions of this act shall apply to the assessment imposed on or after January 1, 1978

(b) The Legislature finds that the reduction in revenues available for deposit in the State Litter Control, Recycling, and Resource Recovery Fund resulting from the enactment of this act will not significantly impair the operations of the State Solid Waste Management Board pursuant to the Litter Control, Recycling, and Resource Recovery Act of 1977 (commencing with Section 68000 of the Government Code) and will not impair any obligation to which the board is a party and that the amendments to Section 42103 of the Revenue and Taxation Code made by this act will provide for the more equitable implementation of the Litter Control, Recycling, and Resource Recovery Assessment. Accordingly, the Legislature hereby finds and declares that the reformulation of the assessment accomplished by such amendments and the refunds and remittances required to be made to taxpayers pursuant to this act promote a legitimate state purpose

(c) The revised schedule of assessments and the revised due date for the payment of assessments established by the amendments to, respectively, Sections 42103 and 42300 of the Revenue and Taxation Code made by this act shall apply to assessments, the liability for the payment of which accrues during the 1978 and subsequent tax years, unless a bill, which further revises or replaces such schedule of assessments, is chaptered on or before July 1, 1979.

SEC 4 This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect.

CHAPTER 4

An act to amend Section 107 of the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately

[Approved by Governor February 27, 1979 Filed with Secretary of State February 28, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 107 of the Revenue and Taxation Code is amended to read

107 "Possessory interests" means the following

(a) Possession of, claim to, or right to the possession of land or improvements, except when coupled with ownership of the land or improvements in the same person

(b) Taxable improvements on tax-exempt land

All possessory interests may, in the discretion of the county board of supervisors, be considered as sufficient security for the payment of any taxes levied thereon and may be placed on the secured roll

Leasehold estates for the production of gas, petroleum and other hydrocarbon substances from beneath the surface of the earth, and

other rights relating to such substances which constitute incorporeal hereditaments or profits a prendre, are sufficient security for the payment of taxes levied thereon. Such estates and rights shall not be classified as possessory interests, but shall be placed on the secured roll.

If the tax on any possessory interest or leasehold estate for the production of gas, petroleum and other hydrocarbon substances is unpaid when the last installment of secured taxes become delinquent, the tax collector shall use those collection procedures which are available for the collection of assessments on the unsecured roll.

If the tax on any possessory interest or leasehold estate for the production of gas, petroleum and other hydrocarbon substances remains unpaid at the time set for the sale to the state for taxes carried on the secured roll, such possessory interest tax together with such penalty and costs which may be accrued thereon while on the secured roll shall be transferred to the unsecured roll.

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:

The approval of Proposition 13 (Article XIII A of the California Constitution) by the voters of California at the June 6, 1978 Primary Election necessitated legislation to permit the placement of tax levies on possessory interests with those on the secured roll. In order to continue the assessment of possessory interests on the secured roll for the 1979–80 tax roll, it is necessary that this act take effect immediately

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CHAPTER 5

An act to amend Sections 2 and 5 of, and to repeal Section 4 of, Chapter 1405 of the Statutes of 1974, and to repeal and add Sections 7202, 7203, 7261, and 7262 of the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor February 28, 1979 Filed with Secretary of State February 28, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 2 of Chapter 1405 of the Statutes of 1974 is amended to read·

Sec 2 The Legislative Analyst shall report to the Legislature on or before July 1, 1983, on the net revenue effect of Section 1 of this act, which shall include, but not be limited to, the change in economic activity, change of employment, and sales to and by the

maritime industry and businesses serving the maritime industry, including any multiplier effect, the increase in tax revenue due to such activity, and to the extent practicable an analysis of the impact of the above factors on a county-by-county or regional basis. Such report shall contain a recommendation that the Legislature either renew this exemption or that they allow it to be repealed.

SEC 2 Section 4 of Chapter 1405 of the Statutes of 1974 is repealed

SEC 3. Section 5 of Chapter 1405 of the Statutes of 1974 is amended to read.

Sec 5. Section 1 of this act shall be operative from the lien date in 1975 to the lien date in 1980, inclusive, and after that date shall have no further force or effect.

SEC. 3 1 Section 7202 of the Revenue and Taxation Code is repealed

SEC 3 2 Section 7202 is added to the Revenue and Taxation Code, to read:

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

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

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

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

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

(e) A provision that such ordinance may be made inoperative not less than 60 days, but not earlier than the first day of the calendar quarter, following the county's lack of compliance with Article 11 (commencing with Section 29530) of Chapter 2 of Division 3 of Title 3 of the Government Code or following an increase by any city

within the county of the rate of its sales or use tax above the rate in effect at the time the county ordinance was enacted.

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

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

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

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

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

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

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

(5) A provision that the storage, use or other consumption of tangible personal property, the gross receipts from the sale of which has been subject to sales tax under a sales and use tax ordinance

enacted in accordance with this part by any city and county, county, or city in this state, shall be exempt from the tax due under this ordinance

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

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

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

SEC 3.3. Section 7203 of the Revenue and Taxation Code is repealed

SEC 3.4 Section 7203 is added to the Revenue and Taxation Code, to read·

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

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

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

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

or city in this state, shall be exempt from the tax due under this ordinance

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

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

SEC. 3.5. Section 7261 of the Revenue and Taxation Code is repealed.

SEC. 3 6. Section 7261 is added to the Revenue and Taxation Code, to read:

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

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

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

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

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

(e) A provision that there are exempted from the tax the gross receipts from the sale of tangible personal property to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such

aircraft as common carriers of persons or property under the authority of the laws of this state, the United States, or any foreign government.

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

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

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

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

SEC. 3.7. Section 7262 of the Revenue and Taxation Code is repealed.

SEC 3.8. Section 7262 is added to the Revenue and Taxation Code, to read·

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

(a) Provisions identical to those contained in Part 1 (commencing with Section 6001) of this division, insofar as they relate to use taxes and are not inconsistent with this part, except that the name of the

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

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

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

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

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

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

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

for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

SEC. 3.9. Sections 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, and 3.8 of this act shall become operative on January 1, 1984.

SEC. 3.10. The Legislative Analyst shall report to the Legislature on or before January 1, 1983, on the net revenue effect of Sections 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, and 3.8 of this act, which shall include, but not be limited to, the change in economic activity, change of employment, and sales to and by the maritime industry and businesses serving the maritime industry, including any multiplier effect, the increase in tax revenue due to such activity, and to the extent practicable, an analysis of the impact of the above factors on a county-by-county or regional basis. Such report shall contain a recommendation that the Legislature either renew this exemption or that they allow it to be repealed.

SEC. 4. (a) Notwithstanding Section 2229 of the Revenue and Taxation Code, no appropriation is made by this act and the state shall not reimburse any local agency for any property tax revenues lost by it under this act.

(b) Notwithstanding Section 905.2 of the Government Code, Section 2253 of the Revenue and Taxation Code, or any other provision of law, no local agency or school district shall have standing to make a claim to the State Board of Control for any costs incurred by it under this act pursuant to Part 3 (commencing with Section 900) of Division 3.6 of Title 1 of the Government Code or pursuant to Article 3.5 (commencing with Section 2250) of Chapter 3 of Part 4 of Division 1 of the Revenue and Taxation Code.

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

The present tax exemption for ocean cargo containers expires on March 1, 1979. Studies by the Legislative Analyst and a leading maritime research firm show that unless the exemption is extended, there will be some diversion of ocean containerized cargoes from California ports to other maritime states which do not impose a property tax on ocean cargo containers. One such state is Washington which is capturing a growing share of what was once California's container trade and where cargo containers are permanently exempt from property taxes. Such diversion could create overall economic losses to California of up to $7,000,000 a year greater than anticipated tax revenues on containers and result in loss of income to ocean carriers, added costs to California exporters and importers, and loss of employment earnings to California workers.

In order that the impact of this impending tax be minimized at the earliest possible time, it is, therefore, necessary that this act take effect immediately

CHAPTER 6

An act to amend Sections 33080.1 and 33080.3 of, and to add Section 33080 5 to, the Health and Safety Code, relating to redevelopment, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 1, 1979 Filed with Secretary of State March 1, 1979]

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

SECTION 1. Section 33080 1 of the Health and Safety Code is amended to read

33080 1. Every redevelopment agency shall present a report to its legislative body within six months of the end of the agency's fiscal year. The report shall contain all of the following:

(a) An independent financial audit report for the previous fiscal year. "Audit report" means an examination of, and opinion on, the financial statements of the agency which present the results of the operations and financial position of the agency. Such audit shall be conducted in accordance with generally accepted auditing standards and the rules governing audit reports promulgated by the State Board of Accountancy The audit report shall also include an opinion of the agency's compliance with laws, regulations and administrative requirements governing activities of the agency.

However, the legislative body may elect to omit from inclusion in the audit report, any distinct activity of the agency which is funded exclusively by the federal government and which is subject to audit by an agency or instrumentality of the federal government.

(b) A work program for the coming year, including goals.

(c) An examination of the previous year's achievements and a comparison of the achievements with the goals of the previous year's work program

(d) Recommendations for needed legislation to carry on properly a program of housing and community development in California.

SEC. 1.5 Section 33080 3 of the Health and Safety Code is amended to read:

33080 3 Notwithstanding the provisions of Section 33080 or 33080 1, an opinion of the agency's compliance with laws, regulations and administrative requirements governing activities of the agency, as required by subdivision (a) of Section 33080.1, shall be included for the first time in the first report filed with the department and presented to the agency's legislative body for the agency's last fiscal year ended prior to January 1, 1980. The State Controller shall develop guidelines for the content of such portion of the report not later than July 1, 1979 The State Controller shall appoint an advisory committee to advise the State Controller in the development of the guidelines, consisting of, one member of a city council which serves as the governing body of its redevelopment agency, who shall be

nominated by the League of California Cities, one member of a county board of supervisors which serves as the governing body of its redevelopment agency, who shall be nominated by the County Supervisors Association of California, and two representatives each from (1) the department, (2) the California Society of Certified Public Accountants, (3) municipal finance officers, (4) redevelopment agencies, and (5) independent authorities in the field.

That portion of the report required by subdivisions (b), (c) and (d) of Section 33080.1 for the fiscal year 1977–78, shall be filed with the department and presented to the agency's legislative body on or before March 1, 1979.

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:

Redevelopment requires reporting and auditing to make it responsive and effective. Redevelopment agencies cannot meet the date for the completion of the audit procedure specified in existing law, because there are no guidelines from the state to direct the content of the required report. In order to provide guidelines for reporting and auditing redevelopment and to avoid violations of the law, it is necessary that this act take effect immediately.

CHAPTER 7

An act to amend Section 16272 7 of the Government Code, relating to subventions to local agencies, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 7, 1979 Filed with Secretary of State March 7, 1979]

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

SECTION 1 Section 16272.7 of the Government Code is amended to read:

16272.7. (a) The allocation for each governing body as determined in Section 16272.5 shall be distributed to each governing body by the State Controller as follows:

33 percent—on August 31, 1978, or a subsequent date if the information needed by the State Controller is not available by this date

33 percent—on December 10, 1978.

34 percent—on May 10, 1979, or at an earlier time as may be requested by the governing body if a determination is made pursuant to subdivision (b) of this section.

(b) If a governing body certifies that any district which was

allocated funds pursuant to Section 16275 needs such funds earlier than May 10, 1979, and that such need is based on a determination by the governing body that such funds are needed in order to continue providing necessary services, the governing body may request that the Controller provide such funds prior to May 10, 1979. Upon such request the Controller shall disburse such funds. When received, the board shall immediately deposit such funds with such district.

(c) Where funds are disbursed earlier than May 10, 1979, any reconciliation and audit as may otherwise be required shall be made no later than July 1, 1979.

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·

Existing law provides for the distribution of state funds during the 1978–79 fiscal year to special districts in accordance with specified procedures for the purpose of implementing Article XIII A of the California Constitution The final allocation of such funds is now required to be made on May 10, 1979. However, many special districts will run out of money before that date. In order that the services provided by such special districts will not be interrupted, it is necessary that this act, which would provide for the allocation of such funds on or before March 1, 1979, take effect immediately.

CHAPTER 8

An act to add Section 25536 7 to the Government Code, relating to county property, and declaring the urgency thereof, to take effect immediately

[Approved by Governor March 7, 1979 Filed with Secretary of State March 7, 1979]

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

SECTION 1. Section 25536.7 is added to the Government Code, to read:

25536.7 Whenever real property has been granted to a county, prior to January 1, 1920, by gift-deed, for an art institute or other artistic or cultural purpose, and has been operated by the county for such purpose in conjunction with contiguous county-owned real property, the county board of supervisors, in addition to its other powers, may, without complying with the other provisions of this article, enter into an operating lease or management contract with a nonprofit corporation or association or with the governing board of a public or private school, college or university, or school or college district, for the management, operation, or maintenance of such

gift-deeded and contiguous properties for uses and purposes consistent with the gift-deed. Any such lease or contract shall not exceed a term of 40 years and may contain such other terms and conditions as may be agreed upon, including the right of the lessee or contractor to use fixtures and personal property situated on the realty at the date of execution of such lease or contract and necessary for the operation of the realty for such uses and purposes, or as may be required to comply with the limitations and restrictions upon the use of the property contained in the gift-deed and with provisions of law regarding the public use.

The provisions of this section shall apply only to a county with a population of 4,000,000 or more as shown in the 1970 federal decennial census.

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

Severe budgetary constraints have made it imperative that counties exceeding 4,000,000 in population discontinue general fund financing of publicly-owned art institutes. Such institutes do have numerous students whose health and education would be seriously interrupted and impaired by closing of the institutes. Transfer of the responsibility for operating such institutes to noncounty entities for operation under county direction and control would avert such closing. In order that an orderly transfer of such responsibility, as authorized by Section 1 of this act, may be accomplished in time to avert the closure of an art institute, it is necessary that this act take effect immediately.

CHAPTER 9

An act to amend Sections 5000, 5002, 5004, 5005, 5017, 5018, 5022, 5091, 5203, 5204, 5229, 5231, 5326, and 35105 of, to repeal Section 5057 of, and to repeal and add Section 1008 of, the Education Code, and to amend Sections 2520 and 17088 of the Elections Code, relating to elections, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 8, 1979 Filed with Secretary of State March 9, 1979]

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

SECTION 1 Section 1008 of the Education Code is repealed.

SEC. 2. Section 1008 is added to the Education Code, to read.

1008. When any vacancy exists on the county board of education of any county on or after December 1, 1978, the vacancy shall be filled in the manner prescribed in Article 3 (commencing with

Section 5090) of Chapter 1 of Part 4.

SEC. 3. Section 5000 of the Education Code is amended to read:

5000. (a) After the initial election of governing board members in any school district or community college district, a governing board member election shall be held biennially on the first Tuesday after the first Monday in November of each succeeding odd-numbered year to fill the offices of members whose terms expire on the last Friday in November next succeeding the election. Except as provided in this chapter, or in Chapter 2 (commencing with Section 5200) of this part, the elections shall be held and conducted in accordance with the provisions of Chapter 3 (commencing with Section 5300) of this part.

(b) Notwithstanding any provisions of law to the contrary, a regular election for members of the Long Beach Community College District governing board may be held, upon the adoption of an appropriate resolution by the governing board, on the same date upon which the election for members of the City Board of Education of the Long Beach Unified School District is held pursuant to the City Charter of the City of Long Beach and Article 3 (commencing with Section 5340) of Chapter 3 of this part.

SEC 3.5 Section 5002 of the Education Code is amended to read:

5002. (a) Notwithstanding the provisions of Section 5000, whenever, in a district which has been wholly absorbed into one or more other districts and continues in existence as a district pursuant to Section 4066 until the reorganization in which it has been included is effective for all purposes and a governing board member election is otherwise required to be held prior to such effective date of the reorganization, no such election shall be held Instead, the county superintendent of schools shall appoint successors to the members whose terms expire on the last Friday in November following the date upon which the election would otherwise have been held. Such appointees shall hold office until the reorganization becomes effective for all purposes

(b) The provisions of subdivision (a) shall apply to any school district governed by a city board of education whenever such school district has been included with other school district territory within a unification effected pursuant to Chapter 2 (commencing with Section 4200) of Part 3 of this division, where:

(1) The charter of the city involved requires an election of city school district governing board members to be held prior to the date the new unified district becomes effective for all purposes; and

(2) The governing board of the new unified school district is organized to be subject to the provisions of this code rather than the provisions of the city charter

SEC 4. Section 5004 of the Education Code is amended to read:

5004 Notwithstanding the provisions of Sections 35105 and 5000 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 November of that odd-numbered year, but the several members whose terms expire shall serve until April 30th of the next succeeding even-numbered year. A governing board election shall be held on the second Tuesday in April of that even-numbered year to fill the offices of such members whose terms expire on April 30th next succeeding the election. The terms of office of the members so elected shall expire on the last Friday in November of the second succeeding odd-numbered year Their successors shall be elected pursuant to Section 5000

SEC 5. Section 5005 of the Education Code is amended to read:

5005. 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 November. The election shall be called, held and conducted by the county superintendent of schools in substantially the same manner as prescribed by Section 5000

SEC. 6. Section 5017 of the Education Code is amended to read.

5017 (a) Each person elected at a regular biennial governing board member election shall hold office for a term of four years commencing on the last Friday in November next succeeding his election. Any member of the governing board of any school district or community college district whose term has expired shall continue to discharge the duties of his office until his successor has qualified. The term of the successor shall begin upon the expiration of the term of his predecessor.

(b) Notwithstanding any provisions of law to the contrary, each person elected at a regular election held pursuant to subdivision (b) of Section 5000 shall hold office for a term of four years commencing on the first day of the calendar month next succeeding his election. The term of his predecessor shall be deemed to expire on the first day of the calendar month next succeeding such election, regardless of the length of such term as otherwise established by law, provided, however, that such predecessor shall continue to discharge the duties of his office until his successor has qualified.

SEC 7 Section 5018 of the Education Code is amended to read:

5018 Any elementary school district having a governing board of three members may, and any elementary school district having a governing board of three members whose average daily attendance during the preceding fiscal year was 300 or more shall, do either of the following:

(a) By its own action determine that the number of members of the governing board shall be increased to five, in which case two additional members shall be elected at an upcoming regular election

date, as specified in Section 2500 of the Elections Code, determined by the board.

(b) Request the county superintendent of schools having jurisdiction to submit the question of whether the number of members of the governing board shall be increased to five to the voters of the elementary school district at an upcoming regular election date, as specified in Section 2500 of the Elections Code, determined by the county superintendent of schools. At the same election, two additional members shall be elected to take office if the number of governing board members is increased.

Candidates for the two additional offices shall state in the declarations of candidacy filed for the election that the candidates are candidates for the two additional offices separately from the other offices to be filled in the election and shall clearly indicate to the voters that they may vote for two of the candidates to take office if the voters approve the proposed increase in the number of board members.

If the voters at the election do not approve such an increase in membership of the governing board, the same question may be submitted to the voters at subsequent governing board member elections. Requests to the county superintendent to submit the question to the voters of a district shall be filed with him by the governing board of the district no later than 100 days prior to the election.

If, pursuant to either subdivision (a) or subdivision (b) of this section, two additional governing board members are authorized and elected, the one receiving the higher number of votes shall hold office for a term commencing the first day of the month following the election until the last Friday in November in the second succeeding year following the election in which a regular governing board election is held, and the other one shall hold office for a term commencing the first day of the month following the election until the last Friday in November in the first succeeding year following the election in which a regular governing board election is held. Thereafter the governing board shall be composed of five members elected in the same manner and for the same term as governing boards having five members.

SEC. 8. Section 5022 of the Education Code is amended to read:

5022. If the number of members of the governing board is increased from five to seven, the two additional members of the board of trustees shall be appointed by the governing board of the district, with the term of one of such appointees being designated to expire on the last Friday in November of the next succeeding odd-numbered year and the term of the other such appointee being designated to expire on the last Friday in November of the second succeeding odd-numbered year.

SEC 9. Section 5057 of the Education Code is repealed.

SEC. 10. Section 5091 of the Education Code is amended to read:

5091. (a) Whenever a vacancy occurs, or whenever a resignation

has been filed with the county superintendent of schools containing a deferred effective date, the school district or community college district governing board shall, within 30 days of the vacancy or the filing of the deferred resignation, either order an election or make a provisional appointment to fill the vacancy. A governing board member may not defer the effective date of his or her resignation for more than 30 days after he or she files the resignation with the county superintendent of schools.

In the event that a governing board fails to make a provisional appointment or order an election within the prescribed 30-day period as required by this section, the county superintendent of schools shall call an election to fill the vacancy.

(b) When an election is ordered, it shall be held on the next regular election date provided pursuant to Chapter 1 (commencing with Section 2500) of Division 4 of the Elections Code not less than 98 days after the occurrence of the vacancy or after the written resignation is filed with the county superintendent of schools.

(c) If a provisional appointment is made within the 30-day period, the registered voters of the district may, within 30 days from the date of the appointment, petition for the conduct of a special election to fill the vacancy. A petition shall be deemed to bear a sufficient number of signatures if signed by at least the appropriate percentage of registered voters of the district who voted in the last regular election for governing board members, as follows:

(1) In districts in which less than 75,000 voters voted 5 percent of the number of such voters.

(2) In districts in which 75,000 or more, but less than 200,000, voters voted 3,750 plus 2½ percent of the number, over 75,000, of such voters

(3) In districts in which 200,000 or more voted 6,875 plus 1 percent of the number, over 200,000, of such voters.

The petition shall be submitted to the county superintendent of schools having jurisdiction who shall have 30 days to verify the signatures. If the petition is determined to be legally sufficient by the county superintendent of schools, the provisional appointment is terminated, and the county superintendent of schools shall call a special election to be conducted no later than the 120th day after the determination; provided, however, if a regular election date, as defined in Section 2500 of the Elections Code, occurs between the 120th day and the 150th day following the determination, the county superintendent of schools may call such election to be conducted on the regular election date.

(d) A provisional appointment made pursuant to subdivision (a) confers no powers or duties of a governing board member upon the appointee during the 30-day period following his appointment and within which a petition calling for special election may be filed. If a petition is not filed within the 30-day period, the appointee shall thereafter have all the powers and perform all the duties of a governing board member.

(e) A person appointed to fill a vacancy shall hold office only until the next regularly scheduled election for district governing board members, whereupon an election shall be held to fill the vacancy for the remainder of the unexpired term. A person elected at an election to fill the vacancy shall hold office for the remainder of the term in which the vacancy occurs or will occur.

(f) Whenever a petition calling for a special election is circulated, the petition shall contain the clerk's estimate of the cost of conducting the special election.

(g) Elections held pursuant to subdivisions (b) and (c) shall be conducted in as nearly the same manner as practicable as other governing board member elections.

SEC 11. Section 5203 of the Education Code is amended to read:

5203. If the charter of any city provides for or has within two years prior to January 1, 1955, provided for a board of education of five members of a unified school district, and such charter has been or is hereafter amended so that it fails to provide for a board of education, a new board of education composed of five members is created under this section immediately upon the effective date of such amendment, the positions thereto shall be filled by appointment of the county superintendent of schools. The terms of the members first so appointed shall expire the last day of November of an odd-numbered year next following the effective date of such charter amendment, and an election shall be held for the members of such board at the time fixed by law for the regular election of members of governing boards of school districts, and the members so elected shall assume office on the last Friday in November following. If the effective date of such charter amendment is such that a legal election for board members cannot be held as aforesaid prior to the first day of December of an odd-numbered year next following such charter amendment, then the county superintendent of schools shall again appoint the members of such board who shall assume office on the last Friday in November as aforesaid. The terms of the board members who take office on the last Friday in November as aforesaid and thereafter shall be as follows:

(a) If such members were elected, the three receiving the largest number of votes shall serve for four-year terms, and the remaining two members shall serve for two-year terms; and all subsequent members shall serve for four-year terms.

(b) If such members were appointed, the county superintendent of schools, upon making the appointments, shall designate three members to serve for four-year terms, and two members to serve for two-year terms.

Except as herein otherwise provided, the members of the board shall be elected at the last time fixed by law for the election of members of governing boards of school districts prior to the commencement of a new term of office. If a general municipal election is to be held within 60 days prior to the time when an election for board members would be held as aforesaid, the board of

education may, by resolution filed with the governing body of such city at least 60 days prior to such municipal election, call the school district election to coincide with the municipal election and request the governing body of such city to consolidate such elections in that portion of the school district which lies within such city, and the governing body of such city shall order such elections to be consolidated and to be held as are consolidated elections under the provisions of the Elections Code relating to consolidated elections, in which event the school district shall simultaneously with the holding of such consolidated election conduct an election in any portion of the district not included within such municipality. In the event of the holding of such consolidated election, the school district shall reimburse the city for its proportionate share of the costs of conducting such consolidated election in an amount to be agreed upon between the governing bodies of such school district and such city.

SEC. 12 Section 5204 of the Education Code is amended to read:

5204 Proceedings pursuant to Section 5203 may be conducted in conjunction with proceedings under Article 1 (commencing with Section 5000) of Chapter 1 of this part, including proceedings by the county committee on school district organization to establish trustee areas or to increase the number of members of the governing board of the school district or community college district from five to seven members, or both. In the event that the number of members of the governing board of the school district is so increased from five to seven members, the terms of office of the board members who take office at the expiration of the terms of office of the board members appointed by the county superintendent of schools shall be determined by lot. The terms of office of the majority of members of the board shall expire on the last Friday in November of the second succeeding odd-numbered year, and the terms of the other members shall expire on the last Friday in November of the first succeeding odd-numbered year. All subsequent members shall serve for four-year terms.

SEC 13. Section 5229 of the Education Code is amended to read:

5229. If a unified district governed by a board of education of five members includes a chartered city, the charter of which provides for a board of education, the members of which are to be elected pursuant to this code and to hold office for the terms provided by this code, and three members of such board of education were elected to hold office for a term expiring during the school year commencing on the date the district was formed for all purposes, the office of three members of the board of education shall be filled at the first election of governing board members following such date of formation for all purposes.

The term of office of such three members shall be determined by lot The term of one member shall expire on the last Friday in November of the first succeeding odd-numbered year following his election, and the terms of two members shall expire on the last

Friday in November of the second succeeding odd-numbered year following their election. The persons elected to succeed such three members shall hold office for four years.

In a unified school district formed pursuant to Chapter 2 (commencing with Section 4200) of Part 3 of this division which includes a chartered city, the governing board of the district shall be the board of education of such city or city and county; provided, that all qualified electors residing within the unified school district are eligible to vote at all elections held for the election of members of the city board of education and any elector residing in the district, or in a trustee area if the district is divided into trustee areas, is eligible to serve as a member of said board.

In the event a unified district includes a chartered city the governing board of the unified district shall consist of either five or seven members and shall be elected at large or by trustee areas, as designated by the unification proposal, and any elector residing in the district, or in a trustee area if the district is divided into trustee areas, is eligible to serve as a member of the board. The first governing board of any such unified school district shall be elected in the manner prescribed by Section 35101, except where the charter of the included chartered city expressly provides for the election of the first governing board of a newly formed unified school district, in which case such provisions of the charter shall control the election of the governing board

SEC. 14 Section 5231 of the Education Code is amended to read·

5231. Notwithstanding any other provision of law, when elections for school district governing board members in existing or newly formed school districts are conducted in conjunction with the municipal election of a chartered city on other than the first Tuesday after the first Monday in November, newly elected members, unless the charter provides otherwise, shall take office 37 days after the day of election; provided, however, if the charter of a city provides for a municipal nominating or primary election and a general municipal election, the newly elected members shall take office 37 days after the date fixed by the charter for the general municipal election. The terms of office of outgoing members shall expire on the day before such newly elected members take office.

SEC. 15 Section 5326 of the Education Code is amended to read:

5326. If, immediately following the last time for filing pursuant to Sections 5012 and 5012 5, only one person has been nominated for each position of governing board member to be filled at that election or no person has been nominated for any such position, and a petition signed by 25 voters of the district indicating that a write-in campaign will be conducted has not been presented to the officer conducting the election by the 50th day prior to the election, an election shall not be held

For purposes of this section it shall be deemed that there is only one candidate for each position of governing board member to be filled when there is more than one such position to be filled from a

list of candidates for all such positions collectively and the number of candidates does not exceed the number of positions to be filled; to the extent that the number of such positions exceeds the number of candidates therefor, it shall be deemed that no person has been nominated.

The provisions of this section shall apply to elections for membership on the county board of education.

For purposes of this section and Sections 5327, 5328, and 5329, "nominated" or "nomination" includes becoming a candidate by a declaration of candidacy.

SEC. 16. Section 35105 of the Education Code is amended to read:

35105. Subject to the procedures prescribed by Sections 5010 and 5007 with respect to newly formed unified school districts, the majority of members of the first elected board of any newly formed school district, the members of which majority received the highest number of votes, shall serve until the last Friday in November of the second succeeding odd-numbered year. The other members' terms shall expire on the last Friday in November of the first succeeding odd-numbered year. All such members shall continue in office until their successors are elected and qualified.

SEC 17. Section 2520 of the Elections Code is amended to read:

2520. Except as provided in Sections 2604 and 23509.5, no election shall be held on any day other than a Tuesday nor shall any election be held on the day after a state holiday.

SEC 18. Section 17088 of the Elections Code is amended to read:

17088. The clerk shall prepare a certified statement of the results of the election and submit it to the governing body within 28 days of the election or, in the case of school district, community college district, county board of education, or special district elections conducted on the first Tuesday after the first Monday in November of odd-numbered years, no later than the last Monday before the last Friday of that month.

SEC 19 Subject to the last paragraph set forth herein, and at the discretion of the governing board of a school district or community college district or the county board of education, this section shall apply to the filling of vacancies on a school district governing board, a community college district governing board, and a county board of education which vacancies exist on December 1, 1978, or which occur between December 1, 1978, and July 31, 1979. Compliance with this section shall, if implemented by a board, be deemed to be compliance with any other provision of law relating to the filling of vacancies on such boards

Notwithstanding any other provision of law, for any vacancy on any school district or community college district governing board, or any county board of education, the school district, or community college district governing board, or county board of education, may make a provisional appointment to fill the vacancy within 30 days after the vacancy occurs or within 30 days of the effective date of this act, if the vacancy occurred before the effective date of this act

If such a provisional appointment is made, the registered voters of the district or county may, within 30 days of the appointment, petition pursuant to the procedures of subdivision (c) of Section 5091 of the Education Code for the vacancy to remain open until it can be filled in an election to be held on the first Tuesday after the first Monday in November of 1979. If such a petition is timely filed, the vacancy shall remain open until the last Friday in November, and the new member shall be elected to fill such vacancy on the first Tuesday after the first Monday in November of 1979.

Such election shall be deemed to be in lieu of any special election which would otherwise have been required by any other provision of law.

This section shall not be applicable to a school district, community college district, or county board of education if, on or before the effective date of this act, the period has opened for filing declarations of candidacy to fill a vacancy on the board at a special election called in accordance with law.

SEC. 20. Section 2 of this act, adding Section 1008 to the Education Code, shall become operative on August 1, 1979.

SEC. 21. 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:

Chapter 4, Statutes of 1978, which authorized the creation of a separate governing board for the Long Beach Community College District, allowed the college board member elections to be held on the same date as the election required by city charter held for board members of the coterminous Long Beach Unified School District for the purpose of saving the public the expense of a separate election. However, Chapter 1376, Statutes of 1978, extends the term of office of incumbent college district board members from March 31, 1979, to November 30, 1979, and from March 31, 1981, to November 27, 1981. Thus a person elected to the community college district board in March of 1979 or 1981 could not assume office without an unwarranted period of delay, thereby frustrating the will of the electorate of the district. Further, existing law would require costly special elections for short-term vacancies on governing boards occurring in 1979. Thus, it is necessary that this act take effect immediately.

CHAPTER 10

An act to amend Section 14050 of the Education Code, relating to county superintendent of schools, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 20, 1979. Filed with Secretary of State March 21, 1979]

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

SECTION 1 Section 14050 of the Education Code is amended to read:

14050 The county superintendent of schools shall on or before June 30 of each year submit to the Superintendent of Public Instruction a budget for the succeeding fiscal year, in such form as the Superintendent of Public Instruction shall prescribe, setting forth all known and estimated revenues of the county school service fund for such fiscal year from all sources, and the proposed expenditures from the county school service fund for such fiscal year. The budget shall be approved by the Superintendent of Public Instruction. When a budget is submitted to the Superintendent of Public Instruction for his approval, he shall make a review of each program prior to approving the budget. No allowance shall be made under Sections 14050 to 14056, inclusive, whichever are in effect, to a county superintendent of schools for any item of current expenses or capital outlay with respect to which the county superintendent has failed to comply with the regulations of the Superintendent of Public Instruction which he is herewith authorized to adopt applicable to such item. The regulations adopted by the Superintendent of Public Instruction hereunder shall not be limited to, but shall, among other matters:

(a) Prescribe procedures relating to budgeting, purchasing and replacing capital outlay items.

(b) Prescribe procedures relating to the purchase, replacement, operation and maintenance of automotive equipment.

(c) Prescribe the conditions under which the county superintendent of schools may provide services to districts by contract.

(d) Prescribe the conditions under which allowances may be made to the county superintendent of schools to contract for the services of special consultants.

(e) Prescribe the conditions under which allowances may be made to the county superintendent of schools to assume functions authorized by law to be performed either by the county superintendent of schools or another public agency.

(f) Prescribe conditions under which allowances will be made to meet conditions of an emergency nature requiring the establishment and maintenance of emergency schools, the providing of emergency teachers for regular elementary schools, the providing of emergency transportation to regular elementary schools, or emergency apportionments to school districts.

(g) Define county school service fund publications and prescribe the procedures to be followed relating to budgeting, printing and distributing such publications

Upon the approval of the budget by the Superintendent of Public Instruction, he shall note his approval thereon and transmit one copy thereof to the county superintendent of schools and one copy to the county auditor of the county.

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:

The approval of Proposition 13 (Article XIII A of the California Constitution) by the voters of California at the June 6, 1978 Primary Election has necessitated complex budgetary analysis and adjustment. To assure an orderly budgetary process during the current year, it is necessary that the provisions of this act go into immediate effect.

CHAPTER 11

An act relating to the Fresno Unified School District, declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 20, 1979 Filed with Secretary of State March 21, 1979.]

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

SECTION 1. Notwithstanding any other provision of law, the Fresno Unified School District, the electorate of which on November 8, 1977, authorized the district to levy an ad valorem property tax for the purpose of nine school projects specified in the order of election, may locate the elementary school proposed in the order of election to be located on West Sierra Avenue, instead on a site at the corner of Road K and Road G between North Gates Avenue and West San Jose Avenue as shown on the tentative map of Tract No. 3011 in the City of Fresno.

SEC. 2. Because of unique circumstances concerning the lease-purchase of school facilities in the Fresno Unified School District, the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the Constitution.

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

In order that the Fresno Unified School District may enter into the lease-purchase agreements authorized by the district's voters without further delay, it is necessary that this act take effect immediately.

CHAPTER 12

An act to add Article 4 (commencing with Section 16279.1) to Chapter 3 of Part 1.5 of Division 4 of Title 2 of the Government Code, and to amend Section 35.5 of Chapter 332 of the Statutes of 1978, relating to subventions to local agencies, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 21, 1979. Filed with Secretary of State March 21, 1979]

I am reducing the appropriation contained in Section 1 of Senate Bill No. 31 from $35,710,000 to $30,000,000

This spending reduction is in keeping with the fiscal discipline required to avoid tax increases in the period ahead

With this reduction, I approve Senate Bill No 31.

EDMUND G BROWN JR., Governor

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

SECTION 1. Article 4 (commencing with Section 16279.1) is added to Chapter 3 of Part 1.5 of Division 4 of Title 2 of the Government Code, to read:

Article 4. Additional Assistance

16279.1. The Legislature finds and declares that Article XIII A of the Constitution, as added by the adoption of Proposition 13 on the ballot at the Direct Primary Election held on June 6, 1978, has substantially reduced the property tax revenues of many special districts, and that the remaining revenues, together with state assistance made available for special districts for the 1978–79 fiscal year, will not, in some instances, be sufficient to adequately finance the operation of special districts for the remainder of the 1978–79 fiscal year.

The Legislature further recognizes that there is a need to reduce the cost of local government and to provide local services in the most cost efficient manner possible. The Legislature urges all special districts to examine the services which they provide, to determine if such services duplicate those services provided by another public agency within the same service area, to determine which services could be eliminated or reduced, and to determine what steps can be taken, including, but not limited to, the consolidation of such districts or the realignment of their boundaries, so as to reduce the cost of providing services.

The purpose of this article is to provide financial assistance to those special districts which will be without sufficient funds to adequately provide services during the remainder of the 1978–79 fiscal year. The Legislature intends that only those special districts which have made a concerted effort to reduce their costs during the 1978–79 fiscal year

shall be considered eligible to receive additional financial assistance for the remainder of such fiscal year. It is the intent of the Legislature that boards of supervisors, in distributing funds among eligible special districts, shall make such distribution to districts in such a manner that each district receives an amount commensurate with its 1978–79 revenue loss relative to the similar losses of other eligible districts within the county.

16279.2. (a) The sum of thirty-five million seven hundred ten thousand dollars ($35,710,000) is hereby appropriated from the Local Agency Emergency Loan Fund to the State Controller for allocation to special districts as provided in this article.

(b) The State Controller shall apply the percentages stated in the schedule set forth in subdivision (c) to the sum of thirty-five million seven hundred ten thousand dollars ($35,710,000) and allocate the amount determined thereby to the respective governing bodies.

(c) The following schedule contains the percentages to be applied as provided by subdivision (b):

County	*Percent*
Alameda	8.794
Butte	1.061
Calaveras	012
Colusa	.040
Contra Costa	1.957
El Dorado	.153
Fresno	3.130
Humboldt	.235
Imperial	.070
Inyo	.022
Kern	.454
Kings	.401
Lake	.077
Los Angeles	32.682
Marin	.867
Mendocino	.156
Merced	.057
Modoc	.031
Monterey	.184
Napa	.272
Nevada	.166
Orange	18.454
Placer	.187
Riverside	1.848
Sacramento	2.812
San Benito	.031
San Bernardino	5 256
San Joaquin	1.520
San Mateo	2.051
Santa Barbara	793

Santa Clara	1.225
Santa Cruz	1.013
Shasta	.031
Solano	1.438
Sonoma	1.081
Sutter	.313
Tehama	.075
Tulare	.393
Ventura	1.876
Yolo	.160
Yuba	.140

Multi-County District	Percent
Coachella Valley Water District	.080
Deer Creek Storm Water District	.019
Dixon Resource Conservation District	.002
Dos Palos Drainage District	.011
Flood Control Maintenance District #7	.010
Flood Control Maintenance District #15	.021
Kaweah Water Conservation District	.240
Lower San Joaquin Levee District	.016
Reclamation District #777	.006
Reclamation District #1000	.120
Reclamation District #2054	.005
Reclamation District #2056	.006
Reclamation District #2063	.008
Colusa Mosquito Abatement District	.013
Delano Mosquito Abatement District	.079
Kings Mosquito Abatement District	.168
Marin-Sonoma Mosquito Abatement District	.076
Sacramento-Yolo Mosquito Abatement District	.479
Sutter-Yuba Mosquito Abatement District	.091
Pajaro Valley Cemetery District	.078
Manton Cemetery District	.004
Upham Cemetery District	.001
Dos Palos Cemetery District	.009
East Bay Regional Park District	5.250
Mid Peninsula Regional Open Space District	1.690

(d) The State Controller shall distribute the amounts allocated pursuant to subdivision (b) to each governing body not later than March 20, 1979

(e) Each board of supervisors shall distribute the funds allocated to it pursuant to subdivision (b) to eligible special districts, including subsidiary districts, which the board of supervisors finds have a critical unmet need. The criteria contained in Section 16275 shall not apply to such distribution.

(f) In the event that a governing body made funds available to any eligible special district for the 1978–79 fiscal year from its own sources, such governing body may reimburse itself for any or all of such amount from the amount allocated to it pursuant to subdivision (b) or, in the case of a subsidiary district, for the amount allocated to such district pursuant to subdivision (e).

16279.3. As used in this article, "eligible special district" means a special district, subsidiary district, or multicounty special district which, during the three fiscal years prior to the 1978–79 fiscal year, received, on the average, more than 50 percent of its total revenue directly or indirectly from property tax and performs any of the following activities: cemetery, flood control, library, pest abatement, park and recreation, or garbage disposal pursuant to Chapter 1 (commencing with Section 4100) of Part 2 of Division 5 of the Health and Safety Code. Total revenue shall not include state or federal funds received in the three fiscal years prior to the 1978–79 fiscal year for any purpose, except capital outlay.

16279.4. Pursuant to a resolution adopted by its governing board, a county or city may distribute funds to any special district from any available county or city sources, including funds allocated to the county or city pursuant to Section 16272 of the Government Code or Section 35.5 of Chapter 332 of the Statutes of 1978.

16279.5. Pursuant to a resolution adopted by its governing board, a county or city may lend any of its available funds to any special district which will receive state funds pursuant to Section 16272.7 of the Government Code or Section 35.5 of Chapter 332 of the Statutes of 1978. Such loan shall be repaid upon the receipt of such state funds and prior to any other obligation of the district.

SEC. 2. Section 35.5 of Chapter 332 of the Statutes of 1978 is amended to read:

Sec. 35.5. (a) Notwithstanding any other provision of law, there is hereby appropriated from the General Fund thirty-seven million dollars ($37,000,000) to the Department of Finance for allocation to special districts in accordance with the following provisions:

(1) The Department of Finance must find that there are unmet needs of special districts.

(2) The criteria for distribution of these funds shall follow criteria established for allocation pursuant to Chapter 3 (commencing with Section 16270) of Part 1.5 of Division 4 of Title 2 of the Government Code.

(3) No district shall receive any funds which would cause the total amount of special district revenues received pursuant to this section, Chapter 3 (commencing with Section 16270) of Part 1.5 of Division 4 of Title 2 of the Government Code, and Section 26912 of the Government Code in 1978–79 to exceed 90 percent of the total property tax revenue the district would have received in 1978–79, had its 1977–78 property tax revenues grown by seven percent. However, in the case of a district providing fire or police protection services which substantially reduced its property tax rate for the

1977–78 fiscal year, such total amount of revenue shall not exceed 90 percent of the total expenditures the district would have made had the district's 1977–78 total expenditures increased by seven percent.

(b) The Director of Finance shall report to the Joint Legislative Budget Committee the amount and detail of any funds allocated to special districts pursuant to this section, as well as the requests for funds that were denied, with the rationale therefor.

(c) All other provisions of this act which control the allocation of funds to special districts shall also apply to this allocation.

SEC 3 No appropriation is made by this act, nor is any obligation created thereby, pursuant to Section 2231 or 2234 of the Revenue and Taxation Code. Moreover, no claim shall be considered with respect to this act by the State Board of Control pursuant to Section 905.2 of the Government Code or Section 2250 of the Revenue and Taxation Code, and the Department of Finance shall not review or report on this act pursuant to Section 2246 of the Revenue and Taxation 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:

The approval of Proposition 13 (Article XIII A of the California Constitution) by the voters of California at the June 6, 1978, Primary Election may, under certain circumstances, cause the curtailment or elimination of programs and services which are vital to the state's public health, safety, and welfare. In order that such services not be interrupted, it is necessary that this act take effect immediately.

CHAPTER 13

An act to amend Section 1420 35 of the Labor Code, to amend Section 2656 of, to amend, repeal, and add Sections 2626.2 and 3100 of, and to add and repeal Section 2656.1 of, the Unemployment Insurance Code, and to repeal Section 4 of Chapter 1321 of the Statutes of 1978, relating to discrimination, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor March 23, 1979 Filed with Secretary of State March 23, 1979.]

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

SECTION 1. Section 1420.35 of the Labor Code is amended to read:

1420.35 It shall be an unlawful employment practice unless based upon a bona fide occupational qualification:

(a) For any employer, because of the pregnancy, childbirth, or related medical condition of any female employee, to refuse to promote her, or to refuse to select her for a training program leading

to promotion, provided she is able to complete the training program at least three months prior to the anticipated date of departure for her pregnancy leave, or to discharge her from employment or from a training program leading to promotion, or to discriminate against her in compensation or in terms, conditions, or privileges of employment.

(b) For any employer to refuse to allow a female employee affected by pregnancy, childbirth, or related medical conditions either:

(1) To receive the same benefits or privileges of employment granted by that employer to other persons not so affected who are similar in their ability or inability to work, including to take disability or sick leave or any other accrued leave which is made available by the employer to temporarily disabled employees. For purposes of this section, pregnancy, childbirth, and related medical conditions are treated as any other temporary disability. However, no employer shall be required to provide a female employee disability leave on account of normal pregnancy, childbirth, or related medical condition for a period exceeding six weeks. Nothing in this section shall be construed to require an employer to provide his or her employees with health insurance coverage for the medical costs of pregnancy, childbirth, or related medical conditions The inclusion in any such health insurance coverage of any provisions or coverage relating to medical costs of pregnancy, childbirth, or related medical conditions shall not be construed to require the inclusion of any other provisions or coverage, nor shall coverage of any related medical conditions be required by virtue of coverage of any medical costs of pregnancy, childbirth, or other related medical conditions.

(2) To take a leave on account of pregnancy for a reasonable period of time; provided, such period shall not exceed four months. Such employee shall be entitled to utilize any accrued vacation leave during this period of time. Reasonable period of time means that period during which the female employee is disabled on account of pregnancy, childbirth, or related medical conditions. Nothing herein shall be construed to limit the provisions of paragraph (1) of subdivision (b) of this section.

An employer may require any employee who plans to take a leave pursuant to this subdivision to give the employer reasonable notice of the date such leave shall commence and the estimated duration of such leave

(c) (1) For an employer who has a policy, practice, or collective-bargaining agreement requiring or authorizing the transfer of temporarily disabled employees to less strenuous or hazardous positions for the duration of the disability to refuse to transfer a pregnant female employee who so requests.

(2) For any employer to refuse to temporarily transfer a pregnant female employee to a less strenuous or hazardous position for the duration of her pregnancy if she so requests, with the advice of her physician, where such transfer can be reasonably accommodated,

provided, however, that no employer shall be required by this section to create additional employment which the employer would not otherwise have created, nor shall such employer be required to discharge any employee, transfer any employee with more seniority, or promote any employee who is not qualified to perform the job.

(d) This section shall not be construed to affect any other provision of law relating to sex discrimination or pregnancy.

(e) The provisions of this section, except paragraph (2) of subdivision (b), shall be inapplicable to any employer subject to Title VII of the Civil Rights Act of 1964.

SEC. 2. Section 2626.2 of the Unemployment Insurance Code is amended 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, cesarean 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.

(c) Disability benefits shall be paid, upon a doctor's certification that the claimant is disabled because of a normal pregnancy, for a period not to exceed six weeks with respect to that pregnancy.

(d) To the extent a claimant has received or will receive benefits for pregnancy, childbirth, or pregnancy-related medical conditions from an employer as provided in Section 1420.35 of the Labor Code, there shall be no payment under this section of benefits to which the claimant might otherwise be entitled for that amount reimbursed the employer under Section 3100. This subdivision shall not apply to any day of disability occurring on or after the effective date of the amendment to this section during the 1979 portion of the 1979–80 Regular Session of the Legislature.

(e) This section shall remain in effect only until January 1, 1980, and as of such date is repealed, unless a later enacted statute, which is chaptered before January 1, 1980, deletes or extends such date.

SEC. 2.5. 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, cesarean 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.

(c) Disability benefits shall be paid, upon a doctor's certification that the claimant is disabled because of a normal pregnancy, for a period not to exceed six weeks with respect to that pregnancy.

(d) This section shall become operative on January 1, 1980.

SEC. 3. Section 2656 of the Unemployment Insurance Code is amended to read:

2656. An individual eligible to receive disability benefits who receives wages or regular wages from his or her employer during the period of his or her disability shall be paid disability benefits for any day in an amount not to exceed his or her maximum daily amount which together with the wages or regular wages does not exceed for such day one-seventh of his or her weekly wage, exclusive of wages paid for overtime work, immediately prior to the commencement of his or her disability.

SEC. 4. Section 2656.1 is added to the Unemployment Insurance Code, to read:

2656.1. The amount payable to an individual under Section 2656 shall be exclusive of any amount for days of disability reimbursed to the employer under Section 3100. This section shall only be applicable with respect to disabilities occurring on or after January 1, 1979, and until the effective date of this act.

This section shall remain in effect only until January 1, 1980, and as of such date is repealed, unless a later enacted statute, which is chaptered before January 1, 1980, deletes or extends such date.

SEC. 5. Section 3100 of the Unemployment Insurance Code is amended to read:

3100. To the extent that pregnancy benefits would have been payable pursuant to Sections 2626 2 and 2656, the director shall, in accordance with authorized regulations, reimburse employers with private disability plans or paid sick leave plans, or both, but not including voluntary plans approved under Chapter 6 (commencing with Section 3251), to the extent that pregnancy benefits have been paid or will be paid for the same days by employers pursuant to Section 1420.35 of the Labor Code. Such reimbursement shall be from the Disability Fund to the extent permitted by Section 3304(a) (4) (A) of the Internal Revenue Code of 1954 and shall be made only if the claimant who has received or will receive pregnancy benefits from the employer has filed with the department a valid claim which complies with this part. This section shall not apply to any day of disability occurring on or after the effective date of the amendment to this section during the 1979 portion of the 1979–80 Regular Session of the Legislature

This section shall remain in effect only until January 1, 1980, and as of such date is repealed, unless a later enacted statute, which is chaptered before January 1, 1980, deletes or extends such date.

SEC. 6. Section 4 of Chapter 1321 of the Statutes of 1978 is repealed.

SEC 7. The provisions of this act shall become operative with respect to periods of disability commencing on and after January 1, 1979.

SEC. 8. It is the intent of the Legislature that Section 2626.2 of the Unemployment Insurance Code, as amended by Section 2 of this act, Section 2656.1 of the Unemployment Insurance Code, as added by Section 4 of this act, and Section 3100 of the Unemployment Insurance Code, as amended by Section 5 of this act, shall remain in effect only until January 1, 1980, and as of such date are repealed, unless a later enacted statute, which is chaptered before January 1, 1980, deletes or extends such date.

It is the further intent of the Legislature that Section 2626.2 of the Unemployment Insurance Code, as added by Section 2.5 of this act, shall become operative on January 1, 1980.

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

Chapter 1321 of the Statutes of 1978 does not clearly express the intent of the Legislature to provide six weeks of pregnancy benefits to employees without the present restriction to the periods immediately before and after termination of the pregnancy, nor fully set forth the responsibilities of the Employment Development Department in the administration of such law. To avoid confusion and delay in the payment of pregnancy benefits and reimbursement to employers, this act must take effect as soon as possible.

CHAPTER 14

An act to amend Sections 8660, 8661, 8663, 8664, 8666, 8710, 8711, 8741, 8770, 8771, 8772, 8773, 9171, 9241, 9651, and 9730 of, to add Sections 8660.1, 8660.2, 8667, 8668, 8669, 8712, 8740, 8774, 9160.7, 9160.8, 9160.9, 9211, 9240.5, 9611.5, 9611.6, 9611.7, 9640.1, 9640.2, 9661, 9670, 9787, 9790.5, 9816.5, and 25100.5 to, to repeal Sections 8710.5, 8774, 8775, 8920.5, and 9172 of, to amend and renumber Sections 8667, 8668, 8669, 8670, 8671, 8672, 8673, 8674, 8675, 8740, 8742.5, 8743, 8776, 8777, 8778, 8779, and 9670 of, and to repeal and add Part 1 (commencing with Section 8000) of Division 7 of, the Elections Code, relating to elections.

[Approved by Governor March 29, 1979 Filed with Secretary of State March 30, 1979]

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

SECTION 1. Part 1 (commencing with Section 8000) of Division 7 of the Elections Code is repealed.

SEC. 2 Part 1 (commencing with Section 8000) is added to Division 7 of the Elections Code, to read:

PART 1. DUTIES OF THE SECRETARY OF STATE

CHAPTER 1. MAINTENANCE OF RECORDS OF MEMBERSHIP OF STATE AND COUNTY CENTRAL COMMITTEES

8000. The Secretary of State shall keep and file appointments to each state and county central committee delivered to him and such appointments shall be open to public inspection. Each county clerk shall notify the Secretary of State within 30 days of the election or appointment of any member of a county central committee for each qualified political party.

SEC. 3. Section 8660 of the Elections Code is amended to read:

8660. The state central committee shall consist of:

(a) One member for each of the following elective officials:

(1) Governor.

(2) Lieutenant Governor.

(3) Treasurer

(4) Controller.

(5) Attorney General.

(6) Secretary of State.

(7) All members of the State Board of Equalization.

(8) All Senators and Representatives of Congress from California.

(9) All Members of the State Legislature.

(b) Members elected by county central committees pursuant to this part.

(c) Members appointed pursuant to this part.

(d) The national committeemen and national committeewomen of the party.

(e) Any person elected to fill a vacancy in the State Legislature in a special election.

(f) Such immediate past party officers as may be provided by party bylaws.

(g) Members elected by Assembly district caucuses pursuant to this part

(h) The President of the California Democratic Council and the President of the Federation of Young Democrats.

SEC 4 Section 8660 1 is added to the Elections Code, to read

8660 1. Within 30 days after the direct primary election, the Secretary of State shall send a notice by mail to each person who, as

of the following year, will be a member of the state central committee according to the provisions of subdivision (a) of Section 8660. The notice shall inform each such person that:

(a) The person shall appoint members of the state central committee and the number of appointments to which he or she is entitled or will be entitled, depending on the outcome of the general election.

(b) The appointment of members of the state central committee shall be made in writing in the form prescribed in Section 8660.2 signed by the person and filed in accordance with the provisions of Section 8666.

(c) A form of proxy is enclosed which the person may use.

SEC. 5. Section 8660.2 is added to the Elections Code, to read:

8660.2. The Secretary of State shall enclose with the notice required by Section 8660.1 one copy of the following statement for appointment of members of the state central committee, which shall be in substantially the following form:

APPOINTMENT OF MEMBERS OF THE STATE CENTRAL COMMITTEE OF THE DEMOCRATIC PARTY MEETING AT _____ IN THE YEAR 19__

I, _____, duly qualified as a member of the state central committee of the Democratic Party at _____ in the year 19__ by virtue of my (appointment by the _____ central committee) (nomination) (election to the office of _____) (strike out parts inapplicable) on the _____ day of _____ 19__ upon the Democratic ticket, do hereby appoint the following voters, who shall be members of the state central committee:

Name	Senatorial, Congressional, Assembly district	Post office address
Name	Senatorial, Congressional, Assembly district	Post office address
Name	Senatorial, Congressional, Assembly district	Post office address

SEC. 6. Section 8661 of the Elections Code is amended to read:

8661. (a) Each officer named in subdivision (a) of Section 8660 who was nominated and elected as a candidate of the party and whose term of office extends beyond the first Monday in December in the case of legislators and the Monday after January 1 in the case of other officers next following the direct primary election, or the

appointee or successor appointed, elected, or otherwise designated by law to fill a vacancy in the office of any such officer, shall be known as a "holdover member."

(b) Each candidate of the party in whose behalf nomination papers were filed and who was nominated at the direct primary election by that party shall be known as a "nominee member." Nominees for an office, the term of which extends beyond two years, are members of each succeeding state central committee until that following the direct primary election at which nominations for the office are again to be made. If a candidate is a "nominee member" in the year in which he or she is nominated, and is elected to the office at the succeeding general election, the candidate shall be considered a "holdover member" in the next odd-numbered year.

(c) One member shall be appointed pursuant to Section 8675 for each of the officers named in subdivision (a) of Section 8660 not represented by a "holdover member" nor by a "nominee member" of the party.

SEC. 7. Section 8663 of the Elections Code is amended to read:

8663. Each nominee member listed in subdivision (a) of Section 8660 shall appoint to membership on this committee voters as follows:

(a) Governor, Lieutenant Governor, Treasurer, Controller, Attorney General, Secretary of State, United States Senators from California, members of the State Board of Equalization, and State Senators shall each appoint three voters, at least two of whom shall be of the opposite sex; and

(b) Representatives of Congress from California and Members of the State Assembly shall each appoint two voters, at least one of whom shall be of the opposite sex.

All appointments made pursuant to this section shall be absolute

SEC. 8. Section 8664 of the Elections Code is amended to read:

8664. A "holdover member" or a "nominee member" who has been elected to an office under subdivision (a) of Section 8660 at the general election, or following any special election, shall appoint additional voters to membership on this committee, as follows:

(a) Governor, Lieutenant Governor, Treasurer, Controller, Attorney General, Secretary of State, United States Senators from California, members of the Board of Equalization, and State Senators, three additional voters, at least one of whom shall be of the opposite sex; and

(b) Representatives of Congress from California and Members of the State Assembly, three additional voters, at least two of whom shall be of the opposite sex.

All appointments made pursuant to this section shall be absolute

SEC 9 Section 8666 of the Elections Code is amended to read.

8666. Appointments of members of this committee shall be made in writing signed by the member and delivered to the Secretary of State with copies delivered to the chair of this committee Both such deliveries shall be made not later than 5 o'clock p m of the first

Monday following the regular statewide general election.

SEC. 10. Section 8667 of the Elections Code is amended and renumbered to read.

8670 The chair of this committee shall notify each person appointed or elected as a member of this committee·

(a) That he or she is a member of the committee.

(b) Of the date, time, and place of the meeting of the committee.

(c) That the meeting may be attended either in person or by proxy.

(d) That every proxy shall be filed in the office of the Secretary of State not later than 5 o'clock of the afternoon of the day preceding the meeting of the committee.

(e) That the proxy shall be in writing signed by the member under penalty of perjury.

The chair shall enclose with each notice one copy of the form of proxy.

SEC 11 Section 8667 is added to the Elections Code, to read:

8667 Within 35 days following the regular statewide general election, each county central committee shall elect members to the state central committee as follows: two members for the first 5,000 registered Democrats, and one member for each 25,000 registered Democrats or portion thereof, over 5,000. The number of registered Democrats shall be as of the most recent report of registration to the Secretary of State.

The members elected pursuant to this section shall be divided as equally as possible between men and women who are members of the county central committee and were elected at the preceding direct primary or who were appointed pursuant to Section 8873.

SEC. 12. Section 8668 of the Elections Code is amended and renumbered to read:

8671. A person is not eligible for appointment or election to this committee if he or she is not registered as affiliated with this party at the time of his or her appointment or election.

SEC. 13 Section 8668 is added to the Elections Code, to read:

8668 By no later than January 1 of an odd-numbered year, the county chair shall notify the chair of the state central committee and the Secretary of State in writing signed by him or her of the names and addresses of those persons elected pursuant to Section 8667.

SEC 14 Section 8669 of the Elections Code is amended and renumbered to read

8672. This committee may remove any member, appointed or elected to this committee, who during his or her term of membership affiliates with or registers as a member of another party, publicly advocates that the voters should not vote for the nominee of the party for any office, or who publicly gives support to or avows a preference for a candidate of another party or candidate who is opposed to a candidate nominated by this party.

SEC 15. Section 8669 is added to the Elections Code, to read·

8669 Within 35 days following the regular statewide general

election, a caucus as provided in this section shall be convened in each Assembly district in the state by the Democratic nominee for the Assembly at the general election or by the nominee's designee. However, if the Assembly district is the residence of the Democratic State Senate nominee, or if none, of the holdover Democratic Senate nominee, the caucus shall be called by that person or his or her designee. If the Assembly district is the residence of more than one such person, in addition to the Assembly nominee, the caucus shall be called by the person whose senatorial district includes the greatest proportion of the registered voters of the Assembly district, or that person's designee. In the event of the failure of the appropriate person to call the caucus, the chair of the state central committee shall call the caucus.

The person calling the caucus shall be assisted by an Assembly district executive committee in setting the time and place of the caucus and the procedure to be followed at the caucus. The executive committee shall consist of all members of the state central committee who attained such membership by operation of law or by appointment after the preceding direct primary election and county central committee members elected in the preceding direct primary election residing in the district

The person calling the caucus or the person's designee shall preside over the caucus as temporary chair until such time as a permanent chair is elected by the caucus.

Every registered Democrat as of the close of registration and residing in the district shall be entitled to attend and vote at the caucus. The executive committee and the person calling the caucus shall make every reasonable effort to make known to all registered Democrats in the district the time, place, and purpose of the caucus and their right to participate.

Each caucus shall elect five members to the state central committee. In addition, each caucus shall elect five alternates who shall serve as members in the event of vacancies. Alternates shall fill vacancies in the order based upon the number of votes received in the caucus To the extent possible, persons elected shall be equally divided between men and women.

Any person seeking election to the state central committee shall, at least five days prior to the Assembly district caucus, deliver to the temporary chair a nomination paper subscribed to by the number of signers set forth in subdivision (c) of Section 6495. The nomination paper shall be in a form substantially similar to that which is set forth in Section 6494, except that the paper shall not be examined and certified by the county clerk The county clerk shall not be required to prepare or distribute nomination papers to persons seeking election pursuant to this section.

The number of nomination papers which a person may sign shall not exceed the number of members that the caucus is entitled to elect to the state central committee.

The temporary chair or his or her designee shall be responsible for

the examination and verification of all nomination papers.

Within five days following the Assembly district caucus, the person calling the caucus shall notify the chair of the state central committee and the Secretary of State in writing signed by him or her of the names and addresses of the persons elected to membership on the state central committee and their alternates pursuant to this section.

SEC 16 Section 8670 of the Elections Code is amended and renumbered to read·

8673. In the event of the appointment or election of an ineligible person, or whenever any member of this committee dies, resigns, or becomes incapacitated to act, or removes from the jurisdiction of the committee or ceases to be a member of the committee's party, a vacancy exists which shall be filled in the manner prescribed in Section 8674. A vacancy shall also exist on this committee when a member is removed from the committee pursuant to Section 8775 or Section 8672 and such vacancy shall be filled in the manner prescribed in Section 8674.

SEC 17 Section 8671 of the Elections Code is amended and renumbered to read·

8674. Vacancies shall be filled as follows·

(a) Members appointed pursuant to Section 8663 or 8664

Should a member appointed to membership pursuant to Section 8663 or 8664 cease to be a member for any of the reasons specified in Section 8673, the vacancy shall be filled by the person who made the appointment, unless that person is himself or herself no longer a member of this committee or indicates that he or she does not wish to fill the vacancy, in which instances the committee shall do so.

Notice shall be given by the committee to a person entitled to fill a vacancy under this section as soon as possible after the occurrence of the vacancy and vacancies shall be filled not less than three days preceding the first meeting of the committee. The committee shall notify in writing the Secretary of State and the state chair of all appointments made pursuant to this subdivision

(b) Members elected by county central committees.

Should a member elected to membership by a county central committee pursuant to Section 8667 cease to be a member for any of the reasons specified in Section 8673, notice shall be given to the county central committee by the state central committee as soon as possible after the occurrence of the vacancy, and the county central committee shall fill the vacancy at its next meeting following the notification and notify in writing the Secretary of State and the state chair of the election held pursuant to this subdivision

(c) Members elected by Assembly district caucuses

Should a member elected to membership by an Assembly district caucus pursuant to Section 8669 cease to be a member for any of the reasons specified in Section 8673, the resulting vacancy shall be filled by the alternate who was elected for that purpose pursuant to Section 8669

In the event a vacancy develops for which there is no alternate,

either because insufficient alternates were elected or because a vacancy or vacancies have developed among the alternates, at the earliest opportunity the Assembly nominee, the Senate nominee, or the holdover Senate nominee or the appropriate nominee's designee shall call a meeting of the Assembly district executive committee which shall fill the vacancy. Such person shall notify in writing the Secretary of State and the state chair of the selection made pursuant to this subdivision.

SEC. 18. Section 8672 of the Elections Code is amended and renumbered to read:

8675. Members shall be appointed to fill vacancies occurring pursuant to subdivision (c) of Section 8661 as follows:

(a) If the vacancy occurs in a senatorial or Assembly district situated wholly within the limits of a single county, by appointment by the county central committee of the party in the county of a person who resides in the senatorial or Assembly district involved.

(b) If the vacancy occurs in a senatorial or Assembly district comprising two or more counties, by appointment by the county central committee of the party in the county in which the disqualified or deceased member resided, if the vacancy is caused by disqualification or death, or in which the "holdover member" or "nominee member" of the Republican party resides, if the vacancy is due to any other cause.

(c) If the vacancy occurs as to a United States Senator from California or as to any of the state officers named in subdivision (a) of Section 8660, by appointment by the state central committee.

(d) If the vacancy occurs as to any Representative in Congress from California, by appointment by the state central committee of a voter who resides within the congressional district to be represented.

SEC. 19. Section 8673 of the Elections Code is amended and renumbered to read:

8676. In the event the appointment of alternate or associate members is authorized by statute or the bylaws of the committee, this committee shall supply forms to the members for the appointment of such members. The forms shall be in substantially the same language as set forth in Section 8660.2, and shall contain suitable spaces wherein there can be listed their names, addresses, and the numbers of the congressional, Assembly, and senatorial districts in which the appointees reside.

SEC. 20. Section 8674 of the Elections Code is amended and renumbered to read:

8677. Each member listed in subdivision (a) of Section 8660 may appoint three voters as associate members of this committee. An associate member shall have such privileges and obligations as are given to him or her by the rules of the committee but shall not be eligible to vote.

SEC 21. Section 8675 of the Elections Code is amended and renumbered to read:

8678. A person who is registered to vote is qualified for appointment to the committee if otherwise eligible.

SEC. 22. Section 8710 of the Elections Code is amended to read:

8710. This committee shall convene in Sacramento in the January after a general election on a weekend which shall be no later than the last full weekend of the month. The meeting shall begin no later than 10 o'clock a.m. on Saturday.

SEC. 23. Section 8710.5 of the Elections Code is repealed.

SEC. 24. Section 8711 of the Elections Code is amended to read:

8711. The committee shall meet at a suitable location which shall be designated by the executive committee of the state central committee, or, if the executive committee does not meet, by the chairman of the committee, and the Secretary of State shall be notified of the selection at least six weeks in advance of the meeting of the committee.

SEC. 25. Section 8712 is added to the Elections Code, to read:

8712. The Secretary of State shall deliver to the chair of the committee as soon as possible on the first day of the meeting of the committee a certified, alphabetical list of the names of the members. The membership list shall be arranged in alphabetical order by senatorial districts. The senatorial, Assembly, and congressional district of each appointed member listed shall be indicated.

SEC. 26. Section 8740 of the Elections Code is amended and renumbered to read

8740.5. Any member may attend a meeting of the committee by a proxy which meets the requirements of this article.

SEC. 27. Section 8740 is added to the Elections Code, to read:

8740. The Secretary of State shall enclose with the notice required by Section 8660.1 copies of the following form of proxy for attendance at the meeting of the state central committee:

PROXY FOR ATTENDANCE AT THE STATE CENTRAL COMMITTEE OF THE DEMOCRATIC PARTY MEETING AT _____, IN THE YEAR 19__

I, _____, duly qualified to sit as a member of the state central committee of the Democratic Party meeting at _____ in the year 19__ do hereby designate _____ (name); _____ (post office address); as my proxy with full power to act for me in every respect as a duly qualified member of the state central committee meeting at _____ on the ____ day of _____, 19__

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Date _____ Place of execution _____

_____, Member

SEC 28. Section 8741 of the Elections Code is amended to read:

8741. Proxies to be recognized by the Secretary of State and by the committee on proxies and credentials shall be signed by the

member under penalty of perjury and shall be in the form prescribed in Section 8740.

SEC 29 Section 8742 5 of the Elections Code is amended and renumbered to read

8743 When a proxy is filed with the Secretary of State he or she shall immediately forward it to the chair of the state central committee.

SEC 30 Section 8743 of the Elections Code is amended and renumbered to read

8744 Revocation or change of proxies shall be recognized by the committee only upon a personal request made by the member before the committee on proxies and credentials.

SEC 31 Section 8770 of the Elections Code is amended to read:

8770 The chair of this committee shall call the committee to order no later than 10 o'clock of the morning of the first day of the meeting and as soon as practicable thereafter shall cause the roll to be called from the list of members and proxies certified by the Secretary of State The next business in order shall be the election of a temporary chair, which may be by acclamation, unless there is a contest, in which event the roll shall be called

SEC 32 Section 8771 of the Elections Code is amended to read·

8771 The temporary chair, upon election, shall appoint at once a committee on proxies and credentials in accordance with party bylaws from among the members of the state central committee certified by the Secretary of State

SEC 33 Section 8772 of the Elections Code is amended to read:

8772. This committee shall choose its officers in accordance with party bylaws, except as provided in Section 8774. Its officers shall have the power usually exercised by the officers of such committees insofar as may be consistent with this chapter

SEC 34 Section 8773 of the Elections Code is amended to read·

8773 This committee, in accordance with party bylaws, may select from its membership an executive committee to which it may grant all or any portion of its powers and duties

SEC 35 Section 8774 of the Elections Code is repealed.

SEC. 36 Section 8774 is added to the Elections Code, to read

8774 Except as herein provided, the elective officers of this committee and their terms shall be provided for in the party bylaws.

The elective officers of this committee shall include a state chair and a state vice chair The state chair and the state vice chair shall be persons from the same section, either the northern or the southern section The positions of the state chair and the vice chair shall be filled by persons elected alternately from the northern and southern sections of the state, these sections to be defined in the party bylaws For the purposes of this section, the southern section shall be comprised of the Counties of Imperial, Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, Santa Barbara, and Ventura The northern section shall be comprised of the remaining counties in the state

SEC. 37 Section 8775 of the Elections Code is repealed.

SEC. 38. Section 8776 of the Elections Code is amended and renumbered to read

8775. This committee may prescribe dues to be paid by its members in the manner and by the time prescribed by vote of the majority of the members of the committee.

Any member of this committee who fails to pay the dues prescribed by the committee may, upon first notifying the nominee member or holdover member who appointed such member, be removed from the committee in the manner provided by the committee.

SEC. 39. Section 8777 of the Elections Code is amended and renumbered to read:

8776. This committee shall conduct party campaigns for this party and in behalf of the candidates of this party. It shall appoint committees and appoint and employ campaign directors and perfect whatever campaign organizations it deems suitable or desirable and for the best interest of the party.

SEC. 40. Section 8778 of the Elections Code is amended and renumbered to read·

8777. A quorum of this committee is a majority of the entire membership, represented either in person or by proxy.

SEC 41 Section 8779 of the Elections Code is amended and renumbered to read:

8778. The proceedings at all meetings of this committee shall be governed by any manual of parliamentary procedure designated by the committee.

SEC. 42. Section 8920.5 of the Elections Code is repealed.

SEC. 43 Section 9160.7 is added to the Elections Code, to read·

9160.7. At least 30 days before the first meeting of the state central committee, the Secretary of State shall send a notice by mail to each person who is a holdover or nominee member which shall inform the member that:

(a) The member shall appoint voters as members of the state central committee and the number of appointments to which he is entitled.

(b) The appointment of members of the state central committee shall be made in writing in the form prescribed in Section 9160.9, signed by the delegate under penalty of perjury and shall be filed in the office of the Secretary of State not later than 5 o'clock of the afternoon of the 10th day immediately preceding the Sunday on which the committee is to meet.

(c) Forms of proxy are enclosed, one of which he may use himself, and the others he shall send with the notices of appointment to the state central committee

SEC 44 Section 9160.8 is added to the Elections Code, to read.

9160.8. At least 30 days before the first meeting of the state central committee, the Secretary of State shall send a notice by mail to each county central committee of the Republican Party·

(a) Informing it that the chairman of the county central committee, who is elected immediately prior to the meeting of the state central committee for which the notice is sent, shall appoint members of the state central committee and the number of appointments to which he is entitled; and

(b) Giving such other information as is required of a notice sent pursuant to Section 9160.7

SEC. 45. Section 9160.9 is added to the Elections Code, to read:

9160.9. The Secretary of State shall enclose with the notice required by Section 9160.7 one copy of the following statement for appointment of members of the state central committee, which shall be in substantially the following form:

APPOINTMENT OF MEMBERS OF THE STATE CENTRAL COMMITTEE OF THE REPUBLICAN PARTY MEETING AT SACRAMENTO IN THE YEAR 19__

I, _____, duly qualified as a member of the state central committee of the Republican Party at Sacramento in the year 19__ by virtue of my (appointment by the _____ central committee) (nomination) (election to the office of _____) (strike out parts inapplicable) on the _____ day of _____ 19__ upon the Republican ticket, do hereby appoint the following voters, who shall be members of the state central committee:

Name	Senatorial, Congressional, Assembly district	Post office address
Name	Senatorial, Congressional, Assembly district	Post office address
Name	Senatorial, Congressional, Assembly district	Post office address
Name	Senatorial, Congressional, Assembly district	Post office address
Name	Senatorial, Congressional, Assembly district	Post office address
Name	Senatorial, Congressional,	Post office address

	Assembly district	
Name	Senatorial, Congressional, Assembly district	Post office address
Name	Senatorial, Congressional, Assembly district	Post office address

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.
Date _____ Place of execution _____

_____
(Delegate)

SEC. 46. Section 9171 of the Elections Code is amended to read:

9171. In the event the appointment of alternate or associate members is authorized, this committee shall supply forms to the members for the appointment of such members. The forms shall be in substantially the same language as set forth in Section 9160.9, and shall contain suitable spaces wherein there can be listed the addresses and the numbers of the congressional, Assembly, and senatorial districts in which the appointees reside.

SEC. 47. Section 9172 of the Elections Code is repealed.

SEC. 48. Section 9211 is added to the Elections Code, to read:

9211. The Secretary of State shall deliver to the chairman of the state central committee as soon as possible on the day of the first meeting of the state central committee a certified, alphabetical list of the names of the members of the state central committee. The membership list shall be arranged in alphabetical order by senatorial districts. The senatorial, Assembly, and congressional district of each appointed member listed shall be indicated

SEC 49. Section 9240.5 is added to the Elections Code, to read:

9240.5. The Secretary of State shall enclose with the notice required by Section 9160.7 copies of the following form of proxy for attendance at the meeting of the state central committee:

PROXY FOR ATTENDANCE AT THE STATE CENTRAL COMMITTEE OF THE REPUBLICAN PARTY MEETING AT SACRAMENTO, IN THE YEAR 19__

I, _____, duly qualified to sit as a member of the state central committee of the Republican Party meeting at Sacramento in the year 19__ do hereby designate _____ (name); _____ (post office address); as my proxy with full power to act for me in every respect as a duly qualified member of the state central committee meeting at Sacramento on the ____ day of _____, 19__

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.
Date _____ Place of execution _____
_____, Member

SEC. 50. Section 9241 of the Elections Code is amended to read:

9241. Proxies to be recognized by the Secretary of State and by the committee on proxies and credentials shall be signed by the member under penalty of perjury and shall be in the form prescribed in Section 9240.5.

SEC. 51. Section 9611.5 is added to the Elections Code, to read:

9611 5. As soon as practicable after the direct primary election, the Secretary of State shall prepare a list of names of all delegates to the convention qualified under the provisions of this part. He shall thereupon send a notice by mail to each delegate which shall inform the delegate that:

(a) He is a delegate to the state convention.

(b) The convention meets at Sacramento and the date of the meeting.

SEC. 52. Section 9611.6 is added to the Elections Code, to read:

9611.6. The Secretary of State shall prepare, for each state convention, an alphabetical roll of the delegates who have filed their credentials in the manner and time provided in this part.

SEC. 53 Section 9611.7 is added to the Elections Code, to read:

9611 7. On the convening of a state convention of a political party the Secretary of State shall deliver to the chairman of the central committee of that party or, in the absence of the chairman, to the acting presiding officer of the convention:

(a) The appointive delegates' credentials.

(b) The alphabetical roll of the delegates to the convention.

SEC. 54. Section 9640.1 is added to the Elections Code, to read:

9640.1. At least 30 days before the first meeting of the state central committee the Secretary of State shall send a notice by mail to each person who is a delegate to the party's state convention which shall inform the delegate that.

(a) The delegate shall appoint voters as members of the state central committee and the number of appointments to which he is entitled.

(b) The appointment of members of the state central committee shall be made in writing in the form prescribed in Section 9640.2, signed by the delegate under penalty of perjury and shall be filed in the office of the Secretary of State not later than 5 o'clock of the afternoon of the Tuesday immediately preceding the Sunday on which the committee is to meet.

(c) Forms of proxy are enclosed, one of which he may use himself, and the others he shall send with the notices of appointment to the state central committee.

SEC. 55. Section 9640 2 is added to the Elections Code, to read·

9640.2. The Secretary of State shall enclose with the notice

required by Section 9640 1 one copy of the following statement for appointment of members of the state central committee, which shall be in substantially the following form.

APPOINTMENT OF MEMBERS OF THE STATE CENTRAL COMMITTEE OF THE AMERICAN INDEPENDENT PARTY MEETING AT SACRAMENTO IN THE YEAR 19__

I, _____, duly qualified as a delegate to the state convention of the American Independent Party at Sacramento in the year 19__ by virtue of my (appointment by the _____ central committee) (nomination) (election to the office of _____) (strike out parts inapplicable) on the ____ day of _____, 19__ upon the American Independent Party ticket, do hereby appoint the following voters, who shall be members of the state central committee·

Name	Senatorial, Congressional, Assembly district	Post office address
Name	Senatorial, Congressional, Assembly district	Post office address
Name	Senatorial, Congressional, Assembly district	Post office address
Name	Senatorial, Congressional, Assembly district	Post office address
Name	Senatorial, Congressional, Assembly district	Post office address

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.
Date _____ Place of execution _____

_____
(Delegate)

SEC 56 Section 9651 of the Elections Code is amended to read
9651 In the event the appointment of alternate or associate members is authorized by statute or the rules of the committee, this committee shall supply forms to the members for the appointment of such members The forms shall be in substantially the same language as set forth in Section 9640 2, and shall contain suitable

spaces wherein there can be listed the addresses and the numbers of the congressional, Assembly, and senatorial districts in which the appointees reside.

SEC. 57. Section 9661 is added to the Elections Code, to read:

9661. The Secretary of State shall deliver to the chairman of the state central committee as soon as possible on the day of the first meeting of the state central committee a certified, alphabetical list of the names of the members of the state central committee. The membership list shall be arranged in alphabetical order by senatorial districts. The senatorial, Assembly, and congressional district of each appointed member listed shall be indicated.

SEC. 58. Section 9670 of the Elections Code is amended and renumbered to read:

9670.5. No proxy shall be recognized unless filed in the office of the Secretary of State not later than 12 o'clock noon of the day preceding the state central committee meeting.

SEC. 59. Section 9670 is added to the Elections Code, to read:

9670. The Secretary of State shall enclose with the notice required by Section 9640.1 copies of the following form of proxy for attendance at the meeting of the state central committee:

PROXY FOR ATTENDANCE AT THE STATE CENTRAL COMMITTEE OF THE AMERICAN INDEPENDENT PARTY MEETING AT SACRAMENTO, IN THE YEAR 19__

I, _____, duly qualified to sit as a member of the state central committee of the American Independent Party meeting at Sacramento in the year 19__ by virtue of (being a delegate to the state convention) (my appointment thereto by _____; this appointment having been duly filed in the office of the Secretary of State) (strike out part inapplicable) do hereby designate _____ (name); _____ (post office address); as my proxy with full power to act for me in every respect as a duly qualified member of the state central committee meeting at Sacramento on the ____ day of _____, 19__

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Date _____ Place of execution _____

_____, Member

SEC 60. Section 9730 of the Elections Code is amended to read:

9730. Each committee shall meet in the courthouse at its county seat, upon call, which shall be given by the county clerk of the county and in quarters to be arranged or provided for by the county clerk of the county, on the second Tuesday in July following the direct primary election, except that in any year in which a national convention of such party includes that date, the existing executive committee of a committee shall set the date of the meeting, not to exceed 30 days after the date herein specified.

SEC. 61. Section 9787 is added to the Elections Code, to read:

9787. As soon as practicable after the direct primary election, the Secretary of State shall prepare a certified list by county of all elected Peace and Freedom Party members of central committees, including their addresses and primary election ballot designations. The Secretary of State shall send copies of the list to the registrars of voters of Los Angeles and San Francisco Counties on or before the 20th day of July following the direct primary election. This list shall be maintained for public inspection by said registrars of voters until a subsequent such list is received.

SEC. 62. Section 9790.5 is added to the Elections Code, to read:

9790.5. The Secretary of State, no later than the 20th day of July following the direct primary election, shall send a notice by mail to each of the elected members of central committees which shall inform that person of the following:

(a) That he or she has been elected as a member of the central committee.

(b) The date, time, and location of the convention meeting of the state central committee.

The Secretary of State shall send with this notice a copy of the certified list provided for in Section 9787.

SEC. 63. Section 9816.5 is added to the Elections Code, to read:

9816.5. The Secretary of State, within 10 days after the convention meeting of the state central committee, shall ascertain who is the newly elected chairperson of the state central committee and shall mail a certificate to that effect, including the chairperson's address and telephone number, to the county clerk of each county.

SEC. 64. Section 25100.5 is added to the Elections Code, to read:

25100.5. Whenever a political party, in accordance with the provisions of Sections 8510, 9010, 9633, or 9823, submits to the Secretary of State its certified list of nominees for electors of President and Vice President of the United States, he shall notify each candidate for elector of his nomination by the party. He shall cause the names of the candidates for President and Vice President of the several political parties to be placed upon the ballot for the ensuing general election.

CHAPTER 15

An act to amend Section 123.7 of the Code of Civil Procedure, relating to small claims court, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 1, 1979 Filed with Secretary of State April 2, 1979]

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

SECTION 1 Section 123.7 of the Code of Civil Procedure is amended to read:

123.7. In addition to the fees specified by Section 117.14 and subdivision (b) of Section 123.1, the courts specified in Section 119.9 shall charge an additional fee of one dollar ($1) for the filing of a claim under oath for the commencement of any small claims action. The additional funds provided by such increased fees shall reimburse local agencies for costs incurred in connection with this article.

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 correct a technical error regarding the small claims court monetary jurisdiction experiment prior to the implementation of that experiment on April 1, 1979, it is necessary that this bill take effect immediately

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CHAPTER 16

An act to add Section 16086.5 to the Education Code, relating to school districts

[Approved by Governor April 2, 1979 Filed with Secretary of State April 2, 1979]

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

SECTION 1. Section 16086 5 is added to the Education Code, to read·

16086.5 Notwithstanding any other provision of this chapter, where an election is or has been held after March 1, 1979, and prior to December 1, 1979, for the purpose of forming a new unified school district, coterminous with an existing elementary school district, and such reorganization becomes effective for all purposes on July 1, 1980, such unified school district shall be eligible for a deferment of annual repayment as set forth in Section 16086, except that the "basic tax amount" shall be computed as the sum of (a) that portion of the original high school repayment for which the new district is liable and (b) that portion of the original high school eligible debt service computed pursuant to Section 16072 for which the new district is liable, as provided in Section 4147

CHAPTER 17

An act to amend Section 94336 of the Education Code, relating to private educational institutions.

[Approved by Governor April 2, 1979 Filed with Secretary of State April 3, 1979]

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

SECTION 1. Section 94336 of the Education Code is amended to read:

94336. Any person, firm, association, partnership, or corporation willfully violating subdivision (d) of Section 94320 is guilty of a felony and is punishable by imprisonment in the state prison, or by a fine of not less than one thousand dollars ($1,000), or by both such fine and imprisonment.

Any person, firm, association, partnership, or corporation which willfully violates any other provision of this chapter, is punishable, for a first offense, by imprisonment in the county jail for not exceeding one year, or by a fine not exceeding five hundred dollars ($500), or both; and any second or subsequent offense shall be a felony punishable by imprisonment in the state prison, or by a fine of not less than one thousand dollars ($1,000), or by both such fine and imprisonment.

CHAPTER 18

An act to amend Section 21107.8 of the Vehicle Code, relating to vehicles, and declaring the urgency thereof, to take effect immediately

[Approved by Governor April 2, 1979 Filed with Secretary of State April 3, 1979]

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

SECTION 1 Section 21107.8 of the Vehicle Code is amended to read

21107.8 (a) Any city or county may, by ordinance or resolution, find and declare that there are privately owned and maintained off-street parking facilities as described in such ordinance or resolution within the city or county that are generally held open for use of the public for purposes of vehicular parking. Upon enactment by a city or county of such an ordinance or resolution, Section 22507.8 shall apply to any such privately owned and maintained off-street parking facilities, except as provided in subdivision (b) In addition, if specifically stated in such ordinance or resolution, Sections 22350,

23103, and 23109 and the provisions of Division 16.5 (commencing with Section 38000) shall apply to any such facilities, except as provided in subdivision (b).

(b) Notwithstanding the provisions of subdivision (a), no ordinance or resolution enacted thereunder shall apply to any off-street parking facility described therein unless the owner or operator has caused to be posted in a conspicuous place at each entrance to such off-street parking facility a notice not less than 17 by 22 inches in size with lettering not less than one inch in height, to the effect that such off-street parking facility is subject to public traffic regulations and control.

(c) No ordinance or resolution shall be enacted under subdivision (a) without a public hearing thereon and 10 days prior written notice to the owner and operator of the privately owned and maintained off-street parking facility involved.

(d) The department shall not be required to provide patrol or enforce any provisions of this code on any privately owned and maintained off-street parking facility subject to the provisions of this code under this section except those provisions applicable to private property other than by action under this section.

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

Prior legislative enactments have provided incentives for private businesses to provide facilities for the handicapped. These tax incentives will be in effect only until January 1, 1980. It is therefore necessary that this act take effect immediately as an urgency statute so that its provisions governing parking violators who park in spaces reserved for the exclusive use of handicapped persons may be effective at the same time as the incentive program.

CHAPTER 19

An act to amend Section 2019 of the Code of Civil Procedure, relating to depositions upon oral examination, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 2, 1979 Filed with Secretary of State April 3, 1979.]

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

SECTION 1. Section 2019 of the Code of Civil Procedure is amended to read:

2019. (a) (1) A party desiring to take the deposition of any person upon oral examination shall give notice in writing to every other party to the action. The notice shall state the time and place

for taking the deposition and the name and address of each person to be examined, if known, and, if the name is not known, a general description sufficient to identify the person or the particular class or group to which the person belongs. Such notice must be at least 10 days, adding also one day for every 300 miles of the distance of the place of examination from the residence of the person to whom the notice is given, except that on motion of any party, with or without notice, and for good cause shown, the court may enlarge or shorten the time, or may stay the taking of the deposition until the hearing and determination of a motion for an order pursuant to subdivision (b) of this section. Service of such notice or motion may be made upon any party or his attorney in the manner provided in Chapter 5 (commencing with Section 1010) of Title 14 of Part 2 of this code.

(2) Notwithstanding Section 1989 and the distance provisions specified in paragraph (4) of this subdivision, the deposition, whether of a party or any other person, shall be taken only in the county of residence of the deponent or at a place not more than 75 miles from the residence of the deponent or, if the deponent is a party, in the county of place of trial when the place of deposition is less than 150 miles from the residence of the deponent, unless the court, pursuant to paragraph (1) or (2) of subdivision (b) of this section, otherwise orders. If the parties so stipulate in writing, depositions may be taken before any person, at any time or place, upon any notice, and in any manner and when so taken may be used like other depositions.

(3) If an adverse party is in default for not appearing within the time allowed by the law or the court, or if, in a special proceeding, some or all of the parties interested have not appeared, a deposition may be taken without the giving of any notice to the party so in default or not appearing; and in any case on motion of any party, with or without notice, and for good cause shown, the court may authorize the taking of a deposition without the giving of notice to parties who have not been served with summons.

(4) In the case of depositions of a party to the record of any civil action or proceeding or of anyone who at the time of taking the deposition is an officer, director or managing agent of any such party, the service of a subpoena upon any such deponent is not required if proper notice of the taking of such deposition is given to the attorney for such party or to the party, if the party has no attorney. In the case of depositions of a person for whose immediate benefit an action or proceeding is prosecuted or defended or of anyone who at the time of taking the deposition is an officer, director or managing agent of any such person, the service of a subpoena upon any such deponent is not required if proper notice of the taking of such deposition is given to the attorney of the party prosecuting or defending the action or proceeding for the immediate benefit of the deponent or to such party, if the party has no attorney A notice to take the deposition of a person described in this paragraph cannot require the attendance of such person at a place more than 150 miles from the

residence of such person, unless the party desiring to take such deposition first obtains an order pursuant to the provisions of paragraph (2) of subdivision (b) of this section.

(5) In the case of depositions for which the production of books, documents, or other things is required of a party to the record of any civil action or proceeding or person for whose immediate benefit an action or proceeding is prosecuted or defended or anyone who is an officer, director, or managing agent of any such party or person, the service of a subpoena duces tecum and affidavit upon any such person is not required if proper notice is served upon the attorney of such party or person. Such notice shall specify the exact materials or things to be produced.

(6) A party may, in the party's notice or in a subpoena, name as the deponent a public or private corporation or partnership or association or governmental agency and describe with reasonable particularity the matters on which examination is requested. In that event, the organization so named shall designate one or more officers, directors, or managing agents, or other persons who consent, to testify on its behalf, and may set forth, for each person designated, the matters on which each person will testify in accordance with the demand. A subpoena shall advise a nonparty organization of its duty to make such a designation The person so designated shall testify as to matters known or reasonably available to the organization. This subdivision does not preclude taking a deposition by any other procedure authorized by law and does not preclude the party, on such terms as are just, from offering evidence by other witnesses regarding the matters specified in the notice or subpoena.

(b) (1) Upon motion seasonably made by any party or by the person to be examined or notified to produce books, documents, or other things and upon notice, or upon the court's own motion and after giving counsel an opportunity to be heard, and in either case for good cause shown, the court in which the action is pending may make an order that the deposition shall not be taken, or that it may be taken only at some designated time or place other than stated in the notice of taking the deposition, or that the deposition may be taken outside the county of residence and at a place more than 75 miles and less than 150 miles from the residence of the deponent in cases not provided for by paragraph (2) of subdivision (a) of this section, or that it shall not be taken except by allowing written interrogatories by one or more parties, or that certain matters shall not be inquired into, or that the scope of the examination shall be limited to certain matters, books, documents, or other things, or that the examination shall be held with no one present except the parties to the action and their officers or counsel, or that after being sealed the deposition shall be opened only by order of the court, or that secret processes, developments, or research need not be disclosed, or that the parties shall simultaneously file specified documents or information enclosed in sealed envelopes to be opened as directed by the court, or the court may make any other order which justice

requires to protect the party or witness from annoyance, embarrassment, or oppression. In granting or refusing such order the court may impose upon either party or upon the witness the requirement to pay such costs and expenses, including attorney's fees, as the court may deem reasonable.

(2) Notwithstanding Section 1989, the court may, upon motion on 10 days' written notice and for good cause shown, make an order requiring a deponent who is a party to the record of any civil action or proceeding or is a person for whose immediate benefit said action is prosecuted or defended or is at the time of the taking of the deposition an officer, director or managing agent of any such party or person to attend a deposition at a place more than 150 miles from the residence of such deponent. In granting or refusing such order, the court shall consider whether the moving party selected the forum, whether the deponent will be present at the trial, the convenience of the deponent, the suitability of discovery through a deposition by written interrogatories or other discovery methods, the number of depositions sought under this section, the expense to the parties of requiring the deposition to be taken within 150 miles of the residence of the deponent, the whereabouts of the deponent at the time the deposition is scheduled to be taken, and all other factors tending to show whether or not the interests of justice and the convenience of the parties and witnesses will be served by requiring the deponent to appear for the deposition at a place more than 150 miles from the deponent's residence. Such order may provide that the party desiring to take such deposition shall pay the reasonable expenses incurred by the deponent in attending such deposition and that the party furnish an undertaking approved by the court to secure such payment and may contain such other terms and conditions as are equitable and just.

(c) The officer before whom the deposition is to be taken shall put the witness on oath and shall personally, or by someone acting under the officer's direction and in the officer's presence, record the testimony of the witness The testimony shall be taken stenographically and transcribed unless the parties agree otherwise. All objections made at the time of the examination to the qualifications of the officer taking the deposition, or to the manner of taking it, or to the evidence presented, or to the conduct of any party, and any other objection to the proceedings, shall be noted by the officer upon the deposition Evidence objected to shall be taken subject to the objections. In lieu of participating in the oral examination, parties served with notice of taking a deposition may transmit written interrogatories to the officer, who shall propound them to the witness and record the answers verbatim.

(d) At any time during the taking of the deposition, on motion of any party or of the deponent, or upon the court's own motion and after giving counsel an opportunity to be heard, and in either case upon a showing that the examination is being conducted in bad faith or in such manner as unreasonably to annoy, embarrass, or oppress

the deponent or party, the court in which the action is pending or the superior court in the county where the deposition is being taken may order the officer conducting the examination to cease forthwith from taking the deposition, or may limit the scope and manner of the taking of the deposition as provided in subdivision (b) of this section. If the order made terminates the examination, it shall be resumed thereafter only upon the order of the court in which the action is pending. Upon demand of the objecting party or deponent, the taking of the deposition shall be suspended for the time necessary to make a motion for an order. In granting or refusing such order the court may impose upon either party or upon the witness the requirement to pay such costs or expenses, including attorney's fees, as the court may deem reasonable.

(e) Unless the parties agree on the record to another procedure for reading, correcting, and signing the original of the deposition, when the testimony is fully transcribed the officer shall notify the deponent and counsel in writing that the original of the deposition is available for reading, correcting and signing at the office of the officer, and shall remain so available during business hours of business days for a period of 30 calendar days following such notification. The examination and reading of the transcribed testimony may be waived by the witness and by the parties. Any changes in form or substance which the witness desires to make shall be entered upon the deposition. The deponent may correct or approve or refuse to approve the deposition for a period of 30 days following the notification prescribed in this subdivision by means of a letter addressed and mailed or delivered to the transcribing officer indicating any changes to be made, approval, or refusal to approve the deposition. Such changes, approval, or refusal to approve the deposition, when made by letter, shall be equivalent to personal changes, approval, or refusal to approve the deposition.

If the deponent fails to appear at the office of the officer or notify him by letter as provided in this subdivision within such 30-day period, or if the witness so appears or sends such letter but refuses to approve or sign the deposition, the officer shall indicate on the original the fact that the deponent failed to appear, or the fact that the deponent refused to sign together with any reason given therefor. Thereafter the deposition shall have the same force and effect as though it had been read, corrected and signed by the deponent, unless on a motion to suppress under subdivision (d) of Section 2021 of this code the court holds that the reasons given for the refusal to sign require rejection of the deposition in whole or in part.

(f) (1) The officer shall certify on the deposition that the witness was duly sworn by such officer and that the deposition is a true record of the testimony given by the witness. The officer shall then securely seal the deposition in an envelope endorsed with the title of the action and marked "Deposition of (here insert name of witness)". Depositions shall not be filed unless and until their

contents become relevant to an issue in the trial or other pending proceedings at which time the court may order that the deposition be filed as part of the record.

(2) The officer taking the deposition shall give prompt notice of the availability of the deposition to all other parties.

(3) Unless the parties agree on the record that the party noticing the deposition shall do so, the officer taking the deposition shall keep the deposition for six months following the final disposition of the case. If the officer discontinues his or her occupation of taking depositions, by reason of death or otherwise, the officer or an agent of the officer shall file the deposition with the court.

(g) (1) If the party giving the notice of the taking of a deposition fails to attend and proceed therewith and another party attends in person or by attorney pursuant to the notice, the court may order the party giving the notice to pay such other party the amount of the reasonable expenses incurred by such other party and such other party's attorney in so attending, including reasonable attorney's fees.

(2) If the party giving the notice of the taking of a deposition of a witness fails to serve a subpoena upon the witness and the witness because of such failure does not attend, and if another party attends in person or by attorney because that other party expects the deposition of that witness to be taken, the court may order the party giving the notice to pay to such other party the amount of the reasonable expenses incurred by such other party and such other party's attorney in so attending, including reasonable attorney's fees.

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:

There is doubt whether parties to an action can stipulate to custody of an original deposition. In order to clearly provide such a procedure and to remove the risk of sanctions from the officer taking the deposition in the event of such a stipulation, it is necessary for this bill to go into immediate effect.

CHAPTER 20

An act to amend Section 7504 of the Government Code, relating to public retirement systems, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 2, 1979 Filed with Secretary of State April 3, 1979.]

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

SECTION 1. Section 7504 of the Government Code is amended to read·

7504. (a) All state and local public retirement systems shall, not less than triennially, secure the services of an enrolled actuary An enrolled actuary, for the purposes of this section, means an actuary enrolled under subtitle C of Title III of the Employee Retirement Income Security Act of 1974 and who has demonstrated experience in public retirement systems. The actuary shall perform a valuation of the system utilizing actuarial assumptions and techniques established by the agency which are, in the aggregate, reasonably related to the experience and the actuaries' best estimate of anticipated experience under the system.

(b) All state and local public retirement systems shall secure the services of a qualified person to perform an attest audit of the system's financial statements. A qualified person means any of the following:

(1) A person who is licensed to practice as a certified public accountant in this state by the State Board of Accountancy.

(2) A person who is registered and entitled to practice as a public accountant in this state by the State Board of Accountancy.

(3) A county auditor in any county subject to the County Employees Retirement Law of 1937.

(4) A county auditor in any county having a pension trust and retirement plan established pursuant to Section 53216.

(c) All state and local public retirement systems shall submit audited financial statements to the State Controller within six months of the close of each fiscal year. However, the Controller may delay the filing date for reports due in the first year until such time as report forms have been developed which in his judgment will satisfy the requirements of this section The financial statements shall be prepared in accordance with generally accepted accounting principles in the form and manner prescribed by the State Controller. The penalty prescribed in Section 53895 shall be invoked for failure to comply with this section. Upon a satisfactory showing of good cause, the State Controller may waive the penalty for late filing provided by this subdivision

(d) The State Controller shall compile and publish a report annually on the financial condition of all state and local public retirement systems containing, but not limited to, the data required in Section 7502.

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 allow counties having a pension trust and retirement plan established pursuant to law to realize important cost savings in expenses for audits required by law to the same extent that is allowed to other retirement systems, it is necessary that this act become effective immediately

CHAPTER 21

An act to amend Sections 31808 and 31812 of the Government Code, relating to retirement of public employees, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 4, 1979 Filed with Secretary of State April 5, 1979]

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

SECTION 1. Section 31808 of the Government Code is amended to read:

31808. (a) In any county or district subject to the provisions of Section 31676.1, 31676.11, 31676.13, or 31676 14, the retirement allowance payable for retirement service rendered prior to the effective date of the resolution mentioned in Section 31800 shall be computed in accordance with the provisions of Section 31676.1, 31676.11, 31676 13, or 31676.14, whichever is applicable. Except as provided in subdivision (b), the retirement allowance with respect to service performed after May 31, 1957, shall equal the total of the following:

(1) The fraction of one-ninetieth of the first three hundred fifty dollars ($350) monthly of the member's final compensation set forth in the table appearing in Section 31676.1, 31676.11, 31676.13, or 31676.14, whichever is applicable, in the column applicable to the member's age at retirement taken to the preceding completed quarter year multiplied by the number of years of creditable service as provided therein.

(2) The fraction of one-sixtieth of any remaining portion of the member's final compensation set forth in the table appearing in Section 31676.1, 31676.11, 31676.13, or 31676.14, whichever is applicable, in the column applicable to the member's age at retirement taken to the preceding completed quarter year multiplied by the number of years of creditable service.

(b) With respect to persons who become members of a county retirement system after the effective date of the amendments to this section enacted at the 1979–80 Regular Session, the retirement allowance shall equal the following:

(1) The fraction of one-ninetieth of the first one thousand fifty dollars ($1,050) monthly of the member's final compensation set forth in the table appearing in Section 31676.1, 31676.11, 31676.13, or 31676.14, whichever is applicable, in the column applicable to the member's age at retirement taken to the preceding completed quarter year multiplied by the number of years of creditable service as provided therein

(2) The fraction of one-sixtieth of any remaining portion of the member's final compensation set forth in the table appearing in Section 31676.1, 31676 11, 31676.13, or 31676 14, whichever is

applicable, in the column applicable to the member's age at retirement taken to the preceding completed quarter year multiplied by the number of years of creditable service

This subdivision may be made applicable in any county of over six million population on the first day of the month after the board of supervisors of such county adopts by majority vote a resolution providing that this subdivision shall become applicable in such county.

SEC. 2. Section 31812 of the Government Code is amended to read:

31812. (a) Each member shall continue to contribute as provided for in Article 6 (commencing with Section 31620) or (in case of those members defined in Sections 31470.2, 31470.4 and 31470.6) Article 6.8 (commencing with Section 31639) of this chapter less an amount equal to one-third of that portion of such contribution which is payable with respect to the first three hundred fifty dollars ($350) monthly wage, or in counties where the board of supervisors pursuant to subdivision (b) of Section 31808.6 elects to compute the retirement allowance of safety members according to the provisions of Section 31664, each safety member shall make contributions as provided for in Article 6.8 of this chapter with respect to all of his monthly wage.

(b) With respect to persons who become members of a county retirement system after the effective date of the amendments to this section enacted at the 1979–80 Regular Session, each member shall contribute as provided for in Article 6 (commencing with Section 31620) or (in case of those members defined in Sections 31470.2, 31470.4 and 31470.6) Article 6.8 (commencing with Section 31639) of this chapter less an amount equal to one-third of that portion of such contribution which is payable with respect to the first one thousand fifty dollars ($1,050) monthly wage, or in counties where the board of supervisors pursuant to subdivision (b) of Section 31808.6 elects to compute the retirement allowance of safety members according to the provisions of Section 31664, each safety member shall make contributions as provided for in Article 6.8 of this chapter with respect to all of his monthly wage.

This subdivision may be made applicable in any county of over six million population on the first day of the month after the board of supervisors of such county adopts by majority vote a resolution providing that this subdivision shall become applicable in such county.

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 implement an accord in a memorandum of understanding recently reached by the County of Los Angeles and a coalition of county unions which provides for increased integration of the retirement system operated by that county with the federal

social security system, it is necessary that this act become effective immediately.

CHAPTER 22

An act to add Section 10.3 to the County Water Authority Act (Chapter 545 of the Statutes of 1943), relating to county water authorities, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 4, 1979 Filed with Secretary of State April 5, 1979.]

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

SECTION 1. Section 10.3 is added to the County Water Authority Act (Chapter 545 of the Statutes of 1943), to read:

Sec. 10.3. (a) A public agency whose corporate area is wholly within the corporate area of another public agency which is already included within a county water authority as a separate unit, may also become a separate unit of such county water authority in the manner provided in this section.

(1) The governing body of a public agency seeking status as a separate unit of a county water authority shall apply by resolution to the board of directors of such county water authority for consent to detach its corporate area from the existing separate unit of which it is a part and to become a separate unit of such county water authority

(2) The board of directors of the county water authority may grant or deny such application and in granting the same may fix the terms and conditions upon which such applying public agency may become a separate unit of the county water authority; provided, however, that such consent shall not be given unless and until by resolution the governing body of the existing separate unit of the county water authority also gives its consent to the proposed detachment of such territory and to the applying public agency becoming a separate unit of such county water authority.

(3) Proceedings for the detachment of the corporate area of the public agency seeking status as a separate unit of the county water authority from the corporate area of the existing separate unit shall be conducted in the manner prescribed by law; provided, however, that the effective date of such detachment shall be after the completion of the proceedings provided by paragraph (4) of this subdivision

(4) The detachment of the corporate area of the public agency seeking status as a separate unit from the corporate area of the existing separate unit shall not be effective until the secretary of the agency seeking status as a separate unit has filed with the secretary

of the county water authority a certificate certifying the completion of all requirements of law for such detachment. A certificate of proceedings hereunder shall thereupon be prepared by the secretary of the county water authority and filed with the Secretary of State. Upon filing of such certificate of proceedings with the Secretary of State or upon the effective date of the detachment as set forth in any terms and conditions applicable thereto, whichever is later, the corporate area of the agency seeking separate unit status shall thereupon become a separate unit of the county water authority and shall have all of the rights and privileges thereof.

(b) Notwithstanding anything to the contrary in Section 11 of this act, if proceedings are conducted in accordance with this section, the territory detached from the existing separate unit of the county water authority shall remain at all times a part of the corporate area of such authority.

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:

There is no procedure in the County Water Authority Act by which an existing member unit can be divided into two member units, even though such division is deemed by the governing boards of all affected agencies to be in the interest of such agencies and of the people thereof. Immediate amendment of the act will allow the implementation of its provisions by the San Diego County Water Authority, the San Marcos County Water District, and the Bueno Colorado Municipal Water District prior to the close of the current fiscal year. It is necessary, therefore, that this act go into immediate effect.

CHAPTER 23

An act to add Section 22033 to the Elections Code, relating to special elections, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 4, 1979 Filed with Secretary of State April 5, 1979]

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

SECTION 1. Section 22033 is added to the Elections Code, to read:

22033 Cities, counties, and special districts, with 5,000 or less registered voters calculated as of the time of the last report of registration by the county clerk to the Secretary of State, may conduct a special election pursuant to the provisions of Section 22032 if the measure or measures on the ballot are restricted to the

imposition of special taxes within the city, county, or district.

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 facilitate certain special elections relating to the imposition of taxes, conducted by cities, counties and special districts, it is necessary that this act take effect immediately.

CHAPTER 24

An act to amend Section 1603 of the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 4, 1979 Filed with Secretary of State April 5, 1979.]

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

SECTION 1 Section 1603 of the Revenue and Taxation Code, as amended by Section 4 of Chapter 353 of the Statutes of 1978, is amended to read:

1603 (a) A reduction in an assessment on the local roll shall not be made unless the party affected or his agent makes and files with the county board a verified, written application showing the facts claimed to require the reduction and the applicant's opinion of the full value of the property. The form for such application shall be prescribed by the State Board of Equalization.

(b) In the case of a county of the first class, the application shall be filed between the third Monday in July and September 15. An application that is mailed and postmarked September 15 or earlier within such period shall be deemed to have been filed between the third Monday in July and September 15 For the 1978–79 fiscal year only, the September 15 deadline may be extended to May 1, 1979, upon adoption of a resolution by the county board of supervisors.

(c) In the case of a county of the second to ninth class, inclusive, the application shall be filed within the time period beginning July 2 and continuing through and including September 15 An application that is mailed and postmarked September 15 or earlier within such period shall be deemed to have been filed within the time period beginning July 2 and continuing through and including September 15 For the 1978–79 fiscal year only, the September 15 deadline may be extended to May 1, 1979, upon adoption of a resolution by the county board of supervisors

(d) In all other counties, the application shall be filed between July 2 and August 26 An application that is mailed and postmarked August 26 or earlier within such period shall be deemed to have been

filed between July 2 and August 26. For the 1978–79 fiscal year only, the August 26 deadline may be extended to May 1, 1979, upon adoption of a resolution by the county board of supervisors.

(e) In the form provided for making application pursuant to this section, there shall be a notice that written findings of facts of the local equalization hearing will be available upon written request at the requester's expense and, if not so requested, the right to such written findings is waived. The form shall provide appropriate space for the applicant to request written findings of facts as provided by Section 1611.5.

(f) This section shall remain in effect only until July 1, 1979, and as of such date is repealed, unless a later enacted statute, which is chaptered before July 1, 1979, deletes or extends such date.

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

Because of the failure of assessees to receive timely notices of their 1978 assessments, it is necessary that this act take effect immediately in order to authorize the counties to provide such assessees with sufficient time to appeal their 1978 assessments.

CHAPTER 25

An act to amend Section 5058 of the Business and Professions Code, relating to accountancy.

[Approved by Governor April 4, 1979 Filed with Secretary of State April 5, 1979]

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

SECTION 1. Section 5058 of the Business and Professions Code is amended to read:

5058. No person or partnership shall assume or use the title or designation "chartered accountant," "certified accountant," "enrolled accountant," "registered accountant" or "licensed accountant," or any other title or designation likely to be confused with "certified public accountant" or "public accountant," or any of the abbreviations "C.A.," "E.A.," "R.A.," or "L.A.," or similar abbreviations likely to be confused with "C.P.A." or "P.A."; provided, that any person qualified as a certified public accountant under this chapter who also holds a comparable title granted under the laws of another country may use such title in conjunction with the title of "certified public accountant" or "C.P.A." and provided, that any person enrolled to practice before the Internal Revenue Service and recognized as an enrolled agent may use the abbreviation "E.A."

CHAPTER 26

An act relating to continuous school programs, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 4, 1979. Filed with Secretary of State April 5, 1979.]

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

SECTION 1. (a) Notwithstanding the provisions of Sections 37611 to 37615, inclusive, of the Education Code, if the governing board of the Hesperia School District finds that a school housing emergency exists, and that the effects of the emergency can be reduced by implementing a continuous school program, it may establish and operate a mandatory continuous school program at one or more of the schools under its jurisdiction commencing with the 1979–80 school year.

(b) In order to continue to operate such program in any school year after the 1979–80 school year, the requirements of Sections 37611 and 37616 of the Education Code shall be met.

(c) A finding made pursuant to subdivision (a) of this section at any time during the 1978–79 school year shall be effective to permit the establishment and operation of a continuous school program in the 1979–80 school year, whether such finding was made before or after the effective date of this act.

SEC. 2. The governing board of the Hesperia School District has discovered that a school housing emergency exists in the district, and that the effects of this emergency can be reduced in the 1979–80 school year if the district were to operate a mandatory continuous school program. The Hesperia School District implemented a continuous school program for six years prior to the 1978–79 school year, but discontinued the program for the 1978–79 school year. Current statutory law requires that once a continuous school program is terminated, the governing board must wait at least two years before the governing board can again operate a continuous education program Since two years have not passed, and, since the absence of a continuous school program in the Hesperia School District will cause great hardship to the pupils thereof, it is essential to simplify the procedures for the establishment of the program during such emergency.

SEC. 3. (a) Notwithstanding the provisions of Sections 37611 to 37615, inclusive, of the Education Code, if the governing board of the Apple Valley School District finds that a school housing emergency exists, and that the effects of the emergency can be reduced by implementing a continuous school program, it may establish and operate a mandatory continuous school program at one or more of the schools under its jurisdiction commencing with the 1979–80 school year.

(b) In order to continue to operate such program in any school year after the 1979–80 school year, the requirements of Sections 37611 and 37616 of the Education Code shall be met.

(c) A finding made pursuant to subdivision (a) of this section at any time during the 1978–79 school year shall be effective to permit the establishment and operation of a continuous school program in the 1979–80 school year, whether such finding was made before or after the effective date of this act.

SEC. 4. The governing board of the Apple Valley School District has discovered that a school housing emergency exists in the district, and that the effects of this emergency can be reduced in the 1979–80 school year if the district were to operate a mandatory continuous school program. However, current statutory law requires that the process to establish a mandatory continuous school program begin at least by November 1 of the school year prior to the school year in which the program is to begin operation. Since the current statutory deadline cannot be met, and since the absence of a continuous school program in the Apple Valley School District will cause great hardship to the pupils thereof, it is essential to simplify the procedures for the establishment of the program during such emergency.

SEC. 5. (a) Notwithstanding the provisions of Sections 37611 to 37615, inclusive, of the Education Code, if the governing board of the Bear Valley Unified School District finds that a school housing emergency exists, and that the effects of the emergency can be reduced by implementing a continuous school program, it may establish and operate a mandatory continuous school program at one or more of the schools under its jurisdiction commencing with the 1979–80 school year.

(b) In order to continue to operate such program in any school year after the 1979–80 school year, the requirements of Sections 37611 and 37616 of the Education Code shall be met.

(c) A finding made pursuant to subdivision (a) of this section at any time during the 1978–79 school year shall be effective to permit the establishment and operation of a continuous school program in the 1979–80 school year, whether such finding was made before or after the effective date of this act.

SEC. 6 Due to the unique circumstances of the school housing emergency which exists in the Hesperia School District, the Apple Valley School District, and the Bear Valley Unified School District and the limited nature of the exemption from general statutory requirements which is provided for in Sections 1 and 3 of this act, the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the Constitution.

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

In order that the governing boards of the Hesperia School District,

the Apple Valley School District, and the Bear Valley Unified School District may commence operation of a continuous school program during the 1979–80 school year, and thus alleviate an existing school housing emergency at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 27

An act relating to property tax payments, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 4, 1979 Filed with Secretary of State April 5, 1979]

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

SECTION 1 Notwithstanding Sections 4217 and 4222 of the Revenue and Taxation Code, if any person who elected to pay delinquent taxes in installments defaulted on such payments.

(1) By a failure to pay current taxes before such current taxes became delinquent,

(2) Such default resulted from the failure of such person's employee reasonably entrusted by such person with the duty and money to make payment of such taxes,

(3) The tax collector finds that the failure to make a timely payment was due to circumstances beyond such person's control and occurred notwithstanding the exercise of ordinary care and in the absence of willful neglect, and

(4) The default occurred during the 1978 calendar year, in the fourth or fifth year after the property was sold to the state, and prior to the deeding of the property to the state,

the tax collector may reinstate the account upon receipt of evidence that the taxes for the 1977–78 fiscal year and the current fiscal year are not delinquent

SEC. 3 This act shall be applicable to any default on a delinquent property tax installment payment occurring in the 1978 calendar year

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 for taxpayers who are currently delinquent in their property taxes on tax sold property and who face deeding of their property to the state on July 1, 1979, to avoid the loss of their property, and to allow sufficient time to effect the remedy provided by this act, it is necessary for this act to take immediate effect

CHAPTER 28

An act relating to the State Capitol Restoration Project, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 5, 1979. Filed with Secretary of State April 5, 1979]

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

SECTION 1. Of all interest earned, from July 1, 1973, to the effective date of this act, on the undisbursed balance of the money appropriated in Item 332.5 of the Budget Act of 1973 and of the money appropriated to the Contingent Funds of the Assembly and Senate by subdivision (a) of Section 3 of Chapter 246 of the Statutes of 1975, and credited to the General Fund, the sum of eighteen million eight hundred twenty-eight thousand dollars ($18,828,000) is hereby appropriated from the General Fund as follows:

(a) Seventeen million seven hundred twenty-eight thousand dollars ($17,728,000) to the Contingent Funds of the Assembly and Senate, to be usable without regard to fiscal years, for expenditure for purposes of restoration or rehabilitation of the west wing of the State Capitol, as provided in Section 9124 of the Government Code.

(b) One million one hundred thousand dollars ($1,100,000) to the Department of General Services, to be usable without regard to fiscal years, for expenditure for purposes of necessary electrical service work for both the east and west wings of the State Capitol, in connection with the restoration and rehabilitation of the west wing of the State Capitol, as provided in Section 9124 of the Government Code.

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

In order for the funds provided by this act to be immediately available for the restoration of the State Capitol in a timely and expeditious manner, it is necessary for the act to take effect immediately.

CHAPTER 29

An act to add Section 53533 to the Government Code, to add Sections 33645.5 and 34354.5 to, and to add Chapter 9 (commencing with Section 33800) to Part 1 of Division 24 of, the Health and Safety Code, and to amend Section 2237 of the Revenue and Taxation Code, relating to public finance, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 5, 1979 Filed with
Secretary of State April 6, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 53533 is added to the Government Code, to read

53533. Notwithstanding Section 53531 or any other provision of law establishing limitations on the rate of interest of any indebtedness or obligation of a city, county, or city and county the rate of interest on any indebtedness or obligation thereof which is payable to the federal government or any agency or instrumentality thereof or any indebtedness or obligation guaranteed by the federal government or any instrumentality thereof may be at a rate higher than the limitations established in any other law if such rate is the rate established by the federal government or any instrumentality thereof. Any such indebtedness or obligation shall be in such form and denomination, have such maturity, and be subject to such conditions as may be prescribed by the federal government or agency or instrumentality thereof.

SEC. 2. Section 33645.5 is added to the Health and Safety Code, to read·

33645 5 Notwithstanding Section 33645 or any other provision of law, the rate of interest on any indebtedness or obligation of an agency which is payable to the federal government or any agency or instrumentality thereof or on any such indebtedness or obligation guaranteed by the federal government or any instrumentality thereof may be at a rate higher than the limitation established in Section 33645, or any other law, if such rate is the rate established by the federal government or any instrumentality thereof Any such indebtedness or obligation shall be in such form and denomination, have such maturity, and be subject to such conditions as may be prescribed by the federal government or agency or instrumentality thereof.

SEC 3 Chapter 9 (commencing with Section 33800) is added to Part 1 of Division 24 of the Health and Safety Code, to read

CHAPTER 9. SPECIAL ASSESSMENTS

Article 1. Definitions

33800 The definitions contained in this article govern the construction of this chapter, unless the context requires otherwise.

33801 "Indebtedness" means any obligations incurred by a redevelopment agency prior to July 1, 1978, the payment of which is to be made in whole or in part out of taxes allocated to the agency pursuant to Section 33670 and includes

(a) Bonds, notes, interim certificates, debentures, or other obligations issued by an agency (whether funded, refunded, assumed

or otherwise) pursuant to Article 5 (commencing with Section 33640) of Chapter 6 of this part.

(b) Loans or moneys advanced to the agency, including, but not limited to, loans from federal, state or local agencies.

(c) A contractual obligation which, if breached, could subject the agency to damages or other liabilities or remedies.

(d) An obligation incurred pursuant to Section 33445.

(e) Indebtedness incurred pursuant to Section 33334.2.

(f) Obligations imposed by law with respect to activities which occurred prior to July 1, 1978.

33802. "Indebtedness" also means a loan from the Local Agency Indebtedness Fund pursuant to Article 6.5 (commencing with Section 16496) of Chapter 3 of Part 2 of Division 4 of Title 2 of the Government Code for the purpose of making payments of principal or interest with respect to indebtedness specified in Section 33801.

33803 "Payment" means any payment of principal or interest payable with respect to indebtedness payable from taxes allocated pursuant to subdivision (b) of Section 33670, which is as defined in Section 33801 or 33802, including redemption payments and any administrative costs associated with the payment of such indebtedness.

33804. "Persons and families of low or moderate income" has the same meaning as defined in Section 50093.

Article 2 Findings and Declarations

33810. The Legislature finds and declares that the security of millions of dollars of indebtedness incurred prior to July 1, 1978, and dependent upon taxes allocated pursuant to Section 16 of Article XVI of the California Constitution and subdivision (b) of Section 33670 for its security is seriously threatened.

33811. The Legislature further finds and declares that unless supplemental sources of revenue for the payment of such indebtedness can be established, a substantial portion of such indebtedness will not be repaid, which will include the default of bonds and the breach of contractual obligations, and that if such defaults and breaches of contract occur, the credit and future borrowing capacity of both local agencies and the state may be impaired.

33812 The Legislature further finds and declares that such defaults and breach of contracts may result in lengthy and costly legal actions against public agencies for the impairment of contractual rights.

33813. The Legislature further finds and declares that there is a need to establish a flexible procedure to enable legislative bodies to obtain necessary supplemental revenues to pay the incurred indebtedness because the need for state funds for such purpose will be decreased and because the facts and circumstances surrounding each project and the indebtedness incurred are different and

different solutions may be required

33814. The Legislature further finds and declares that certain properties within the boundaries of redevelopment project areas established pursuant to the Community Redevelopment Law have increased in value and have received and will continue to receive special benefits from redevelopment activities undertaken by agencies, including, but not limited to, acquisition, assembly and disposition of lands, demolition and site clearance and the construction of public improvements financed by the proceeds of indebtedness incurred by redevelopment agencies.

33815. The Legislature further finds and declares that the establishment of special assessments on the properties so specially benefited from the activities described in Section 33814 is the most equitable method for providing supplemental revenues to be used to pay the indebtedness

33816 It is the purpose of this chapter to authorize and provide for the establishment of special assessment areas within redevelopment project areas and for the levy of special assessments on properties within such special assessment areas to obtain supplemental revenues to be used for the payment of indebtedness incurred prior to July 1, 1978, and temporary borrowing from the state incurred to avoid default thereon.

33817. A special assessment area may include any or all property within a project area as the project area existed on July 1, 1978, established pursuant to Chapter 4 (commencing with Section 33300) of this part, and may, but need not be, coterminous with such project area; however, only properties benefited by redevelopment activities described in Section 33814 shall be included within the special assessment area. The properties included in a special assessment area may be either contiguous or noncontiguous; however, only properties within a single project area may be included within a single special assessment area

Article 3. Proceedings

33820. Special assessment areas wholly within redevelopment project areas may be established and special assessments levied within such special assessment areas pursuant to this chapter

33821. When, in the opinion of the governing board of an agency, it is determined that there will be insufficient tax revenues allocated to the agency to pay its incurred indebtedness, the agency shall file with the legislative body a report.

33822 The report shall contain all of the following·

(a) The total amount of outstanding indebtedness incurred by the agency with respect to the project area containing the special assessment area, a listing of the different kinds of indebtedness incurred together with the amount of debt incurred for each separate kind of indebtedness, and the annual payment required to be made for each such kind of indebtedness for each year during

which the debt is outstanding.

(b) An estimate of the amount of taxes which will be received by the agency pursuant to subdivision (b) of Section 33670 which will be available to make payments on the different kinds of indebtedness when due

(c) A description and estimated amounts of other revenues, funds and other moneys, other than tax revenues described in subdivision (b), which are or will be available to the agency for making the payments.

(d) An estimate of the total and annual amounts of the payments which the agency will be unable to make because of the insufficiency of funds available for that purpose.

(e) A schedule of payments and either (1) copies of contracts, agreements, or other documents creating the indebtedness, or (2) a list (including a summary of parties and purpose) of contracts, agreements, and other documents creating the indebtedness.

(f) A description of the redevelopment activities which have been or will be undertaken by the agency with the proceeds derived from the indebtedness.

(g) A diagram showing the following:

(1) The boundaries of a special area of the redevelopment project area which, in the opinion of the agency, has been specially benefited

(2) The dimensions or description of the parcels of property within the special area as they existed at the time of making the report Each such subdivision shall be given a separate number upon the diagram.

(3) The proposed assessment on each of the parcels of property within the special assessment area levied in proportion to benefits.

(h) A statement as to whether the proposed assessment district includes property containing residential dwelling units, an estimate of the number of such dwelling units occupied by persons and families of low or moderate income, and an estimate of the total amount of assessments to be levied on such dwelling units occupied by persons and families of low or moderate income

(i) A request that the legislative body proceed with the formation of a special assessment area and levy a special assessment on properties in the special assessment area.

(j) For each fiscal year in which the special assessment is proposed to be levied, the amount of taxes which was projected to be available for allocation to the agency pursuant to subdivision (b) of Section 33670, based on the actual tax rates in effect for the 1977–78 fiscal year and on the projected assessed values under the applicable laws in effect for the 1977–78 fiscal year, with respect to its indebtedness incurred prior to July 1, 1978 The statement shall contain information upon which the assessed values were projected If any bonds have been issued and the official statement or bond resolution for such bonds contained an estimate of projected tax revenues which were to be received by the agency pursuant to subdivision (b)

of Section 33670, the information shall refer to the official statement or bond resolution.

33822.5. Copies of contracts, agreements, and other documents specified in subdivision (e) of Section 33822 shall be made available to the public at the time the report is filed with the legislative body.

33822.7. The agency shall notify the Department of Housing and Community Development within five days following the filing of a report with the legislative body pursuant to Section 33821.

33823. After the receipt of the report, the legislative body may adopt a resolution of intention to form a special assessment area and to levy special assessments on properties located therein to provide supplemental revenues for the purpose of making payments on the indebtedness when due.

33824. The resolution of intention shall:

(a) Describe the exterior boundaries of the special assessment area

(b) Include the estimated annual amounts needed to be levied on the properties within such area for the purpose of making such payments and the period during which such special assessments will be required, which in no case shall be longer than the time by which the debt is to be repaid.

(c) Include the proposed assessments.

The resolution shall incorporate by reference the report required by Section 33822

33825. The resolution shall contain a notice of the time and place at which any person may appear before the legislative body and object to the formation of the special assessment area and the levy of special assessments therein The hearing shall be held not less than 30 days after the passage of the resolution

33826. The notice shall contain all of the following:

(a) A statement of the time, place, and purpose of the hearing on the resolution of intention and report of the agency

(b) A statement of the total estimated payments of principal and interest and other payments required

(c) The amounts as shown on the report of the agency, to be assessed against each parcel of property annually

(d) A statement that any owner of property within the proposed assessment area may file a written protest as provided in Section 33831

(e) A statement that the city or county will pay the assessment levied on that portion of real property containing residential dwelling units occupied by persons and families of low or moderate income The statement shall set forth a schedule of the applicable maximum annual incomes by family size which may be received by persons and families of low or moderate income and notice as to where applications and information regarding the payments may be obtained.

33827 The clerk of the legislative body shall give notice of the time and place in the resolution of intention as provided in Section

33825

33828 The notice shall be published pursuant to Section 6066 of the Government Code, the first publication of which shall be at least 20 days prior to the date set for hearing. Copies of the notice shall (1) be mailed by first class mail, postage prepaid, to the owners of property in the proposed special assessment area at the addresses of such owners as shown on the last equalized assessment roll used for tax purposes or as otherwise known to the clerk, (2) be mailed postage prepaid to the occupants of property in the proposed special assessment area, and (3) be posted conspicuously on all streets within the proposed special assessment area, not more than 300 feet apart on each street so posted, but not less than three in all. If property assessed pursuant to Section 19 of Article XIII of the Constitution is within such special assessment area, such notice shall be mailed to the owner of such property as shown on the roll last transmitted by the State Board of Equalization to the county auditor.

33829. No proceeding shall be held invalid for the failure to mail notice to any property owner or occupant or to post the notice if there has been substantial compliance with the requirements of this article.

33830 If no newspaper is published and circulated in the city, the notice shall be published in a newspaper published in any county in which the city is located

33831 Any owner of property within the proposed special assessment area may protest the formation of the special assessment area, the extent thereof, or the proposed assessment by filing a written protest with the clerk of the legislative body at or before the time set for the hearing Such protest shall contain a description of the property sufficient to identify the same and, if the signer is not shown on the last equalized assessment roll as the owner of such property, shall contain or be accompanied by written evidence that such signer is the owner of such property The clerk shall endorse on each protest the date of its receipt and at the time appointed for the hearing shall present to the legislative body all protests filed. No other protests shall be considered by the legislative body.

33832 At the time and place set for hearing on the formation of the special assessment area and levy of special assessments, the legislative body shall consider the report of the agency and hear and pass upon all written protests Such hearing may be continued from time to time by the legislative body

33833. If protests are filed against the special assessment area, and the legislative body finds that such protests are signed by the owners of more than one-half of the area of the property included within the proposed special assessment area, all further proceedings under the resolution of intention are barred, and no new resolution of intention for the same shall be passed within six months after the decision of the legislative body on the hearing, unless the protests are overruled by an affirmative vote of four-fifths of the members of the legislative body

33834 If it is necessary, in order to find whether a majority protest exists, to determine whether any or all of the signers of written protests are the "owners" of property to be assessed, the legislative body shall make such determination from the last equalized assessment roll or the roll specified in Section 33828, any written evidence submitted with a written protest and any other evidence received at the hearing. The legislative body shall be under no duty to obtain or consider any other evidence as to ownership of property and its determination of ownership shall be final and conclusive.

33835. Prior to final action on the report, the legislative body shall find and determine, based on evidence submitted at the public hearing, (a) whether the properties proposed to be assessed are specially benefited by the redevelopment activities described in Section 33814, and are capable of bearing the burden of the proposed assessment, (b) whether the assessments have been apportioned in proportion to such benefits, (c) whether property within the assessment area contains residential dwelling units, and (d) for each fiscal year in which the special assessment is proposed to be levied, the amount of taxes which was projected to be available for allocation to the agency pursuant to subdivision (b) of Section 33670, based on the actual tax rates in effect for the 1977–78 fiscal year and on the projected assessed values under the applicable laws in effect for the 1977–78 fiscal year, with respect to its indebtedness incurred prior to July 1, 1978.

33835.3. In no event shall a special assessment be levied pursuant to this chapter if the amount specified in the adopted report pursuant to subdivision (b) of Section 33822 is equal to or greater than the amount determined by the legislative body pursuant to subdivision (d) of Section 33835. If the amount established pursuant to subdivision (b) of Section 33822 in the adopted report is less than the amount determined pursuant to subdivision (d) of Section 33835, then the maximum amount which can be levied by special assessment pursuant to this chapter is the dollar difference between the amounts described in those two subdivisions plus any indebtedness described in Section 33802

33835.5. Prior to taking final action on the report pursuant to either Section 33821 or 33837, the legislative body shall find and determine that the total amount of revenues received by levying a special assessment pursuant to this chapter, plus the taxes which the legislative body has determined will be received pursuant to subdivision (b) of Section 33822 of the adopted report, does not exceed the amount determined pursuant to subdivision (d) of Section 33835 plus any indebtedness described in Section 33802

33836 If written protests by more than one-half of the area of the property in the special assessment area are either not received or are received and are overruled the legislative body may, by resolution, confirm, modify, or correct the report and order the formation of the special assessment area, and levy the assessments shown on the

report as confirmed, modified or corrected. The resolution shall be final as to all persons and the assessments thereby levied upon the respective subdivisions of land in the special assessment area until changed pursuant to Section 33838. However, for the purposes of Section 33838, the assessment levied pursuant to this section shall be the assessment for the first fiscal year

33837 Prior to May 15th of each year, after the first fiscal year, during which the assessment district is to continue, the agency shall file with the legislative body a report which shall contain (1) an estimate of the total amount of funds including taxes received by the agency pursuant to subdivision (b) of Section 33670 which will be available to pay the indebtedness for the next fiscal year, (2) an estimate of the amount of payments specified in the report pursuant to Section 33822 which the agency will be unable to pay because of insufficient funds, and (3) a diagram and a proposed assessment to be levied upon each parcel of property in the area for the next fiscal year

33838 After receiving a report pursuant to Section 33837, the legislative body shall review and adopt the report, either as presented or as modified, and shall take one of the following actions.

(a) Find that the existing levy will raise substantially the same amount as is needed to make the payments, in which case no change to the existing levy is needed

(b) Find that the existing levy will raise more than is needed to make the payments, in which case the legislative body shall reduce the levy for that fiscal year to an amount sufficient to make the payments

(c) Find that the existing levy will not raise sufficient funds to make the payments, in which case the legislative body may, after a notice and hearing pursuant to Sections 33825 to 33835, inclusive, levy an increased assessment for that fiscal year in an amount sufficient to make the payments.

33839 Notwithstanding any other provision of this chapter, all tax increments allocated to the agency pursuant to subdivision (b) of Section 33670 with respect to a redevelopment project for which a special assessment district has been created pursuant to this chapter, shall first be used to pay indebtedness, as defined in this chapter.

Article 4 Collection of Assessments

33840 Immediately after the levy, but in all cases before July 15th, a certified copy of the diagram and assessment shall be filed with the county auditor The county auditor shall enter the amounts of the respective assessments on the county tax roll opposite the respective parcels of property. Immediately upon such recording, each of such assessments shall be a lien upon the property against which it is made and shall only be discharged by payment of the assessment and, if applicable, penalties, costs, or other charges resulting from delinquency in the payment of the assessment.

33840 5 A city or county which levies assessments pursuant to this chapter shall pay to the county tax collector all such assessments levied on real property containing one or more dwelling units occupied by persons and families of low or moderate income; provided, that where such real property contains uses other than residential dwelling units occupied by persons and families of low or moderate income only that portion of the assessment attributable to the portion of the property occupied by persons and families of low or moderate income shall be paid by the city or county. The city or county shall establish a reasonable method for determining such apportionments.

33840 7 (a) Each city or county which makes a finding that the assessment area includes property containing residential dwelling units shall establish procedures to enable persons and families of low or moderate income who occupy dwelling units within the assessment area, or owners of such dwelling units as provided in subdivision (b), to apply to the city or county to have the assessment paid. Such procedures may include (1) reasonable time deadlines for application, which, if not met by the applicant, will extinguish the obligation of the city or county to pay the assessment for that year and (2) a requirement that the applicant, not more than once each year, provide information which will enable the city or county to determine the dwelling unit in which the applicant resides and whether the applicant is a person or family of low or moderate income.

(b) As to properties or portions of properties in which the occupancy of dwelling units is restricted by a written agreement or by operation of law to persons and families of low or moderate income, the owner of the property may apply to the city or county to have the assessment paid on all such dwelling units and as to those properties or portions of properties the use of which the city or county knows is restricted by a written agreement or by operation of law to persons and families of low or moderate income, the city or county shall pay the assessment without requiring any application to be submitted. The city or county may require the owners of such properties to provide a copy of the subject written agreement, if any, and to provide other information annually which will enable the city or county to determine the number of dwelling units actually occupied by persons or families of low or moderate income

(c) Except as to dwelling units in which the occupancy is restricted by law to persons and families of low or moderate income, the information required of applicants may include copies of federal and state income tax returns of the subject low or moderate income residents

(d) The procedures established by a city or county pursuant to this section shall provide for annual reviews as to whether real property within the assessment area containing residential dwelling units is occupied by persons and families of low or moderate income. The procedures shall additionally provide for notice to occupants

and owners of property within the special assessment area of the maximum annual income by family size which may be received by persons and families of low or moderate income; the notices shall be mailed to such occupants and owners not less than 30 days prior to the final date for receiving applications for payment of the assessment pursuant to Section 33840.5.

33841. The lien of an assessment levied pursuant to this chapter shall be subordinate to all fixed special assessment liens previously imposed upon the same property but it shall have priority over all fixed special assessment liens which may thereafter be created against the property.

33842. Assessments levied under this chapter shall be subject to all the provisions of Division 1 (commencing with Section 101) of the Revenue and Taxation Code applicable to the collection, penalties, costs, or other charges resulting from delinquency, redemption, and sale for nonpayment of taxes on the county tax roll.

33843. The special assessments provided for in the resolution adopted pursuant to Section 33836 shall be deemed to have been levied in each succeeding year until the assessment is revised pursuant to Section 33838 or rescinded and the county auditor is given notice thereof.

33844. All the proceeds of the assessment shall be placed in a separate fund of the legislative body and shall be transferred to the agency only for the payment of indebtedness.

33845. Upon receipt of any proceeds from the legislative body pursuant to Section 33844, the agency shall either immediately use such proceeds for the payment of indebtedness or it shall place such proceeds in a separate fund and shall thereafter only be removed and expended for the purpose of making such payments.

Article 5. Legal Actions, Exceptions

33850. The validity of any assessment levied under this chapter shall not be contested in any action or proceeding unless commenced within 60 days after the levy thereof. The provisions of Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure shall be applicable to any such action or proceeding.

33851. Nothing in this chapter shall be construed as authorizing the sale or issuance of bonds.

33852. All proceedings and decisions undertaken or made pursuant to this chapter shall be exempt from the requirements of Division 13 (commencing with Section 21000) of the Public Resources Code.

33853. The Special Assessment Investigation, Limitation and Majority Protest Act of 1931, Division 4 (commencing with Section 2800) of the Streets and Highways Code, shall not apply to proceedings under this part.

33854. If any provision of this chapter or the application thereof to any person or circumstances is held invalid, such invalidity shall

not affect other provisions or applications of this chapter which can be given effect without the invalid provision or application, and to this end the provisions of this chapter are severable

33855 If Section 33840 5 or any portion thereof is held invalid such invalidity shall not affect other provisions of this chapter which can be given effect without such invalid section; however, after such section or portion thereof has been held to be invalid. (1) no assessment district shall be established which includes real property containing one or more residential dwelling units occupied by persons and families of low or moderate income, (2) no levy shall be imposed on any real property containing one or more residential dwelling units occupied by persons and families of low or moderate income, and (3) any existing levy imposed upon real property containing one or more residential units occupied by persons and families of low or moderate income shall be deemed to be rescinded and the lien discharged. If any provision in this section is held to be invalid no levy shall be imposed on any property within a special assessment area which includes real property containing one or more residential dwelling units occupied by persons and families of low or moderate income after such section or portion thereof is found to be invalid.

SEC 4 Section 34354.5 is added to the Health and Safety Code, to read·

34354.5 Notwithstanding Section 34354 or any other provision of law, the rate of interest on any indebtedness or obligation of a housing authority which is payable to the federal government or any agency or instrumentality thereof or on any such indebtedness or obligation guaranteed by the federal government or any instrumentality thereof may be at a rate higher than the limitation established in Section 34354.5, or any other law, if such rate is the rate established by the federal government or any instrumentality thereof Any such indebtedness or obligation shall be in such form and denomination, have such maturity and be subject to such conditions as may be prescribed by the federal government or agency or instrumentality thereof

SEC 5 Section 2237 of the Revenue and Taxation Code is amended to read.

2237 (a) Notwithstanding any other provision of law, except as provided in subdivision (b), no local agency, school district, county superintendent of schools, or community college district shall levy an ad valorem property tax, other than that amount which is equal to the amount needed to make annual payments for the interest and principal on general obligation bonds or other indebtedness approved by the voters prior to July 1, 1978 or the amount levied pursuant to Part 10 (commencing with Section 15000) of Division 1 and Sections 39308, 39311, 81338, and 81341 of the Education Code In determining the tax rate required for the purposes specified in this subdivision, the amount of the levy shall be increased to compensate for any allocation and payment of tax revenues required

pursuant to subdivision (b) of Section 33670 and subdivision (d) of Section 33675 of the Health and Safety Code.

(b) A county shall levy an ad valorem property tax on taxable assessed value at a rate equal to four dollars ($4) per one hundred dollars ($100) of assessed value. The revenue from such tax shall be distributed, subject to the allocation and payment as provided in subdivision (d) of Section 33675 of the Health and Safety Code, to local agencies, school districts, county superintendents of schools, and community college districts in accordance with the provisions of Section 26912 of the Government Code.

SEC. 6 The Legislature finds and declares that the amendment of Section 2237 of the Revenue and Taxation Code made by Section 5 of this act does not constitute a change in, but is declaratory of, the existing law. Accordingly, existing law requires the levy authorized by subdivision (a) of Section 2237 of the Revenue and Taxation Code to be increased for the 1978–79 tax year to compensate for any allocation and payment of tax revenues required pursuant to subdivision (b) of Section 33670 and subdivision (d) of Section 33675 of the Health and Safety Code. In the event the 1978–79 tax rate established prior to the effective date of this act pursuant to subdivision (a) of Section 2237 of the Revenue and Taxation Code was not adjusted to compensate for such allocation of tax revenues, where applicable, an affected taxing agency shall have the following alternatives:

(a) The taxing agency may, on or before March 1, 1979, and in accordance with subdivision (a) of Section 2237 of the Revenue and Taxation Code, revise the tax rate for the 1978–79 tax year, with the approval of the board of supervisors of the county, and the tax collector for the county shall issue conforming amended tax bills on or before April 1, 1979; or

(b) The property tax levy for the 1979–80 tax year may be increased in an amount sufficient to compensate for the deficiency caused by such allocation during the 1978–79 tax year. Any increase in the tax levy made pursuant to this subdivision for the 1979–80 tax year shall be in addition to the levy otherwise authorized by Section 2237 of the Revenue and Taxation Code

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

It is necessary that this act take effect immediately in order (1) to timely provide a supplementary revenue source for the repayment of redevelopment indebtedness incurred prior to July 1, 1978, and to thereby avoid default or other repayment problems, (2) to promptly clarify existing statutory provisions governing property tax rates levied for payment of indebtedness approved by the voters prior to July 1, 1978, and (3) to enable cities, counties, redevelopment agencies, and housing authorities to continue to sell bonds and other indebtedness to the federal government, or bonds or other

indebtedness guaranteed by the federal government at the interest rates established by the federal government

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CHAPTER 30

An act to amend Section 20505 of the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately

[Approved by Governor April 11, 1979 Filed with Secretary of State April 12, 1979.]

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

SECTION 1. Section 20505 of the Revenue and Taxation Code, as added by Section 40 of Chapter 123 of the Statutes of 1978 and amended by Chapter 576 of the Statutes of 1978, is amended to read:

20505. "Claimant" means an individual who—

(a) For purposes of this chapter was either (1) 62 years of age or older on the last day of the calendar year or approved fiscal year designated in subdivision (b) or (c) of Section 20503, whichever is applicable, or (2) blind or disabled, as defined in Section 12050 of the Welfare and Institutions Code on the last day of the calendar year or approved fiscal year designated in subdivision (b) of Section 20503, who was a member of the household, and who was either: (1) the owner and occupier of a residential dwelling on the last day of the year designated in subdivision (b) or (c) of Section 20503, or (2) the renter of a rented residence on or before the last day of the year designated in subdivision (b) of Section 20503. An individual who qualifies as an owner-claimant may not qualify as a renter-claimant for the same year.

(b) For purposes of Chapter 2 (commencing with Section 20581), Chapter 3 (commencing with Section 20625) and Chapter 3.5 (commencing with Section 20640) was a member of the household and either an owner-occupant, or a tenant stockholder occupant, or a possessory interest holder occupant, as the case may be, of the residential dwelling as to which postponement is claimed on the last day of the year designated in subdivision (b) or (c) of Section 20503, and who was 62 years of age or older by December 31 of the fiscal year for which postponement is claimed provided, for purposes of eligibility for postponement of taxes for the 1977–78 fiscal year, an individual must be 62 years of age or older by March 15, 1978.

(c) Where amounts have been postponed for any given fiscal year and the claimant continues to own and occupy the residential dwelling on December 31 of the calendar year in which such fiscal year begins, and the claimant sells such dwelling and buys a new residential dwelling in this state on or before June 30 of such fiscal year and the new dwelling is the claimant's principal place of

residence, then in such event, the claimant shall be deemed to be a qualified claimant for the purpose of this section.

SEC 2. Notwithstanding Section 20646 of the Revenue and Taxation Code, the provisions of this act shall apply with respect to the 1978–79 fiscal year and fiscal years thereafter.

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 the provisions of this act to claims for assistance within a meaningful time and to provide for effective and timely administration of such provisions, this act must go into effect immediately

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CHAPTER 31

An act to amend Section 1268.410 of, to add Sections 1250.250, 1260.250, 1268.440, and 1268.450 to, and to repeal and add Section 1268.420 to, the Code of Civil Procedure, and to amend Sections 134, 2921.5, 2922, 4986, 4986 2, and 5096.7 of, to add Article 5 (commencing with Section 5081) to Chapter 4 of Part 9 of Division 1 of, and to repeal Sections 4986.1, 4986 7, 4986.9, and 5096.3 of, the Revenue and Taxation Code, relating to taxation

[Approved by Governor April 11, 1979 Filed with Secretary of State April 12, 1979]

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

SECTION 1. Section 1250.250 is added to the Code of Civil Procedure, to read.

1250 250. If the only interest of the county or other taxing agency in the property described in the complaint is a lien for ad valorem taxes, the county or other taxing agency need not be named as a defendant

SEC. 2. Section 1260.250 is added to the Code of Civil Procedure, to read·

1260 250 (a) The court shall by order give the tax collector the legal description of the property sought to be taken and direct the tax collector to certify to the court the information required by subdivision (c), and the tax collector shall promptly certify the required information to the court

(b) The court order shall be made on or before the earliest of the following dates:

(1) The date the court makes an order for possession.

(2) The date set for trial.

(3) The date of entry of judgment

(c) The court order shall require certification of the following

information:

(1) The current assessed value of the property together with its assessed identification number.

(2) All unpaid taxes on the property, and any penalties and costs that have accrued thereon while on the secured roll, levied for prior tax years that constitute a lien on the property.

(3) All unpaid taxes on the property, and any penalties and costs that have accrued thereon while on the secured roll, levied for the current tax year that constitute a lien on the property prorated to, but not including, the date of apportionment determined pursuant to Section 5082 of the Revenue and Taxation Code or the date of trial, whichever is earlier. If the amount of the current taxes is not ascertainable at the time of proration, the amount shall be estimated and computed based on the assessed value for the current assessment year and the tax rate levied on the property for the immediately prior tax year.

(4) The actual or estimated amount of taxes on the property that are or will become a lien on the property in the next succeeding tax year prorated to, but not including, the date of apportionment determined pursuant to Section 5082 of the Revenue and Taxation Code or the date of trial, whichever is earlier. Any estimated amount of taxes shall be computed based on the assessed value of the property for the current assessment year and the tax rate levied on the property for the current tax year.

(5) The amount of the taxes, penalties, and costs allocable to one day of the current tax year, and where applicable, the amount allocable to one day of the next succeeding tax year, hereinafter referred to as the "daily prorate."

(6) The total of paragraphs (2), (3), and (4).

(d) If the property sought to be taken does not have a separate valuation on the assessment roll, the information required by this section shall be for the larger parcel of which the property is a part.

(e) The court, as part of the judgment, shall separately state the amount certified pursuant to this section and order that the amount be paid to the tax collector from the award. If the amount so certified is prorated to the date of trial, the order shall include, in addition to the amount so certified, an amount equal to the applicable daily prorate multiplied by the number of days commencing on the date of trial and ending on and including the day before the date of apportionment determined pursuant to Section 5082 of the Revenue and Taxation Code.

(f) Notwithstanding any other provision of this section, if the board of supervisors provides the procedure set forth in Section 5087 of the Revenue and Taxation Code, the court shall make no award of taxes in the judgment.

SEC 3 Section 1268.410 of the Code of Civil Procedure is amended to read

1268.410. As between the plaintiff and defendant, the plaintiff is liable for any ad valorem taxes, penalties, and costs upon property

acquired by eminent domain prorated from and including the date of apportionment determined pursuant to Section 5082 of the Revenue and Taxation Code

SEC 4 Section 1268.420 of the Code of Civil Procedure is repealed

SEC. 5. Section 1268 420 is added to the Code of Civil Procedure, to read

1268 420 (a) Except as provided in subdivision (b):

(1) If the acquisition of property by eminent domain will make the property exempt property as defined in Section 5081 of the Revenue and Taxation Code, any ad valorem taxes, penalties, or costs on the property for which the plaintiff is liable pursuant to Section 1268.410 are not collectible.

(2) If the acquisition of property by eminent domain will not make the property exempt property as defined in Section 5081 of the Revenue and Taxation Code, the plaintiff shall be deemed to be the assessee for the purposes of collection of any ad valorem taxes, penalties, and costs on the property for which the plaintiff is liable pursuant to Section 1268.410.

(b) To the extent there is a dismissal or partial dismissal of the eminent domain proceeding, the amount of any unpaid ad valorem taxes, penalties, and costs on the property for which the plaintiff would be liable pursuant to Section 1268.410 until the entry of judgment of dismissal shall be awarded to the defendant. The amount awarded shall be paid to the tax collector from the award or, if unpaid for any reason, are collectible from the defendant.

SEC. 6. Section 1268.440 is added to the Code of Civil Procedure, to read:

1268 440. (a) If taxes have been paid on property that is exempt property as defined in Section 5081 of the Revenue and Taxation Code, the amount of the taxes that, if unpaid, would have been subject to cancellation under Article 5 (commencing with Section 5081) of Chapter 4 of Part 9 of Division 1 of the Revenue and Taxation Code shall be deemed to be erroneously collected and shall be refunded in the manner provided in Article 1 (commencing with Section 5096) of Chapter 5 of Part 9 of Division 1 of the Revenue and Taxation Code to the person who paid the taxes.

(b) The public entity shall be deemed to be the person who paid the taxes if the public entity reimbursed the defendant for the taxes under a cost bill filed in the eminent domain proceeding pursuant to Section 1268.430. A claim for refund of taxes filed by a public entity pursuant to this section shall contain a copy of the cost bill under which taxes were reimbursed or a declaration under penalty of perjury by the public entity that the taxes were reimbursed under a cost bill.

(c) Taxes paid on either the secured or unsecured roll may be refunded pursuant to this section.

SEC 7. Section 1268.450 is added to the Code of Civil Procedure, to read·

1268.450. If property acquired by eminent domain does not have a separate valuation on the assessment roll, any party to the eminent domain proceeding may, at any time after the taxes on the property are subject to cancellation under Article 5 (commencing with Section 5081) of Chapter 4 of Part 9 of Division 1 of the Revenue and Taxation Code, apply to the tax collector for a separate valuation of the property in accordance with Article 3 (commencing with Section 2821) of Chapter 3 of Part 5 of Division 1 of the Revenue and Taxation Code notwithstanding any provision in that article to the contrary.

SEC. 8. Section 134 of the Revenue and Taxation Code is amended to read:

134. "Unsecured property" is property:

(a) The taxes on which are not a lien on real property sufficient, in the opinion of the assessor, to secure payment of the taxes

(b) The taxes on which were secured by real property on the lien date and which property was later acquired by the United States, the state, or by any county, city, school district or other public entity and the taxes required to be transferred to the unsecured roll pursuant to Article 5 (commencing with Section 5081) of Chapter 4 of Part 9.

SEC. 9. Section 2921.5 of the Revenue and Taxation Code is amended to read:

2921.5 (a) Except as provided in subdivision (b), taxes on unsecured property as defined in subdivision (b) of Section 134, shall 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 county legal adviser pursuant to Article 5 (commencing with Section 5081) of Chapter 4 of Part 9 at the same time the taxes are canceled on the property, and shall be collected in the same manner as other deliquent taxes on the "unsecured roll."

(b) No delinquent penalty shall attach to taxes transferred pursuant to subdivision (a), except to those taxes which carried delinquent penalty on the secured roll at the time the property involved was acquired by a public entity.

SEC 10. Section 2922 of the Revenue and Taxation Code is amended to read·

2922 (a) Taxes on the unsecured roll as of July 31st if unpaid are delinquent August 31st at 5 p.m., and thereafter a delinquent penalty of 6 percent attaches to them Taxes added to the unsecured roll after July 31st, if unpaid are delinquent at 5 p m on the last day of the month succeeding the month in which the assessment was added to the unsecured roll and thereafter a delinquent penalty of 6 percent attaches to them, except that taxes transferred to the unsecured roll pursuant to Article 5 (commencing with Section 5081) of Chapter 4 of Part 9 to which penalties had attached while on the secured roll and also were transferred shall be subject only to the additional penalties prescribed by subdivision (b) If August 31st or the last day of any month falls on Saturday, Sunday or a legal holiday, and if

payment is received by 5 p.m. of the next business day, the 6 percent penalty shall not attach.

(b) If taxes on the unsecured roll are unpaid by 5 p.m. of the last day of the second succeeding month after the 6 percent penalty attaches pursuant to subdivision (a), an additional penalty of 1 percent attaches to them on the first day of each month thereafter to the time of payment or to the time a court judgment is entered for the amount of the unpaid taxes and penalties, whichever occurs first. If the last day of any month falls on Saturday, Sunday or a legal holiday, the additional penalty of 1 percent shall attach after 5 p.m. on the next business day.

SEC. 11. 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, shall, 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.

(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 by the United States, the state, or by any county, city, school district or other public entity, to the extent provided in Article 5 (commencing with Section 5081).

(7) On that portion of an assessment in excess of the value of the property as determined by the assessor pursuant to Section 469.

(b) No cancellation under paragraph (2) of subdivision (a) 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 city 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.

SEC. 12. Section 4986.1 of the Revenue and Taxation Code is repealed.

SEC. 13. Section 4986.2 of the Revenue and Taxation Code is amended to read:

4986.2. All or any portion of uncollected city taxes, penalties or costs shall be canceled on any of the grounds specified in Section 4986. If the city taxes are collected by the county, the procedure outlined in Section 4986 for the cancellation of taxes, penalties or costs shall be followed, except that the consent of the city attorney, in lieu of the consent of the county legal adviser, is necessary before cancellation. If the taxes are collected by the city, the taxes, penalties,

or costs shall be canceled by the officer having custody of the records thereof on order of the governing body of the city, with the written consent of the city attorney.

SEC. 14 Section 4986.7 of the Revenue and Taxation Code is repealed.

SEC. 15. Section 4986.9 of the Revenue and Taxation Code is repealed.

SEC. 16. Article 5 (commencing with Section 5081) is added to Chapter 4 of Part 9 of Division 1 of the Revenue and Taxation Code, to read:

Article 5. Cancellation of Taxes on Exempt Property

5081. As used in this article, "exempt property" means:

(a) Property acquired by the United States that becomes exempt from taxation under the laws of the United States.

(b) Property acquired by the state or by a county, city, school district, or other public entity, that becomes exempt from taxation under the laws of the state.

5082. For purposes of this article, the "date of apportionment" is the earliest of the following times:

(a) The date the conveyance to the acquiring entity or the final order of condemnation is recorded.

(b) The date of actual possession by the acquiring entity.

(c) The date upon or after which the acquiring entity may take possession as authorized by an order for possession or by a declaration of taking.

5083. If exempt property is acquired either by negotiated purchase or eminent domain any lien on the property for ad valorem taxes is extinguished as a matter of law upon the acquisition of the property, and the lien immediately transfers and attaches to the proceeds constituting the purchase price or award.

5084 (a) No cancellation shall be made of all or any portion of any unpaid taxes or any penalties or costs levied for prior tax years that constitute a lien at the time of acquisition of exempt property.

(b) Such unpaid taxes, penalties, and costs shall be paid through escrow at the close of escrow or from the award in eminent domain, or if unpaid for any reason, shall be transferred to the unsecured roll pursuant to Section 5090 and are collectible from either the person from whom the property was acquired or the public entity that acquired the property.

5085. If exempt property is acquired by negotiated purchase, gift, devise, or eminent domain after the lien date but prior to the commencement of the fiscal year for which taxes are a lien on the property, the amount of the taxes for that fiscal year shall be canceled and are not collectible from either the person from whom the property was acquired or the public entity that acquired the property.

5086 If exempt property is acquired by negotiated purchase, gift,

devise, or eminent domain after commencement of the fiscal year for which the current taxes are a lien on the property:

(a) The portion of the current taxes and any penalties and costs that are allocable to the part of the fiscal year that ends on the day before the date of apportionment shall be paid through escrow at the close of escrow or from the award in eminent domain or, if unpaid for any reason, shall be transferred to the unsecured roll pursuant to Section 5090 and are collectible from either the person from whom the property was acquired or the public entity that acquired the property.

(b) The portion of the current taxes and any penalties and costs that are allocable to the part of the fiscal year that begins on the date of apportionment shall be canceled and are not collectible either from the person from whom the property was acquired or from the public entity that acquired the property.

5087. The board of supervisors of a county may provide that all unpaid taxes, penalties, and costs and the allocable portion of current taxes, penalties, and costs computed in accordance with this article shall not be paid through escrow at the close of escrow or from the award in eminent domain, but shall be transferred to the unsecured roll pursuant to Section 5090 and are collectible from the person from whom the property was acquired

5088. Notwithstanding any other provision of this article, unpaid taxes, penalties, or costs shall not be transferred to the unsecured roll with respect to property that has been tax deeded to the state for delinquency.

5089. The board of supervisors of a county may prescribe that, where the amount of unpaid taxes, penalties, and costs to be transferred to the unsecured roll pursuant to this article is less than ten dollars ($10), the unpaid taxes, penalties, and costs shall be canceled rather than transferred to the unsecured roll.

5090. (a) If taxes, penalties, and costs that are not subject to cancellation pursuant to this article are 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 collected as provided therein.

(b) The statute of limitations on any suit brought to collect taxes, penalties, and costs transferred to the unsecured roll commences to run on the date of transfer, which date shall be entered on the unsecured roll by the auditor opposite the name of the assessee at the time the transfer is made.

(c) The amount of taxes, penalties, and costs collectible on the unsecured roll from a public entity pursuant to this article shall not exceed the amount paid for the property or awarded in the proceeding

(d) The person from whom the property was acquired is liable to the public entity that acquired the property for any taxes, penalties, and costs collected on the unsecured roll from the public entity.

5091. (a) If a public entity proposes to acquire property for a

public use that will make the property exempt from taxation, the public entity shall give notice to the county tax collector and to any public entities whose taxes are not collected by the county tax collector but who at the time exercise the right of assessment and taxation.

(b) The notice shall be given within a reasonable time following the initial budgeting of funds for the proposed acquisition, and shall state all of the following:

(1) The approximate extent of the proposed project.

(2) The estimated time of completion of all acquisitions necessary for the proposed project.

(c) This section creates no rights or liabilities and does not affect the validity of any property acquisitions by negotiated purchase or eminent domain.

SEC. 17. Section 5096.3 of the Revenue and Taxation Code is repealed.

SEC. 18. Section 5096.7 of the Revenue and Taxation Code is amended to read:

5096.7. If taxes have been paid on property acquired by negotiated purchase by any public entity designated in Section 5081 after the commencement of the fiscal year for which the taxes are a lien on the property, the portion of such taxes which are allocable to that part of the fiscal year which begins on the date of apportionment determined pursuant to Section 5082 and made uncollectible if unpaid by virtue of Section 5086, shall be deemed erroneously collected and shall be refunded to the person who has paid the tax, where the person was not otherwise reimbursed for that portion of the taxes by the public entity which acquired the property.

Refunds under this section shall be applicable to taxes paid on either the secured or unsecured rolls.

CHAPTER 32

An act to amend Section 205.5 of the Revenue and Taxation Code and to amend Section 3 of Chapter 1276 of the Statutes of 1978, relating to taxation.

[Approved by Governor April 11, 1979 Filed with Secretary of State April 12, 1979]

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

SECTION 1. Section 205.5 of the Revenue and Taxation Code, as amended by Section 1.3 of Chapter 1276 of the Statutes of 1978, is amended to read.

205 5 (a) Property which is owned by, and which constitutes the principal place of residence of, a veteran is exempted from taxation on that part of the full value of the residence that does not exceed

forty thousand dollars ($40,000), if the veteran is blind in both eyes, has lost the use of two or more limbs, or is totally disabled as a result of injury or disease incurred in military service. The exemption shall be sixty thousand dollars ($60,000) in the case of such a veteran whose household income as defined in Section 20504 does not exceed the amounts specified in Section 20585.

(b) For purposes of this section, "veteran" is defined as specified in subdivision (o) of Section 3 of Article XIII of the Constitution without regard to any limitation contained therein on the value of property owned by the veteran or the veteran's spouse.

(c) No veteran shall be eligible for this exemption unless he or she was a resident of California at the time of his or her entry into military or naval service, or unless he or she was a resident of the state on November 7, 1972, if he or she is blind or has lost the use of two or more limbs, or on January 1, 1975, if he or she is totally disabled; provided however, that no veteran who met a corresponding residency requirement under the law in effect prior to January 1, 1975, shall lose eligibility as the result of changes in residency requirement effective on January 1, 1975, or thereafter.

(d) Property which is owned by, and which constitutes the principal place of residence of, the unmarried surviving spouse of a veteran is exempt from taxation on that part of the full value of the residence that does not exceed forty thousand dollars ($40,000); provided, that the deceased veteran during his or her lifetime qualified in all respects for the exemption or would have qualified for the exemption under the laws effective on January 1, 1977, except that the veteran died prior to January 1, 1977; or provided that the veteran died from a disease which was service connected as determined by the Veterans Administration. The exemption shall be sixty thousand dollars ($60,000) in the case of such an unmarried surviving spouse whose household income as specified in Section 20504 does not exceed the amounts specified in Section 20585.

(e) As used in this section, "property which is owned by a veteran" or "property which is owned by the veteran's unmarried surviving spouse" includes:

(1) Property owned by the veteran with the veteran's spouse as a joint tenancy, tenancy in common or as community property;

(2) Property owned by the veteran or the veteran's spouse as separate property;

(3) Property owned with one or more other persons to the extent of the interest owned by the veteran, the veteran's spouse, or both the veteran and the veteran's spouse;

(4) Property owned by the veteran's unmarried surviving spouse with one or more other persons to the extent of the interest owned by the veteran's unmarried surviving spouse,

(5) So much of the property of a corporation as constitutes the principal place of residence of a veteran or a veteran's unmarried surviving spouse when the veteran, or the veteran's spouse, or the veteran's unmarried surviving spouse is a shareholder of the

corporation and the rights of shareholding entitle one to the possession of property, legal title to which is owned by the corporation. The exemption provided by this paragraph shall be shown on the local roll and shall reduce the full value of the corporate property. Notwithstanding any provision of law or articles of incorporation or bylaws of a corporation described in this paragraph, any reduction of property taxes paid by such corporation shall reflect an equal reduction in any charges by such corporation to the person who, by reason of qualifying for the exemption, made possible such reduction for the corporation.

(f) For purposes of this section, being blind in both eyes means having a visual acuity of 5/200 or less; losing the use of a limb means that the limb has been amputated or its use has been lost by reason of ankylosis, progressive muscular dystrophies, or paralysis; and being totally disabled means that the United States Veterans Administration or the military service from which such veteran was discharged has rated the disability at 100 percent or has rated the disability compensation at 100 percent by reason of being unable to secure or follow a substantially gainful occupation.

(g) An exemption granted to a claimant in accordance with the provisions of this section shall be in lieu of the veteran's exemption provided by subdivisions (o), (p), and (r) of Section 3 of Article XIII of the Constitution and any other real property tax exemption to which the claimant may be entitled. No other real property tax exemption may be granted to any other person with respect to the same residence for which an exemption has been granted under the provisions of this section; provided, that if two or more veterans qualified pursuant to this section coown a property in which they reside, each is entitled to the exemption to the extent of his or her interest.

SEC 2. Section 3 of Chapter 1276 of the Statutes of 1978 is amended to read:

Sec. 3. It is the intent of the Legislature that if this bill and Assembly Bill No. 2871 or Senate Bill No. 1656, or both, are chaptered and amend Section 205.5 of the Revenue and Taxation 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. 2871 are both chaptered and amend Section 205.5 of the Revenue and Taxation Code, but Senate Bill No. 1656 is not chaptered or as chaptered does not amend that section, and this bill is chaptered after Assembly Bill No. 2871, the amendments proposed by both bills shall be given effect and incorporated in Section 205.5 in the form set forth in Section 1.1 of this act. Therefore, if Assembly Bill No. 2871 is chaptered before this bill and both bills amend Section 205.5, and Senate Bill No. 1656 is not chaptered or as chaptered does not amend that section, Section 1 1 of this act shall be operative and Sections 1, 1.2 and 1.3 of this act shall not become operative.

(b) If this bill and Senate Bill No. 1656 are both chaptered and

become effective January 1, 1979, both bills amend Section 205.5 of the Revenue and Taxation Code, but Assembly Bill No. 2871 is not chaptered or as chaptered does not amend that section, and this bill is chaptered after Senate Bill No. 1656, that Section 205.5 of the Revenue and Taxation Code, as amended by Section 1 of this act shall remain operative only until the operative date of Senate Bill No. 1656, and that on the operative date of Senate Bill No. 1656, Section 205.5 of the Revenue and Taxation Code as amended by Section 1 of this act, be further amended in the form set forth in Section 1.2 of this act to incorporate the changes in Section 205.5 proposed by Senate Bill No. 1656. Therefore, Section 1.2 of this act shall become operative only if this bill and Senate Bill No. 1656 are both chaptered and become effective January 1, 1979, both bills amend Section 205.5, this bill is chaptered after Senate Bill No. 1656, and Assembly Bill No. 2871 is not chaptered or as chaptered does not amend that section, in which case Sections 1.1 and 1.3 shall not become operative, and Section 1.2 of this act shall become operative on the operative date of Senate Bill No. 1656.

(c) If this bill and Assembly Bill No. 2871 and Senate Bill No. 1656 are all chaptered and become effective January 1, 1979, all three bills amend Section 205.5 of the Revenue and Taxation Code, and this bill is chaptered after Assembly Bill No 2871 and Senate Bill No. 1656, that Section 205.5 of the Revenue and Taxation Code, as amended by Section 1.1 of this act shall remain operative only until the operative date of Senate Bill No. 1656, and that on the operative date of Senate Bill No. 1656, Section 205.5 of the Revenue and Taxation Code as amended by Section 1.1 of this act be further amended in the form set forth in Section 1.3 of this act to incorporate the changes in Section 205.5 proposed by Assembly Bill No. 2871 and Senate Bill No. 1656. Therefore, Section 1.3 of this act shall become operative only if this bill and Assembly Bill No. 2871 and Senate Bill No. 1656 are all chaptered and become effective January 1, 1979, all three bills amend Section 205 5 of the Revenue and Taxation Code, and this bill is chaptered after Assembly Bill No. 2871 and Senate Bill No. 1656, in which case Sections 1 and 1.2 shall not become operative, and Section 1.3 of this act shall become operative on the operative date of Senate Bill No. 1656.

CHAPTER 33

An act relating to school facilities, and declaring the urgency thereof, to take effect immediately.

[Became law without Governor's signature April 15, 1979 Filed with Secretary of State April 16, 1979]

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

SECTION 1 The Corona-Norco Unified School District is presently leasing facilities from the United States government in order to provide continuation high school education services due to lack of existing available space. It is necessary to extend the use of such leased facilities for an additional two years due to the present lack of financial resources and available space in other presently existing school sites

SEC. 2. The governing board of the Corona-Norco Unified School District may continue to use the facilities referred to in Section 1 for a two-year period commencing with the 1980–81 school year. During such period of continued use, there shall be posted in a conspicuous place on such facilities a public notice stating that such facilities do not meet the structural standards imposed by law for earthquake safety. The facilities shall not be subject to any of the provisions of Article 3 (commencing with Section 39140) or Article 6 (commencing with Section 39210) of Chapter 2 of Part 23 of the Education Code.

SEC 3. The Pioneer Union School District is in the process of a building program to rebuild one of its schools to comply with the Field Act. It is necessary that the use of a nonconforming building be extended for an additional school year.

SEC. 4. The governing board of the Pioneer Union School District may continue to use the building referred to in Section 3 for the 1979–80 school year. During such period of continued use, there shall be posted in a conspicuous place on such facilities a public notice stating that such facilities do not meet the structural standards imposed by law for earthquake safety The building shall not be subject to any of the provisions of Article 3 (commencing with Section 39140) or Article 6 (commencing with Section 39210) of Chapter 2 of Part 23 of the Education Code

SEC 5. The Clear Creek Elementary School District has not yet replaced one facility not in compliance with the Field Act It is necessary that the use of the nonconformity facility be extended until June 30, 1979, in order to avoid double sessions or excessively large classes in the 1978–79 school year.

SEC 6. The Clear Creek Elementary School District may continue to use the facility referred to in Section 5 until June 30, 1979. During such period of continued use, there shall be posted in a conspicuous place on such facility a public notice stating that such facility does not meet the structural standards imposed by law for earthquake safety. The facility shall not be subject to any of the provisions of Article 3 (commencing with Section 39140) or Article 6 (commencing with Section 39210) of Chapter 2 of Part 23 of the Education Code

SEC. 7. Due to the unique circumstances concerning the leasing of school facilities in the Corona-Norco Unified School District, the rebuilding of a school in the Pioneer Union School District, and the

replacement of the facility in the Clear Creek Elementary School District, the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

SEC. 8. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution, and shall go into immediate effect. The facts constituting such necessity are:

In order to continue providing necessary educational services the Corona-Norco Unified School District must continue its lease with the United States government for the use of structures not meeting the Field Act requirements, in order that the building which is presently serving the needs of pupils of the Pioneer Union School District may continue to be utilized without interruption while the school district rebuilds one of its schools to comply with the Field Act, and in order that the Clear Creek Elementary School District may continue to use one nonconforming facility until it is replaced, it is necessary that this act take effect immediately.

CHAPTER 34

An act to amend Sections 19549.6 and 19549.7 of the Business and Professions Code, relating to horseracing, and declaring the urgency thereof, to take effect immediately.

[Became law without Governor's signature April 16, 1979 Filed with Secretary of State April 16, 1979]

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

SECTION 1. Section 19549.6 of the Business and Professions Code is amended to read.

19549.6. Notwithstanding subdivision (b) of Section 19531 and Section 19549, the board may allocate additional weeks of harness racing to a lessee of the California Exposition and State Fair in Sacramento to be raced at the California Exposition and State Fair in Sacramento.

SEC. 2. Section 19549.7 of the Business and Professions Code is amended to read:

19549.7. Notwithstanding subdivision (c) of Section 19531 and Section 19549, the board may allocate additional weeks of quarter horse racing to a lessee of the California Exposition and State Fair in Sacramento to be raced at the California Exposition and State Fair in Sacramento.

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:

It is necessary to achieve maximum utilization of the racing facility at the California Exposition and State Fair in order to increase state rental payments and parimutuel license revenues at the earliest possible opportunity.

CHAPTER 35

An act to amend Sections 4730 and 4816 of, and to add Section 4730.5 to, the Health and Safety Code, relating to county sanitation districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 19, 1979 Filed with Secretary of State April 19, 1979]

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

SECTION 1 Section 4730 of the Health and Safety Code is amended to read·

4730 The governing body of a sanitation district is a board of directors of not less than three members. The presiding officer of the governing body of each city, the whole or part of which is included in the sanitation district, is a member of the board. A member of the governing body of each sanitary district, the whole or part of which is included in the sanitation district, is a member of the board

If the sanitation district includes territory which is unincorporated and not included in a sanitary district, then the presiding officer of the county board of supervisors is a member of the board.

The governing body of each city with a population of under 2,500,000, as found by the latest census, and the board of supervisors shall each select one of its members, other than its presiding officer, as an alternate director to act as a member of the district board in place of the presiding officer, or in place of the other member of the governing body of the city or county where there are two members from the city or county on the board of directors of the district, during such person's absence, inability, or refusal to act.

The presiding officer of the governing body of a city with a population of 2,500,000 or over shall select one of the other members of the governing body as an alternate director to act as a member of the district board in place of the presiding officer, or in place of the other member of the governing body of the city where there are two members from the city on the board of directors of the district, during such person's absence, inability, or refusal to act. The governing body of each sanitary district represented on the board of directors of a sanitation district shall select one of its members as an alternate director to act as a member of the district board in place of its regular director, or in place of the other member of the governing body of the sanitary district where there are two members

from the sanitary district on the board of directors of the district, during such person's absence, inability, or refusal to act.

If the sanitation district includes unincorporated territory and all or part of one city and no sanitary district, or unincorporated territory and one sanitary district and no city, then the presiding officer and one other member of the board of supervisors are members of the board, unless the population included in the city or sanitary district is more than half of the population of the whole sanitation district, in which case the presiding officer of the board of supervisors and the presiding officer and one other member of the governing body of the city or two members of the governing body of the sanitary district, as the case may be, constitute the board of directors.

If the total number of cities and sanitary districts included in the sanitation district in whole or in part is two and if the sanitation district does not include any territory not in cities or sanitary districts, then the district board includes the presiding officer and one other member of the governing body of the city or two members of the governing body of the sanitary district having the greatest population and the presiding officer of the governing body of the city or one member of the governing body of the sanitary district having the least population

If the total number of cities and of sanitary districts wholly or in part within the sanitation district is two or more, and if, in addition, the district contains unincorporated territory, then the district board includes the presiding officer of the board of supervisors, the presiding officer of the governing board of each city, and a member of the governing board of each sanitary district.

If the district includes no territory which is in cities or sanitary districts, then the county board of supervisors is the board of directors of the district.

If the territory of the district lies wholly within a city, the legislative body of said city is the board of directors of the district.

A city within a sanitation district, the sewered portion of which city lies entirely within a sanitary district, shall have no representation on the board.

Notwithstanding the foregoing provisions of this section, whenever a sanitation district includes unincorporated territory and all or part of one city and no sanitary district, the governing body of such city may designate the board of supervisors of the county as the district board of directors, unless the population of the incorporated portion of the sanitation district is more than half of the population of the whole district. If the population of the incorporated portion of the sanitation district is more than half of the population of the whole district, the board of supervisors of the county may designate the governing body of the city as the district board of directors.

The term "sanitary district" as used in this section shall mean a sanitary district formed prior to the formation of the sanitation district in which it is included in whole or in part The term "sanitary

district" as used in this section shall also include a county water district which on or before July 1, 1977, assumed the responsibilities, rights, duties, assets, liabilities, and obligations of a sanitary district which at the time of such assumption had representation on the board of directors of the sanitation district by the provisions of this section.

SEC 1.5. Section 4730.5 is added to the Health and Safety Code, to read:

4730.5. (a) Notwithstanding the provisions of Sections 4730, 4730.1, and 4730.2, or any other provision of law, the governing body of the Monterey Regional County Sanitation District shall be constituted in accordance with this section.

The governing body of the Monterey Regional County Sanitation District shall be a board of directors composed of not less than three members. The district board shall be appointed as follows:

When territory of the district is within a city or other sanitation district or public agency, as defined in Section 4730.1, the governing body of each such city, other sanitation district, and public agency shall appoint one member to represent such city, other sanitation district, or public agency. When territory of the district is within unincorporated territory which is not also included in such other sanitation district or public agency, the county board of supervisors shall appoint one member to represent such unincorporated territory In the event that the selection of members pursuant to this subdivision results in the governing body having less than three members, the county board of supervisors shall appoint additional members for purposes of increasing the number of board members to three.

The governing body of the county and each city, sanitation district, and public agency having a representative on the district board of directors may designate one alternate representative to act in the place of such body's regular member in such person's absence, inability to act, or refusal to act.

The regular member and alternate member on the district board shall be either an elected official, officer, or employee of the county, city, other sanitation district, or public agency, and shall serve solely at the pleasure of the appointing county, city, other sanitation district, or public agency.

All vacancies shall be filled in the same manner as the original appointment.

(b) Notwithstanding any other provision of law, each member of the Board of Directors of the Monterey Regional County Sanitation District shall have one vote; provided, however, that upon the call and request of any board member, present and able to vote, a weighted voting formula shall apply for any vote to be taken by the district board, with each member having one or more votes based upon the population of the city, other sanitation district, public agency, or unincorporated territory such member represents, as follows:

Population	No. of Votes
0 to 9,999	1
10,000 to 24,999	2
25,000 to 49,999	3
50,000 to 74,999	4
75,000 to 99,999	5
100,000 and above	6

For the purpose of determining the population of a city, other sanitation district, public agency, or unincorporated territory, the distict board shall consider the last official United States census or the California Finance Department population estimate, whichever is more recent for a particular area.

In determining such population basis, those portions of the population of a city, other sanitation district, public agency, or unincorporated territory which are attributable to and located on the U.S. Army Military Reservation at Fort Ord, California, shall not be included within the population computation of such city, other sanitation district, public agency, or unincorporated territory.

No vote may be taken at any meeting of the Monterey Regional County Sanitation District unless a quorum of the members of such district board is in attendance. A quorum for purposes of this subdivision is a majority of all district board members.

(c) The governing board of the Monterey Regional County Sanitation District may designate any depository or depositories for the custody of any or all revenue collected or received for operation and maintenance purposes pursuant to Article 2 (commencing with Section 53630) of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code. All other district revenue, including any moneys collected or received for the payment of principal and interest upon district bonds or any moneys designated for capital outlay expenditure, shall be paid into the treasury of the county to the credit of the district. A depository shall give security sufficient to secure the district against possible loss and shall pay the warrants drawn by the district for demands against the district under such rules as the governing board may prescribe

SEC. 2 Section 4816 of the Health and Safety Code is amended to read·

4816. The tax shall be levied and collected at the same time and in the same manner as the general tax levy for county purposes, and the revenue derived from the tax shall be paid into the county treasury to the credit of the operating fund of the district, unless the board has designated a depository or depositories pursuant to Section 4730.5 in which case such revenue shall be paid into the depository or depositories, as directed by the board, and the district board shall control and order its expenditure.

SEC 3 The Monterey Regional County Sanitation District faces unique problems in connection with the furnishing of sewer services

in the conversion from insufficient local treatment to centralized regional treatment. In order to solve such problems, it is necessary for such district to reconstitute its governing board and the weight of voting participation of each board member in a manner that will more adequately reflect the respective populations of the member agencies. Furthermore, it is necessary for such district, consisting of diverse agencies, to be empowered to designate central depositories for the custody of any or all money collected by the district. Because of the special situation involving the Monterey Regional County Sanitation District, it is necessary that Sections 1.5 and 2 of this act be adopted.

SEC. 4. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act is in accordance with the request of a local governmental entity or entities which desired legislative authority to carry out the program specified in this act. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

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

Existing law with respect to county sanitation districts does not provide for the method of appointment of alternate members to the governing board of such a district in certain circumstances. Additionally, the Monterey Regional County Sanitation District is currently concluding annexations to such district which will enable it to provide a financial base for centralized regional treatment. In order that such annexation may be brought to conclusion and the district's governing board have sufficient powers to accomodate the new situation arising after such annexation, and in order that a method for appointing alternate members to county sanitation district governing boards is provided as soon as possible, it is necessary that this act take effect immediately.

CHAPTER 36

An act to amend Section 10133.1 of the Business and Professions Code, relating to real estate, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 19, 1979 Filed with Secretary of State April 19, 1979]

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

SECTION 1. Section 10133.1 of the Business and Professions Code is amended to read.

10133.1. The provisions of subdivision (d) of Section 10131, subdivision (e) of Section 10131, Section 10131.1 and of Articles 5 (commencing with Section 10230), 6 (commencing with Section 10237), and 7 (commencing with Section 10240) of this chapter do not apply to the following:

(a) Any person or employee thereof doing business under any law of this state, any other state, or of the United States relating to banks, trust companies, savings and loan associations, industrial loan companies, pension trusts, credit unions, or insurance companies.

(b) Any lender making a loan guaranteed or insured by an agency of the federal government or for which a commitment to so guarantee or insure has been made by such agency.

(c) Any nonprofit cooperative association organized under Chapter 1 (commencing with Section 54001) of Division 20 of the Food and Agricultural Code, in loaning or advancing money in connection with any activity mentioned therein.

(d) Any corporation, association, syndicate, joint stock company, or partnership engaged exclusively in the business of marketing agricultural, horticultural, viticultural, dairy, livestock, poultry, or bee products on a cooperative nonprofit basis, in loaning or advancing money to the members thereof or in connection with any such business.

(e) Any corporation securing money or credit from any federal intermediate credit bank organized and existing pursuant to the provisions of an act of Congress entitled the "Agricultural Credits Act of 1923," in loaning or advancing money or credit so secured

(f) Any person licensed to practice law in this state, not actively and principally engaged in the business of negotiating loans secured by real property, when such person renders services in the course of his practice as an attorney at law, and the disbursements of such person, whether paid by the borrower or other person, are not charges or costs and expenses regulated by or subject to the limitations of Article 7 (commencing with Section 10240) of this chapter, provided, such fees and disbursements shall not be shared, directly or indirectly, with the person negotiating the loan or the lender

(g) Any person licensed as a personal property broker when acting under the authority of such license.

(h) Any cemetery authority as defined by Section 7018 of the Health and Safety Code which is authorized to do business in this state or its authorized agent.

(i) Any person who makes collection of payments for lenders or on notes of owners in connection with loans secured directly or collaterally by liens on real property, insofar as such activities are concerned, and (1) who is not actively engaged in the business of

negotiating loans secured by real property or (2) who is not acting as a principal or agent in the sale or exchange of promissory notes secured directly or collaterally by liens on real property; provided that.

(1) Such person has made application to the commissioner and has complied with all the provisions of Section 10133.25; or

(2) Such person makes such collections on 10 or less of such loans, or in amounts of forty thousand dollars ($40,000) or less in any calendar year.

(j) Any person authorized in writing by a savings and loan association to act as an agent, as defined in Section 5053 of the Financial Code, of that savings and loan association, when acting under the authority of such written authorization.

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:

Chapter 476 of the Statutes of 1978 repealed the licensing requirements for savings and loan association salesmen and agents. Salesmen and agents licensed by the Savings and Loan Commissioner are exempt from licensing under subdivision (j) of Section 10133.1 of the Business and Professions Code. By the repeal of Chapter 6 (commencing with Section 6200) of Part 1 of Division 2 of the Financial Code all savings and loan association salesmen and agents will be required to become licensed real estate brokers, an act which would be an unnecessary burden on savings and loan associations and their salesmen and agents with no additional protection to the public, given the unique role of savings and loan association agents Therefore, it is essential that this act take effect immediately.

CHAPTER 37

An act to amend Section 34452 of the Government Code, relating to charter commissions, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 19, 1979 Filed with Secretary of State April 19, 1979]

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

SECTION 1. Section 34452 of the Government Code is amended to read·

34452 (a) An election for choosing charter commissioners may be called by a majority vote of the governing body of a city or city and county, or on presentation of a petition signed by not less than 15 percent of the registered electors of such city or city and county

Any such petition shall be verified by the authority having charge of the registration records of the city or city and county and the expenses of such verification shall be provided by the governing body thereof. The governing body shall call such election not less than 75 nor more than 90 days from the date of its vote or the date of verification of the petition.

(b) If any vacancy arises in a charter commission established for a city or city and county pursuant to this chapter, such vacancy shall be filled by an appointment by the mayor of such city or city and county.

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:

Existing law does not specifically prescribe any manner in which vacancies are to be filled in a charter commission established for a city or city and county. In order that uncertainty can be resolved as soon as possible as to how such vacancies on such commissions can be filled, it is necessary that this act take effect immediately.

CHAPTER 38

An act relating to school finance, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor April 20, 1979 Filed with Secretary of State April 20, 1979]

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

SECTION 1 Notwithstanding the provisions of Item 316.1 of the Budget Act of 1978 (Chapter 359 of the Statutes of 1978), if an elementary school district does not maintain at least a proportionate level of service for the programs specified in the second proviso of Item 316 1, the amount to which such district is entitled under the provisions of Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978, shall be reduced by any amount equal to four times 90 percent of the 1977–78 funding level for programs not maintained at the required proportionate level of service, provided that the Legislature reserves the right to modify the prescribed reduction in subsequent legislation during the 1978–79 fiscal year.

SEC. 2 This act shall apply only to an elementary school district in a county of the third class.

SEC. 3. Any reduction in state aid made pursuant to Section 1 of this act shall be reflected to the greatest extent possible in a corresponding reduction in the amounts allocated to governing board or administrative costs and shall not adversely affect

instructional programs or staff of any noncomplying district Such corresponding reductions shall be determined only after a special meeting of the governing board of the noncomplying district called for such purpose Written certification of the manner in which such corresponding reductions are to be made shall be sent to and approved by the Superintendent of Public Instruction before any additional state aid is distributed to the noncomplying district.

SEC. 4. No appropriation is made by this act, nor is any obligation created thereby under Section 2231 or 2234 of the Revenue and Taxation Code, for the reimbursement of any local agency or school district 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. Moreover, there shall be no claim considered with respect to this act by the State Board of Control pursuant to Section 905.2 of the Government Code or Section 2250 of the Revenue and Taxation Code, and the Department of Finance shall not review or report on this act pursuant to Section 2246 of the Revenue and Taxation Code

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

The Legislature appropriated funds in Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978, to provide fiscal relief to local agencies affected by significant losses of property tax revenue due to the passage of Proposition 13 at the June 6, 1978, election. As a condition for receiving such fiscal relief funds, the Legislature required school districts to maintain at least a proportionate level of service in certain specified programs. These requirements were contained in the Budget Act of 1978 (Chapter 359 of the Statutes of 1978).

It was the intent of the Legislature to ensure the maintenance of proportionate levels of service in the specified programs, but it was not the intent of the Legislature to cause school districts not complying with the requirements to significantly curtail or completely cease their operations in the midst of the 1978–79 fiscal year. In their present state, the provisions of the Budget Act of 1978 cause such effects, thus seriously disrupting the education of many students in certain parts of the state.

This act imposes a significant penalty upon school districts which did not, and now cannot comply, with such provisions of the Budget Act of 1978, but at the same time, it permits the disbursement of vitally needed fiscal relief funds to these agencies and, therefore, it is necessary that this act take effect immediately

CHAPTER 39

An act to amend Section 26205.1 of the Government Code, relating to destruction of records.

[Approved by Governor April 26, 1979 Filed with Secretary of State April 27, 1979]

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

SECTION 1. Section 26205.1 of the Government Code is amended to read:

26205.1 (a) The county officer having custody of nonjudicial public records, documents, instruments, books, and papers may cause to be destroyed any or all of such records, documents, instruments, books and papers if each of the following conditions exist:

(i) The board of supervisors of the county has adopted a resolution authorizing such county officer to destroy records, documents, instruments, books, and papers pursuant to this subdivision. Such resolution may impose such conditions, in addition to those specified in this subdivision, as the board of supervisors determines are appropriate.

(ii) The county officer who destroys any record, document, instrument, book, or paper pursuant to the authority granted by this subdivision and a resolution of the board of supervisors adopted pursuant to clause (i) shall maintain for the use of the public a photographic or microphotographic film, electronic recorded video production or other duplicate of such record, document, instrument, book or paper destroyed.

(iii) Clause (ii) shall not apply to records prepared or received other than pursuant to a state statute or county charter, or records which are not expressly required by law to be filed and preserved.

For the purposes of this subdivision, every reproduction shall be deemed to be an original record and a transcript, exemplification or certified copy of any reproduction shall be deemed to be a transcript, exemplification or certified copy, as the case may be, of the original.

(b) The county clerk having custody of the original or a copy of the articles of any corporation may cause the destruction of any or all such documents "Articles" includes the articles of incorporation, amendments thereto, amended articles, restated articles, certificate of incorporation, certificates of determination of preferences, dissolution certificates, merger certificates, and agreements of consolidation or merger.

CHAPTER 40

An act to amend Section 32001 of the Education Code, relating to schools.

[Approved by Governor April 26, 1979 Filed with Secretary of State April 27, 1979.]

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

SECTION 1. Section 32001 of the Education Code is amended to read:

32001. Every public, private, or parochial school building having an occupant capacity of fifty (50) or more students or more than one classroom shall be provided with a dependable and operative fire warning system. Every person and public officer managing, controlling, or in charge of any public, private, or parochial school shall cause the fire alarm signal to be sounded upon the discovery of fire Every person and public officer managing, controlling, or in charge of any public, private, or parochial school, other than a two-year community college, shall cause the fire alarm signal to be sounded not less than once every calendar month at the elementary and intermediate levels, and not less than twice yearly at the secondary level, in the manner prescribed in this article except that when a fire alarm system having a distinctive tone, and which is used for no other purpose, is installed, the manner of sounding such alarm shall not be subject to the provisions of Sections 32002, 32003, and 32004.

A fire drill shall be held at the secondary level not less than twice every school year.

CHAPTER 41

An act to amend Sections 71811 and 71812 of the Water Code, relating to municipal water districts.

[Became law without Governor's signature April 30, 1979 Filed with Secretary of State April 30, 1979]

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

SECTION 1. Section 71811 of the Water Code is amended to read:

71811. A district may issue negotiable promissory notes pursuant to this section to acquire funds for any district purposes. The maturity of such promissory notes shall not be later than five years from the date thereof. The total aggregate amount of such notes outstanding at any one time may be at least equal to seventy-five

thousand dollars ($75,000) in any district but shall not exceed the lesser of either two million five hundred thousand dollars ($2,500,000) or 3 percent of the assessed valuation of the taxable property in the district, or, if the assessed valuation is not obtainable, 3 percent of the county auditor's estimate of the assessed valuation of the taxable property in the district evidenced by his certificate, except that in the Otay Municipal Water District the total aggregate amount of such notes outstanding at any one time shall not exceed the lesser of either three million five hundred thousand dollars ($3,500,000) or 3 percent of the assessed valuation of the taxable property within the district, or, if the assessed valuation is not obtainable, 3 percent of the county auditor's estimate of the assessed valuation of taxable property in the district evidenced by his certificate Promissory notes issued pursuant to Section 71812 may be disregarded in computing the aggregate amount of notes that may be issued pursuant to this section.

SEC 2. Section 71812 of the Water Code is amended to read:

71812. (a) A district may issue negotiable promissory notes pursuant to this section for the purpose of acquiring funds to finance the construction or acquisition of administrative offices, construction headquarters, commercial offices, or facilities for similar district purposes and for the acquisition of land for district purposes. The maturity of such promissory notes shall not be later than 10 years from the date thereof. The total aggregate amount of such notes outstanding at any one time may be at least equal to fifty thousand dollars ($50,000) in any district, but shall not exceed the lesser of either one million five hundred thousand dollars ($1,500,000) or 1 percent of the assessed valuation of the taxable property in the district, or, if the assessed valuation is not obtainable, 1 percent of the county auditor's estimate of the assessed valuation of the taxable property in the district evidenced by his certificate; provided, that no more than 50 percent of the increased borrowing capacity made available pursuant to the amendments made to this section at the 1975–76 Regular Session of the Legislature may be used for land acquisition purposes. Promissory notes issued pursuant to Section 71811 may be disregarded in computing the aggregate amount of notes that may be issued pursuant to this section

(b) The Otay Municipal Water District may issue notes pursuant to subdivision (a) except that the total aggregate amount of such notes outstanding at any one time may be at least equal to fifty thousand dollars ($50,000), but shall not exceed the lesser of either two million dollars ($2,000,000) or 1 percent of the assessed valuation of the taxable property in the district, or, if the assessed valuation is not obtainable, 1 percent of the county auditor's estimate of the assessed valuation of the taxable property in the district evidenced by his certificate The limitation on the amount of notes which may be used for land acquisition purposes prescribed in subdivision (a) shall not apply to the Otay Municipal Water District.

SEC 3 The Legislature finds and declares that a special law is

necessary and that a general law cannot be made applicable because the Otay Municipal Water District is the only municipal water district seeking additional authority to issue promissory notes for the purpose of land acquisition.

CHAPTER 42

An act to add and repeal Section 23014.5 of the Government Code, relating to Sonoma County and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 1, 1979 Filed with Secretary of State May 1, 1979]

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

SECTION 1. Section 23014.5 is added to the Government Code, to read:

23014 5. (a) Pursuant to a resolution adopted by its board of supervisors by a four-fifths vote of all of the members of the Board of Supervisors of Sonoma County, such county may appropriate any of its available moneys to a revolving fund not to exceed four million dollars ($4,000,000) to be used for a public purpose of the County of Sonoma, as determined by the Board of Supervisors of Sonoma County, by any county sanitation district, flood control district, or county maintenance district, located wholly within the county, for the acquisition of real or personal property, environmental impact studies, fiscal analysis, engineering services, or the construction of structures or improvements needed for district purposes. The revolving fund shall be reimbursed by a district receiving funds pursuant to this section as provided for in Section 23014

(b) This section shall remain in effect only until January 1, 1985, and as of such date is repealed, unless a later enacted statute, which is chaptered before January 1, 1985, deletes or extends such date.

SEC. 2. The County of Sonoma faces unique problems in upgrading existing facilities and constructing new facilities for wastewater collection, treatment and disposal. The Sonoma County Public Works Department anticipates having seven construction contracts underway in this regard in the near future and the simultaneous cash demand needs of such contracts exceeds the five hundred thousand dollars ($500,000) ceiling provided in existing law for county assistance. In order to solve such problems, it is necessary for the County of Sonoma to be authorized to provide four million dollars ($4,000,000) of assistance to such projects. Because of the special situation involving the County of Sonoma, it is necessary that this special act be adopted

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:

Various construction projects in Sonoma County with respect to the upgrading and construction of wastewater collection, treatment, and disposal facilities have obtained financial assistance under the State Clean Water Grant Program and the Federal Water Pollution Control Act of 1972 In order to resolve certain cash flow problems which will occur during the actual construction periods of such projects and to ensure such projects are constructed, it is necessary that this act take effect immediately

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CHAPTER 43

An act to amend Section 34274 of the Health and Safety Code, relating to housing authorities.

[Approved by Governor May 1, 1979 Filed with Secretary of State May 2, 1979]

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

SECTION 1 Section 34274 of the Health and Safety Code is amended to read:

34274 A commissioner shall not be regularly employed by the authority to which he is appointed during his tenure of office, but may receive per diem payment for attendance at not more than four meetings per month of the authority, which shall not exceed fifty dollars ($50) per day, and shall receive necessary traveling and subsistence expenses incurred in the discharge of his duties.

CHAPTER 44

An act to amend Section 25519 of the Public Resources Code, relating to energy, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 1, 1979 Filed with Secretary of State May 2, 1979]

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

SECTION 1 Section 25519 of the Public Resources Code is amended to read

25519. (a) In order to obtain certification for a site and related facility, an application for certification of such site and related facility shall be filed with the commission Such application shall be in a form prescribed by the commission and shall be for a site and related

facility which has been found to be acceptable by the commission pursuant to Section 25516, or for an additional facility at a site which has been designated a potential multiple-facility site pursuant to Section 25514 5 and found to be acceptable pursuant to Sections 25516 and 25516.5. An application for an additional facility at a potential multiple-facility site shall be subject to the conditions and review specified in Section 25520 5 An application may not be filed for a site and related facility, if there is no suitable alternative for the site and related facility which was previously found to be acceptable by the commission, unless the commission has approved the notice based on the one site as specified in Section 25516.

(b) The commission, upon its own motion or in response to the request of any party, may require the applicant to submit any information, document, or data, in addition to the attachments required by subdivision (i), which it determines is reasonably necessary to make any decision on the application.

(c) The commission shall be the lead agency as provided in Section 21165 for all projects which require certification pursuant to this chapter and for projects which are exempted from such certification pursuant to Section 25541. Unless the commission's regulatory program governing site and facility certification and related proceedings are certified by the Resources Agency pursuant to Section 21080.5, an environmental impact report shall be completed within one year after receipt of the application. If the commission prepares a document or documents in the place of an environmental impact report or negative declaration under a regulatory program certified pursuant to Section 21080.5, any other public agency which must make a decision which is subject to the California Environmental Quality Act, Division 13 (commencing with Section 21000), on a site or related facility, shall use the document or documents prepared by the commission in the same manner as they would use an environmental impact report or negative declaration prepared by a lead agency.

(d) If the site and related facility specified in the application is proposed to be located in the coastal zone, the commission shall transmit a copy of the application to the California Coastal Commission for its review and comments.

(e) If the site and related facility specified in the application is proposed to be located in the Suisun Marsh or the jurisdiction of the San Francisco Bay Conservation and Development Commission, the commission shall transmit a copy of the application to the San Francisco Bay Conservation and Development Commission for its review and comments

(f) Upon receipt of an application, the commission shall forward the application to local governmental agencies having land use and related jurisdiction in the area of the proposed site and related facility. Such local agencies shall review the application and submit comments on, among other things, the design of the facility, architectural and aesthetic features of the facility, access to highways,

landscaping and grading, public use of lands in the area of the facility, and other appropriate aspects of the design, construction, or operation of the proposed site and related facility.

(g) Upon receipt of an application, the commission shall cause a summary of the application to be published in a newspaper of general circulation in the county in which the site and related facilities, or any part thereof, designated in the application, is proposed to be located. The commission shall transmit a copy of the application to each federal and state agency having jurisdiction or special interest in matters pertinent to the proposed site and related facilities and to the Attorney General.

(h) The adviser shall require that adequate notice is given to the public and that the procedures specified by this division are complied with.

(i) For any proposed site and related facility requiring a certificate of public convenience and necessity, the commission shall transmit a copy of the application to the Public Utilities Commission and request the comments and recommendations of the Public Utilities Commission on the economic, financial, rate, system reliability, and service implications of the proposed site and related facility. In the event the commission requires modification of the proposed facility, the commission shall consult with the Public Utilities Commission regarding the economic, financial, rate, system reliability, and service implications of such modifications.

(j) The commission shall transmit a copy of the application to any governmental agency not specifically mentioned in this act, but which it finds has any information or interest in the proposed site and related facilities, and shall invite the comments and recommendations of each such agency. The commission shall request any relevant laws, ordinances, or regulations which any such agency has promulgated or administered.

(k) An application for certification of any site and related facilities shall contain a listing of every federal agency from which any approval or authorization concerning the proposed site is required, specifying the approvals or authorizations obtained at the time of the application and the schedule for obtaining any approvals or authorizations pending.

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

Chapter 760 and Chapter 1375 of the Statutes of 1978 both amended Section 25519 of the Public Resources Code and Chapter 1375 chaptered out provisions which would have been made by Chapter 760. In order that the changes made by Chapter 760 may take effect at the earliest opportunity, it is necessary that this act take effect immediately

CHAPTER 45

An act to amend Sections 16063 and 16343 of the Education Code, relating to state school building aid.

[Approved by Governor May 1, 1979 Filed with Secretary of State May 2, 1979]

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

SECTION 1. Section 16063 of the Education Code is amended to read.

16063. Whenever a conditional apportionment has, prior to January 1, 1980, been made to an applicant school district pursuant to this chapter and thereafter the county superintendent of schools of the county having jurisdiction over such district has certified to the board and the State Controller that at an election called, held and conducted in the district for that purpose, two-thirds of the qualified electors of the district voting thereat authorized the governing board of the applicant school district to accept, expend and repay an apportionment under the provisions of this chapter, and whenever thereafter said county superintendent of schools has certified to the board and the State Controller that the amount of bonds, if any, required by the board, as a condition to the apportionment becoming final, have been issued and sold and the proceeds thereof made available for the purposes of the application and the board has certified to the State Controller that the apportionment to the applicant school district has become final, such final apportionment is hereby confirmed, ratified, and validated, and any expenditure of money from the State School Building Aid Fund according to the terms of such final apportionment is hereby confirmed, ratified, and validated.

Notwithstanding any provision to the contrary, no funds authorized by any bond act for the purpose of this chapter shall be made available for expenditure without specific authority of the board or its delegated representative

SEC 2 Section 16343 of the Education Code is amended to read·

16343 Whenever a conditional apportionment has, prior to January 1, 1980, been made to an applicant school district pursuant to this chapter and thereafter the county superintendent of schools of the county having jurisdiction over such district has certified to the board and the State Controller that at an election called, held and conducted in the district for that purpose, the qualified electors of the district voting thereat authorized the governing board of the applicant school district, by the same majority vote required at a district bond election, to accept, expend and repay an apportionment under the provisions of this chapter, and whenever thereafter said county superintendent of schools has certified to the board and the State Controller that the required contribution of the

district has been placed on deposit in the state school building fund of the district and the board has certified to the State Controller that the apportionment to the applicant school district has become final, such final apportionment is hereby confirmed, ratified, and validated, and any expenditure of money from the State School Building Aid Fund or the School Building Safety Fund according to the terms of such final apportionment is hereby confirmed, ratified, and validated.

Notwithstanding any provision to the contrary, no funds authorized by any bond act for the purpose of this chapter shall be made available for expenditure without specific authority of the board or its delegated representative.

CHAPTER 46

An act to amend Section 1141.11 of, and to add Title 9.2 (commencing with Section 1296) to, the Code of Civil Procedure, and Section 4 of Chapter 743 of the Statutes of 1978, relating to arbitration, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 1, 1979 Filed with Secretary of State May 2, 1979]

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

SECTION 1. Section 1141.11 of the Code of Civil Procedure is amended to read:

1141.11. (a) In each superior court with 10 or more judges, all at-issue civil actions pending on or filed after the operative date of this chapter shall be submitted to arbitration, by the presiding judge or the judge designated, under this chapter if the amount in controversy in the opinion of the court will not exceed fifteen thousand dollars ($15,000) for each plaintiff, which decision shall not be appealable.

(b) In each superior court with less than 10 judges, the court may provide by local rule, when it determines that it is in the best interests of justice, that all at-issue civil actions pending on or filed after the operative date of this chapter, shall be submitted to arbitration by the presiding judge or the judge designated under this chapter if the amount in controversy in the opinion of the court will not exceed fifteen thousand dollars ($15,000) for each plaintiff, which decision shall not be appealable.

(c) In each municipal court district, the municipal court district may provide by local rule, when it is determined to be in the best interests of justice, that all at-issue civil actions pending on or filed after the operative date of this chapter in such judicial district, shall be submitted to arbitration by the presiding judge or the judge

designated under this chapter The provisions of this section shall not apply to any action maintained pursuant to Section 1781 of the Civil Code or Section 116.2 or 1161 of this code.

(d) The provisions of this chapter shall not apply to those actions filed in a superior or municipal court which has been selected pursuant to Section 1823.1 and is participating in a pilot project pursuant to Title 1 (commencing with Section 1823) of Part 3.5. Any action filed in such court after the conclusion of the pilot project shall be subject to the provisions of this chapter.

SEC. 2. Title 9.2 (commencing with Section 1296) is added to the Code of Civil Procedure, to read:

TITLE 9.2. PUBLIC CONSTRUCTION CONTRACT ARBITRATION

1296. The parties to a construction contract with a public agency may expressly agree in writing that in any arbitration to resolve a dispute relating to the contract, the arbitrator's award shall be supported by law and substantial evidence. If the agreement so provides, a court shall, subject to Section 1286.4, vacate the award if after review of the award it determines either that the award is not supported by substantial evidence or that it is based on an error of law.

SEC. 3. Section 4 of Chapter 743 of the Statutes of 1978 is amended to read:

Sec. 4. The Auditor General, in consultation with the Judicial Council, the State Department of Finance, and local agencies, shall conduct studies of the effects of this act on superior court workload in each county affected by this act. The studies shall include but not be limited to, an analysis of the reduction in superior court workload, which resulted in a decreased need for additional superior court judgeships. In its studies the Auditor General shall take into account the impact of Proposition 13, of the June 6, 1978, election, on the requisition for additional superior court judgeships in the affected counties. The report shall also include a statement of the costs avoided in each affected county due to the effect of this act. The results of these studies shall be reported annually to the Legislature and the State Controller beginning on October 31, 1980.

SEC. 4. Section 1 of this act shall become operative on July 1, 1979.

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 effect immediately. The facts constituting such necessity are:

This act must take effect prior to the operative date of Chapter 743 of the Statutes of 1978, July 1, 1979, in order to clarify procedures with regard to that chapter.

CHAPTER 47

An act to amend Section 3900 of the Health and Safety Code, relating to wiping rags.

[Approved by Governor May 1, 1979 Filed with Secretary of State May 2, 1979]

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

SECTION 1 Section 3900 of the Health and Safety Code is amended to read

3900. "Wiping rags," as used in this chapter means cloths and rags, other than reusable rental cloths or towels, used for any or all of the following purposes:

(a) Wiping and cleaning the surfaces of machinery, machines, tools, locomotives, engines, motor cars, automobiles, cars, carriages, windows, furniture, and surfaces of articles, appliances, and engines in factories, shops, steamships, and steamboats.

(b) Generally for cleaning in industrial employment

(c) Used by mechanics and workmen for wiping from their hands and bodies soil incident to their employment.

CHAPTER 48

An act to amend Sections 987.60, 987.61, 987 65, and 987.92 of the Military and Veterans Code, relating to veterans, and declaring the urgency thereof, to take effect immediately

[Approved by Governor May 1, 1979 Filed with Secretary of State May 2, 1979]

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

SECTION 1 Section 987.60 of the Military and Veterans Code is amended to read:

987 60 The department may acquire such farm or home from the owner thereof or may contract with a veteran for the construction of a dwelling house and other improvements for a farm or home, upon the terms agreed if·

(a) The department is satisfied of the desirability of the property submitted.

(b) The veteran has agreed with the department that he or members of his immediate family will actually reside on the property within 60 days from the date of purchase by the department, or if the residence on the property is not complete on the date of purchase, within 60 days after the residence is completed.

(c) The sum to be expended by the department pursuant to a

contract for the construction of a dwelling house and other improvements does not exceed fifty-five thousand dollars ($55,000).

(d) Where the department is to contract with a veteran for the construction of a dwelling house and other buildings, or for the purchase of a mobilehome:

(1) The veteran is the owner in fee of the real property on which the dwelling house and other buildings are to be constructed, or is the owner in fee of the real property or the owner of an undivided interest in common in a portion of a parcel of real property on which a mobilehome is to be situate, and agrees to convey that property to the department without cost.

(2) The veteran has paid a reasonable fee set by the department to cover the cost of such preliminary service of the department as may be necessary to process the application.

(3) The veteran has filed with the department adequate plans and specifications for the improvements to be constructed upon said real property, together with a contract, executed by a contractor licensed by the State of California for the construction of said improvements in accordance with said plans and specifications within eight months after the acquisition of said real property by the department, and a bond executed by the contractor providing for compliance with the terms of said contract and for the payment of materialmen and labor furnishing material or labor on the job, executed by a surety company, authorized to do business in the State of California.

(4) The plans, specifications, contract and bond are approved by the department.

(5) The veteran has placed in escrow, all sums of money to be advanced by him where the cost is in excess of the maximum that may be expended by the department.

As used in this section "immediate family" includes only the following:

Spouse, children, either natural or adoptive; and the parents if they are dependent upon the veteran for 50 percent or more of their support.

SEC 2. Section 987.61 of the Military and Veterans Code is amended to read:

987.61. The department may purchase property, subject to a participation contract providing for a loan term of not less than 23 years. In no event shall the purchase price plus the participation contract exceed fifty-five thousand dollars ($55,000) or equal more than 95 percent of the market value of the property as determined by department appraisal, whichever is the lower amount.

SEC. 3. Section 987.65 of the Military and Veterans Code is amended to read:

987.65. The purchase price of a home to the department shall not exceed the sum of fifty-five thousand dollars ($55,000), except that the purchase price of a mobilehome, as defined in subdivision (k) of Section 987.53, to the department shall not exceed thirty thousand dollars ($30,000), and a veteran purchasing the home may advance,

subject to the provisions of Section 987.64, the difference between the total price or cost of the home and the sum of the purchase price of the home to the department and any amount the department is required under Section 987 69 of this code to add to the purchase price of the home in fixing the selling price thereof to the veteran. Any amount of the purchase price to the department may be provided by funds from participation contracts or revenue bonds. The purchase price of a farm to the department shall not exceed one hundred twenty thousand dollars ($120,000), and a veteran purchasing the farm may advance the difference between the total price of the farm or cost of the dwelling and improvements to be constructed on a farm under a contract and the sum of such purchase price to the department or contract price to the department and any amount which the department is required under Section 987.69 of this code to add to such purchase or contract price to the department in fixing the selling price of the farm to the veteran.

SEC. 4 Section 987 92 of the Military and Veterans Code is amended to read:

987.92. Notwithstanding other provisions of this article relating to maximum sums to be expended by the department and maximum purchase price, the department may acquire or construct a home equipped with solar energy heating devices at a purchase price not in excess of five thousand dollars ($5,000) over the maximum amounts specified in Sections 987.60, 987.61, and 987.65.

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:

The costs of existing homes as well as construction, materials, and land for new homes are escalating at an unprecedented rate with the result that in order to meet the requirements for Cal-Vet benefits veterans must provide an increasingly large cash down payment so that many veterans are financially unable to take advantage of these veterans' benefits. In order that the benefits of this act may be available to veterans as soon as possible, it is necessary that this act become effective immediately

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CHAPTER 49

An act to amend Section 110 1 of the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 1, 1979 Filed with Secretary of State May 2, 1979]

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

SECTION 1. Section 110.1 of the Revenue and Taxation Code is amended to read:

110.1 (a) For purposes of subdivision (a) of Section 2 of Article XIII A of the California Constitution, "full cash value" of real property, including possessory interests in real property, means the fair market value as determined pursuant to Section 110 for either·

(1) The 1975 lien date; or,

(2) For property which is purchased, is newly constructed, or changes ownership after the 1975 lien date:

(A) The date on which a purchase or change in ownership occurs; or

(B) The date on which new construction is completed, and if uncompleted, on the lien date.

(b) The value determined under subdivision (a) shall be known as the base year value for the property. Notwithstanding any provisions of Section 405 5 or 405.6, for property which was not purchased or newly constructed or has not changed ownership after the 1975 lien date, if the value as shown on the 1975–76 roll is not its 1975 lien date base year value and if the value of that property had not been determined pursuant to a periodic reappraisal under Section 405.5 for the 1975–76 assessment roll, a new 1975 lien date base year value shall be determined at any time until June 30, 1980, and placed on the roll being prepared for the current year. In determining the new base year value for any such property, the assessor shall use only those factors and indicia of fair market value actually utilized in appraisals made pursuant to Section 405.5 for the 1975 lien date Such new base year values shall be consistent with the values established by reappraisal for the 1975 lien date of comparable properties which were reappraised pursuant to Section 405.5 for the fiscal year. In the event such a determination is made, no escape assessment may be levied and the newly determined "full cash value" shall be placed on the roll for the current year only, provided, however, the preceding shall not prohibit a determination which is made prior to June 30 of a fiscal year from being reflected on the assessment roll for the current fiscal year.

If the value of any real property as shown on the 1975–76 roll was determined pursuant to a periodic appraisal under Section 405 5, such value shall be the 1975 lien date base year value of the property.

As used in this subdivision, a parcel of property shall be presumed to have been appraised for the 1975–76 fiscal year if the assessor's determination of the value of the property for the 1975–76 fiscal year differed from the value used for purposes of computing the 1974–75 fiscal year tax liability for the property, but the assessor may rebut such presumption by evidence that, notwithstanding such difference in value, such parcel was not appraised pursuant to Section 405.5 for the 1975–76 fiscal year

(c) For each lien date after the lien date in which the full cash

value is determined pursuant to subdivisions (a) and (b), the full cash value of real property, including possessory interests in real property, shall reflect the percentage change in cost of living, as defined in Section 2212; provided, that such value shall not reflect an increase in excess of 2 percent of the full cash value of the preceding lien date.

SEC. 2. (a) Section 1 of this act shall be applied to the 1978–79 fiscal year and fiscal years thereafter.

(b) Except as otherwise provided in this subdivision, if the value of any property is reduced pursuant to Section 110.1 of the Revenue and Taxation Code, the reduced taxes resulting therefrom shall be reflected in a corresponding reduction in the next succeeding tax installment or installments for such property in the 1979–80 fiscal year unless there was a change in the assessee or assessees of record between July 1, 1978, and June 30, 1979, in which case a refund of such reduced taxes shall be prorated between such assessees of record in the same proportion as they participated in the payment of such taxes. In the event that the current address of a former assessee of record of such property entitled to share in any such refund is not known to the county, that portion of such refund shall be withheld by the county and the assessee may claim a refund from the county treasurer at any time prior to July 1, 1980. No reduction or refund shall be given pursuant to this subdivision of any amount previously collected to pay the interest and redemption charges on any indebtedness approved by the voters prior to July 1, 1978.

SEC. 3. It is the intent of the Legislature to correct an improper assessment practice which has resulted from the misinterpretation of Article XIII A of the California Constitution, as added to the California Constitution pursuant to the approval by the voters, of Proposition 13 on the ballot for the Direct Primary Election held June 6, 1978, and Section 110.1 of the Revenue and Taxation Code, as added by Chapter 292 of the Statutes of 1978, amended by Chapter 332 of the Statutes of 1978, and further amended by Chapter 576 of the Statutes of 1978.

It is further the intent of the Legislature that this act be construed as an act necessary for the implementation of Proposition 13, and, as such, is not a cost mandated by the state.

No appropriation is made by this act, nor is any obligation created thereby, pursuant to Section 2231 or 2234 of the Revenue and Taxation Code. Moreover, no claim shall be considered with respect to this act by the State Board of Control pursuant to Section 905.2 of the Government Code or Section 2250 of the Revenue and Taxation Code, and the Department of Finance shall not review or report on this act pursuant to Section 2246 of the Revenue and Taxation Code.

SEC. 4. This act clarifies the intent of Article XIII A of the California Constitution and Chapters 292 and 332 of the Statutes of 1978, to correct the administrative interpretation of such provisions which has resulted in the incorrect assessment of certain properties, and does not make a substantive change. It is the intent of the

Legislature that counties which have established base year values in conformity with the intent of Section 110.1 of the Revenue and Taxation Code, as clarified by this act, shall not be required to redetermine such base year values.

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:

Proposition No. 13 on the ballot for the Direct Primary Election held on Tuesday, June 6, 1978, added a new Article XIII A to the California Constitution to limit ad valorem taxes on real property to 1 percent of full cash value and specified that such value would be the full cash value of such property for the 1975–76 fiscal year, or thereafter when such property was purchased, newly constructed or a change of ownership has occurred, as adjusted to reflect specified growth in the cost of living. Uncertainty exists in the determination of full cash value for the 1975–76 fiscal year, resulting in the reappraisal of property with regard to the 1975–76 fiscal year although such property had been timely appraised for the 1975–76 fiscal year and which therefore was correctly assessed for the 1975–76 fiscal year, within the meaning of Proposition 13. Therefore, in order to correct the 1978–79 property tax rolls to prevent undue financial hardship resulting from the erroneous tax levies for the 1978–79 fiscal year and to correct the collection of such taxes with a minimum of administrative difficulty, this act must go into effect immediately.

CHAPTER 50

An act to amend Section 53643 of the Government Code, relating to local agencies

[Approved by Governor May 4, 1979 Filed with Secretary of State May 4, 1979]

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

SECTION 1. Section 53643 of the Government Code is amended to read:

53643. The treasurer may deposit any part of the money for a definite term agreed upon between the treasurer and the depositary

CHAPTER 51

An act to amend Section 6 of Chapter 292 of the Statutes of 1978, relating to school finance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 4, 1979. Filed with Secretary of State May 4, 1979.]

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

SECTION 1. Section 6 of Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978, is amended to read:

SEC. 6. (a) Notwithstanding any other provision of law, the Superintendent of Public Instruction shall apportion state aid to county offices of education pursuant to the provisions of this section.

(b) The Superintendent of Public Instruction shall determine the estimated budget of each county office of education for the 1978–79 fiscal year. Such estimated budget shall include:

(1) The estimated revenue limit for the 1978–79 fiscal year for programs operated pursuant to Section 2500, Section 2502 as it relates to regional occupational centers and programs, and Section 56364 of the Education Code.

(2) Revenues received in the 1977–78 fiscal year by the county superintendent of schools from taxes levied pursuant to Sections 1510, 2501, 2502, 2503, 2504, 2505, 2506, 2520, and 8330 of the Education Code multiplied by 1.068.

(c) The Superintendent of Public Instruction shall multiply this estimated 1978–79 fiscal year budget by 0.90 and subtract from the product the sum of (1) the property tax revenues received in the 1978–79 fiscal year from the county property tax pursuant to Section 26912 of the Government Code and any balances and tax revenues received pursuant to Section 2 of the act of the 1979–80 Regular Session which amends this section, (2) state and federal categorical aid, (3) the local foundation program contribution of districts pursuant to Section 1705 of the Education Code, and (4) contributions or payments made pursuant to Sections 52321 and 56364 of the Education Code.

If the county superintendent of schools receives revenues pursuant to Section 2 of the act of the 1979–80 Regular Session which amends this section and if the remainder determined pursuant to this subdivision is a negative number, an amount of the funds of the county superintendent equal to such negative number shall be deemed restricted and not available for expenditure in the 1978–79 fiscal year.

(d) The remainder computed pursuant to subdivision (c) shall be distributed as state aid in a manner consistent with state aid to school districts under this act, provided that no more than one hundred eight million four hundred seven thousand five hundred dollars ($108,407,500) shall be disbursed pursuant to this section

(e) The state aid prescribed by subdivision (d) of this section shall be reduced by an amount equal to one-third of the amount by which

the county superintendent of school's general fund reserves exceed 5 percent of the county superintendent's general fund total revenue as adjusted at the end of the 1977–78 fiscal year, or fifty thousand dollars ($50,000), whichever is the greater.

For purposes of this subdivision, general fund reserves shall not include:

(1) Noncash assets, such as stores, inventory, property and buildings, or other investments purchased prior to June 6, 1978.

(2) Any amounts for self-insurance for contractual obligations, or reserves established by law or a governing board policy adopted prior to June 6, 1978.

(3) Any amounts restricted by law or court order.

(4) Any amounts committed to a capital outlay project approved prior to June 6, 1978, by the governing board of the district.

SEC 2. (a) For the purposes of the allocations of property tax revenues during the 1978–79 fiscal year pursuant to subparagraph (B) of paragraph (2) of subdivision (b) of Section 26912 of the Government Code, property tax revenues received in the 1977–78 fiscal year pursuant to Sections 41203 and 84203 of the Education Code shall be deemed to be property tax revenues received by the county superintendent of schools.

(b) The county auditor immediately shall adjust the county superintendent's share of the 1978–79 property tax revenue prescribed by subparagraph (B) of paragraph (2) of subdivision (b) of Section 26912 of the Government Code pursuant to subdivision (a) of this section.

(c) All unencumbered balances remaining as of June 30, 1978, that were derived from the levy of taxes pursuant to Sections 41203 and 84203 of the Education Code in the 1977–78 fiscal year and prior fiscal years and any amount received pursuant to subdivision (b) of this section shall be deposited in the county school service fund. The county superintendent may expend such unencumbered balances and such amount for the purposes specified in Section 6 of Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978.

SEC. 3. Notwithstanding any other provision of law, the Superintendent of Public Instruction shall apportion additional state aid to county superintendents of schools pursuant to this section.

The superintendent shall perform the following computations for each county superintendent of schools·

(a) The superintendent shall subtract from the estimated 1978–79 budget of each county superintendent, as calculated pursuant to subdivision (c) of Section 6 of Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978, the amount which each county superintendent actually received pursuant to subdivision (d), as adjusted pursuant to subdivision (e) of Section 6 of Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978

(b) If the remainder determined in subdivision (a) of this section is a positive number, the superintendent shall subtract from such remainder the amount of each county superintendent of school's

general fund reserves, excluding reserves identified in subdivision (e) of this section, which exceed 2 percent of total general fund revenues as adjusted at the end of the 1977–78 fiscal year, or fifty thousand dollars ($50,000), whichever is greater, less the amount actually deducted pursuant to subdivision (e) of Section 6 of Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978.

(c) If the remainder determined in subdivision (b) is a positive number, the superintendent shall divide that remainder by the statewide total of such positive remainders for any county superintendent of schools in the state.

(d) The superintendent shall multiply the quotient determined in subdivision (c) by the appropriation contained in Section 4 of this act. This amount shall be apportioned to each county superintendent of schools with a positive remainder pursuant to subdivision (c) of this section.

(e) For purposes of this section, general fund reserves shall not include:

(1) Noncash assets, such as stores, inventory, property and buildings, or other investments purchased prior to June 6, 1978.

(2) Any amounts for self-insurance, contractual obligations, or reserves established by law or a governing board policy adopted prior to June 6, 1978.

(3) Any amounts restricted by law or court order, except that surpluses or deficits from taxes collected pursuant to Section 1806, 2500, 2520, 8330, 42909, 52317, 56364, or 56811 of the Education Code shall not be deemed to be restricted by law.

(4) Any amounts committed to a capital outlay project approved prior to June 6, 1978, by the governing board of the district.

SEC. 4. In addition to the appropriation made pursuant to subdivision (b) of Section 1 of Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978, there is hereby appropriated to the Superintendent of Public Instruction twenty-eight million eight hundred thousand dollars ($28,800,000) from the General Fund for allocation pursuant to Section 3 of this act.

SEC. 5. If the apportionment computed pursuant to this act is reduced because of the operation of subdivision (b) of Section 3 of this act, or if the total amount appropriated pursuant to Section 4 of this act is insufficient to fund the apportionment required by subdivision (d) of Section 3 of this act, any county superintendent of schools shall be authorized to expend general fund reserves to offset either or both reductions as if the reserves were the proceeds of taxes levied by the county superintendent of schools during the 1978–79 fiscal year. Notwithstanding any other provision of law, general fund reserves as defined in this act may be used for any purpose specified in Sections 1 and 3 of this act.

SEC. 6. Sections 1 and 2 of this act shall be deemed to have been operative since July 1, 1978 If the Superintendent of Public Instruction has apportioned to any county superintendent of schools an amount in excess of the amount computed pursuant to Sections 1 and 2 of this act, such county superintendent shall refund such

excess apportionment to the Superintendent of Public Instruction for reappropriation pursuant to this act.

SEC. 7. The reference to Section 42238 of the Education Code contained in Section 2 of Chapter 332 of the Statutes of 1978 is to Section 42238 as amended by Chapter 894 of the Statutes of 1977.

SEC. 8. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The appropriation contained in Section 1 of Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978, was inadequate due to an unanticipated growth in state and federally mandated classes for physically handicapped, mentally retarded, and other students with special needs, and inadequate funding for these programs could result in harm to the students affected and in violations of state and federal law. Thus, it is necessary that this act take effect immediately.

CHAPTER 52

An act to add Section 429.5 to the Government Code, relating to the state historical society.

[Approved by Governor May 9, 1979. Filed with Secretary of State May 9, 1979.]

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

SECTION 1. Section 429.5 is added to the Government Code, to read:

429.5. The California Historical Society is the official state historical society.

SEC. 2. In declaring the California Historical Society to be the official state historical society, the Legislature does not intend to establish a new state agency but is merely designating the California Historical Society as the state historical society.

CHAPTER 53

An act to amend Section 22555 of the Streets and Highways Code, relating to districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 11, 1979 Filed with Secretary of State May 11, 1979]

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

SECTION 1. Section 22555 of the Streets and Highways Code is amended to read·

22555. (a) Posted notices of hearings for the formation or consolidation of an assessment district or for the annexation of territory to an existing district shall be headed "Notice of Improvement" in letters at least one inch in height. The notices, not less than three in all, shall be posted at intervals of not more than 300

feet along all streets within the proposed assessment district or within the territory proposed to be annexed to or consolidated with an existing district, as the case may be. Posting of notice of those hearings shall be completed at least 10 days prior to the date of hearing specified therein.

(b) Notwithstanding subdivision (a), notices of hearings for the formation or consolidation of an assessment district or for the annexation of territory to an existing district need not be posted when such notices are mailed to all property owners, whether resident or nonresident, within the district as provided in Section 22556.

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:

(a) The approval of Proposition 13 (Article XIII A of the California Constitution) by the voters of California has substantially reduced the tax revenues available to lighting districts. Annexations and consolidations of districts for street lighting will allow economies and efficiencies in the operation of street lighting systems and thus mitigate the effect of reduced revenues.

(b) The Landscaping and Lighting Act of 1972 requires that notices of hearings on the formation or consolidation of an assessment district or annexation of territory thereto be posted at not more than 300 foot intervals as well as published and mailed. Completion of posting in large proposed districts may not be financially feasible and should be dispensed with if notices are mailed to all property owners. Due to the foregoing, it is necessary that this act go into immediate effect.

CHAPTER 54

An act to validate the organization, boundaries, acts, proceedings, and bonds of public bodies, as herein defined, and to provide limitations of time within which actions may be commenced in connection therewith, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 11, 1979 Filed with Secretary of State May 11, 1979]

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

SECTION 1. The following terms shall have the following meanings herein:

(a) The term "public body" means counties, cities and counties, cities, and the following districts, authorities, agencies, boards, commissions, and other entities:

Agencies, boards, commissions, or entities constituted or provided for under or pursuant to Chapter 5 (commencing with Section 6500), Division 7, Title 1 of the Government Code.

Air pollution control districts.

Air quality management districts

Airport districts.

Assessment districts.
Bridge and highway districts.
Bridge, highway, and transportation districts.
California water district distribution districts.
California water district improvement districts.
California water districts.
Cemetery districts
Citrus pest control districts.
City general improvement district improvement districts.
City general improvement districts.
City maintenance districts.
Community college districts.
Community facilities districts.
Community service district improvement districts.
Community service districts.
Conservancy districts.
County boards of education.
County drainage districts.
County fire protection districts.
County flood control and water districts.
County free library systems.
County maintenance districts.
County power pumping districts.
County sanitation district improvement districts.
County sanitation districts.
County service area improvement areas.
County service areas.
County sewage and water districts.
County water agencies.
County water authorities.
County water district improvement districts.
County water districts.
County waterworks districts.
Crossing guard maintenance districts.
Department of Water Resources and other agencies acting under and pursuant to Part 3 (commencing with Section 11100), Division 6 of the Water Code.
Drainage districts.
Fire protection districts.
Flood control and water conservation districts
Flood control districts.
Garbage and refuse disposal districts.
Garbage disposal districts.
Harbor districts.
Harbor improvement districts.
Harbor, recreation, and conservation districts.
Highway districts
Highway interchange districts.
Highway lighting districts

Horticultural development districts.
Horticultural protection districts.
Housing authorities.
Irrigation district distribution districts.
Irrigation district improvement districts.
Irrigation districts.
Joint harbor improvement districts.
Joint highway districts.
Joint municipal sewage disposal districts.
Junior college districts.
Levee districts.
Library districts.
Local health districts.
Local hospital districts.
Metropolitan water districts.
Mosquito abatement districts.
Mosquito abatement or vector control districts.
Municipal facilities districts.
Municipal improvement assessment districts.
Municipal improvement district improvement districts.
Municipal improvement districts.
Municipal port districts.
Municipal sewer districts.
Municipal utility districts.
Municipal water district improvement districts.
Municipal water districts of any kind.
Parking authorities.
Parking districts.
Park, recreation, and parkway districts.
Permanent road divisions.
Pest abatement districts
Port districts.
Project areas of redevelopment agencies.
Protection districts.
Public cemetery districts.
Public utility district improvement districts.
Public utility districts.
Rapid transit authorities.
Rapid transit districts
Reclamation districts
Recreational harbor districts.
Recreation and park districts.
Recreation, park, and parkway districts
Redevelopment agencies.
Regional open-space districts.
Regional park and open-space districts.
Regional park districts.
Regional planning districts
Resort improvement districts.

Resource conservation districts.
River port districts.
Road districts.
Sanitary agencies.
Sanitary districts.
Sanitary districts annexed areas.
School districts of any kind or class.
Separation of grade districts.
Sewer maintenance districts.
Special transit service districts.
Storm water districts
Transit districts.
Underground utility districts.
Unified air pollution control districts.
Unified port districts.
Urban renewal agencies
Vehicle parking districts.
Veterans' memorial districts.
Water agencies.
Water authorities.
Water conservation districts.
Water districts.
Water replenishment districts.
Water storage district improvement districts.
Water storage districts.
Weed abatement districts.
Zones of community service districts.
Zones of county water agencies.
Zones of county water authorities.
Zones of county waterworks districts.
Zones of flood control districts.
Zones of flood control and water conservation districts.

The term "public body" and the plural thereof, as used in this act, shall include only those entities which are specifically enumerated in this section

(b) The term "bonds" means all instruments evidencing an indebtedness of a public body incurred or to be incurred for any public purpose, and all instruments evidencing the borrowing of money in anticipation of taxes, revenues, or other income of such body, and all instruments payable from revenues or special funds of such public bodies, and all instruments funding or refunding any thereof or any indebtedness.

SEC 2 All public bodies heretofore organized or existing under, or under color of, any law are hereby declared to have been legally organized and to be legally functioning as such public body. Every such public body shall have all the rights, powers, and privileges, and be subject to all the duties and obligations, of such a public body regularly formed pursuant to law.

SEC 3 The boundaries of every public body as heretofore

established, defined, or recorded, or as heretofore actually shown on maps or plats used by the assessor, are hereby confirmed, validated, and declared legally established.

SEC. 4 All acts and proceedings heretofore taken by any public body or bodies under any law, or under color of any law, for the annexation or inclusion of territory into any such public body or for the annexation of any such public body to any other such public body or for the withdrawal or exclusion of territory from any such public body or for the consolidation, merger, or dissolution of any public bodies are hereby confirmed, validated, and declared legally effective. This shall include all acts and proceedings of the governing board of any such public body and of any person, public officer, board, or agency heretofore done or taken upon the question of the annexation or inclusion or of the withdrawal or exclusion of such territory or the consolidation, merger, or dissolution of such public bodies.

SEC. 5. All acts and proceedings heretofore taken by or on behalf of any public body under any law, or under color of any law, for the authorization, issuance, sale, or exchange of bonds of any such public body for any public purpose are hereby confirmed, validated, and declared legally effective. This shall include all acts and proceedings of the governing board of such public body and of any person, public officer, board, or agency heretofore done or taken upon the question of the authorization, issuance, sale, or exchange of such bonds.

All bonds of any public body heretofore issued shall be, in the form and manner in which issued and delivered, the legal, valid, and binding obligations of the public body. All bonds of any public body heretofore awarded and sold to a purchaser and hereafter issued and delivered in accordance with the contract of sale and other proceedings for the award and sale shall be the legal, valid, and binding obligations of the public body. All bonds of any public body heretofore authorized to be issued by ordinance, resolution, order, or other action adopted or taken by or on behalf of the public body and hereafter issued and delivered in accordance with such authorization shall be the legal, valid, and binding obligations of the public body. All bonds of any public body heretofore authorized to be issued at an election and hereafter issued and delivered in accordance with such authorization shall be the legal, valid, and binding obligations of the public body. Whenever an election has heretofore been called for the purpose of submitting to the voters of any public body the question of issuing bonds for any public purpose, such bonds, if hereafter authorized by the required vote and in accordance with the proceedings heretofore taken, and issued and delivered in accordance with such authorization, shall be the legal, valid, and binding obligations of the public body

SEC. 6. (a) The foregoing provisions of this act shall operate to supply such legislative authorization as may be necessary to validate any such acts and proceedings heretofore taken which the Legislature could have supplied or provided for in the law under

which such acts or proceedings were taken.

(b) The foregoing provisions of this act shall be limited to the validation of acts and proceedings to the extent to which the same can be effectuated under the State and Federal Constitutions.

(c) The foregoing provisions of this act shall not operate to confirm, validate, or legalize any act, proceeding, or other matter the legality of which is being contested or inquired into in any legal proceeding now pending and undetermined or which may be pending and undetermined during the period of 30 days from and after the effective date of this act, and shall not operate to confirm, validate, or legalize any act, proceeding, or other matter which has heretofore been determined in any legal proceeding to be illegal, void, or ineffective.

(d) This act shall not operate to confirm, validate, or legalize a contract between any district and the United States.

SEC. 7. Any action or proceeding contesting the validity of any action or proceeding heretofore taken under any law, or under color of any law, for the formation, organization, or incorporation of any public body, or for any annexation thereto, exclusion therefrom, or other change of boundaries thereof, or for the consolidation, merger, or dissolution of any public bodies, or for the authorization, issuance, sale, or exchange of bonds thereof upon any ground involving an alleged defect or illegality not effectively validated by the prior provisions of this act and not otherwise barred by any statute of limitations or by laches must be commenced within six months of the effective date of this act; otherwise each and all of said matters shall be held to be valid and in every respect legal and incontestable. This section shall not extend the period in which any action may be brought beyond the period in which it would be barred by any presently existing valid statute of limitations.

SEC 8. Nothing contained in this act shall be construed to render the creation of any city or district, or any change in the boundaries of any city or district, effective for purposes of assessment or taxation unless the statement, together with the map or plat, required to be filed under Sections 54900 to 54904, inclusive, of the Government Code, is filed within the time and substantially in the manner required by said sections.

SEC. 9. As used in this act, the word "now" means the date this act takes effect; the word "heretofore" means any time prior to such effective date, and the word "hereafter" means any time subsequent to such effective date.

SEC. 10. This act may be cited as the First Validating Act of 1979.

SEC. 11. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

To validate the organization, boundaries, acts, proceedings, and bonds of public bodies as soon as possible, it is necessary that this act take immediate effect.

CHAPTER 55

An act to amend Sections 31522.1 and 31580.2 of, and to repeal Section 31580.3 of, the Government Code, relating to the County Employees Retirement Law of 1937, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 11, 1979 Filed with Secretary of State May 11, 1979]

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

SECTION 1. Section 31522.1 of the Government Code is amended to read:

31522.1. The board of retirement and both the board of retirement and the board of investment may appoint such administrative, technical, and clerical staff personnel as are required to accomplish the necessary work of the boards. The appointments shall be made from eligible lists created in accordance with the civil service or merit system rules of the county in which the retirement system governed by the boards is situated. The personnel shall be county employees and shall be subject to the county civil service or merit system rules and shall be included in the salary ordinance or resolution adopted by the board of supervisors for the compensation of county officers and employees.

SEC. 2. Section 31580.2 of the Government Code is amended to read:

31580.2. In counties where the board of retirement and board of investment have appointed personnel pursuant to Section 31522.1, the respective boards shall annually adopt a budget covering the entire expense of administration of the retirement system which expense shall be charged against the earnings of the retirement fund. The expense incurred in any year shall not exceed eighteen-hundredths of 1 percent of the total assets of the retirement system, except in any county of the first class as established in Section 28022, the expense incurred in any year shall not exceed thirteen-hundredths of 1 percent of the total assets of the retirement system.

SEC. 3 Section 31580.3 of the Government Code is repealed.

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

In order to make the changes of this act at the earliest possible opportunity, it is necessary that this act take effect immediately.

CHAPTER 56

An act to amend Sections 19140 and 20984 of the Government Code, relating to the state civil service, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 11, 1979 Filed with Secretary of State May 11, 1979.]

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

SECTION 1. Section 19140 of the Government Code is amended to read:

19140. In addition to reinstatement required under any other section, an appointing power may in his discretion, reinstate any person having probationary or permanent status who was separated from his position (a) by resignation, (b) by service retirement, (c) by termination from limited-term, temporary, career executive assignment, or exempt appointment, (d) under the provisions of Section 19503, or (e) without a break in continuity of state service to accept another civil service or exempt appointment.

Such reinstatement shall be:

(a) Subject to board rule; and

(b) Within three years unless the employee, other than members of the California Highway Patrol, has remained in state service without a break in the continuity of state service due to a permanent separation; and

(c) Subject to certification regarding eligibility pursuant to Section 20983.5, if applicable; and

(d) To a vacant position

(1) In the class vacated or from which separated, or

(2) In a lower class in the same series, or

(3) In a lower class in a related series requiring similar types of qualifications, knowledge, and abilities, or

(4) In another class having substantially similar duties, responsibilities, and qualifications, and substantially the same salary range; and

(e) Within five years for a state employee who was a miscellaneous member and who retired prior to January 1, 1979, due to mandatory retirement age provisions then in effect

For reinstatement after separation, the time spent (a) in a position which is exempt from civil service or (b) as a temporary employee in another governmental agency engaged in a technical cooperation program under an agreement approved by the state or (c) in the recognized military service shall not be considered in computing the five-year period.

SEC. 2. Section 20984 of the Government Code is amended to read:

20984. Every person who at the time he becomes a member has

attained the age at which retirement is required for members of his class shall be retired forthwith unless the individual is otherwise eligible to continue in employment.

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 as many persons as possible may take advantage of the provisions of this bill, it is necessary that this bill take effect immediately.

CHAPTER 57

An act to amend Sections 41752, 41801, 41832, 41862, and 42793 of, and to add Sections 41752.5 and 41867 to, the Food and Agricultural Code, relating to vegetable standards, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 11, 1979. Filed with Secretary of State May 11, 1979.]

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

SECTION 1. Section 41752 of the Food and Agricultural Code is amended to read:

41752. The director shall inspect all sale or contract deliveries of garlic or onions for dehydration purposes, except garlic or onions grown and dehydrated by a common principal owner and garlic or onions specifically exempted by regulation.

The director shall, by regulation, exempt from inspection and certification any type of delivery of garlic or onions to a dehydrator, if the director finds that inspection of such delivery would not serve the purposes of this chapter.

SEC. 2. Section 41752.5 is added to the Food and Agricultural Code, to read:

41752.5. Upon inspection of each load or lot, the director shall issue a certificate which shows the weight or percentage of garlic or onions by defect in the sample which does not conform to the standards established pursuant to this chapter.

SEC. 3. Section 41801 of the Food and Agricultural Code is amended to read:

41801. The director shall adopt a schedule of uniform fees to defray the cost of administering this chapter.

SEC. 4. Section 41832 of the Food and Agricultural Code is amended to read:

41832. Except as provided in regulations adopted pursuant to this chapter, until each such shipment or delivery of garlic or onions for

dehydration purposes has been weighed and samples have been taken for inspection purposes, it shall be unlawful for any person to transfer garlic or onions from one lot, load, or container to another, unless each such lot, load, or container is owned by the same grower

SEC. 5. Section 41862 of the Food and Agricultural Code is amended to read·

41862. There is in the department the Garlic and Onion Dehydrator Advisory Committee, which consists of 11 members and their alternates. The director shall appoint five members and their alternates, who shall be growers of garlic or onions for dehydrating, five members and their alternates, who shall be representatives of handlers engaged in the dehydrating of garlic or onions, and one public member and an alternate, both of whom shall have no direct economic interest in the growing or dehydrating of garlic or onions. An alternate member shall serve at a committee meeting only in the absence of, and shall have the same powers and duties as, the member for whom he is designated as alternate.

SEC 6 Section 41867 is added to the Food and Agricultural Code, to read:

41867. Each member of the committee, any alternate member serving in the absence of a regular member, and any member of an advisory committee appointed by the chairman of the committee, may, with approval of the director, be reimbursed for the actual necessary expenses incurred in the performance of their official duties. Any such reimbursement shall be made at the rate permitted under the rules of the State Board of Control and any such member shall not receive any other compensation.

SEC. 7. Section 42793 of the Food and Agricultural Code is amended to read:

42793. (a) The board of supervisors of the county may establish a schedule of fees for the certification inspection or certificates to be paid by owners, shippers, or other interested parties that request such certification inspection or certificates. The schedule of fees which is established for such certification inspection or certificates shall be based upon the approximate cost of the inspection which is necessary to determine that the fruits, nuts, or vegetables have met the requirements of this division or the requirements of the state or country of intended destination.

(b) The schedule of fees may include fees for certification of fruits, nuts, or vegetables which are exempted from the general standards of the state, as provided by statute, or by regulation pursuant to Section 42682 or 42684 when shipped out of the state for commercial processing, preserving, or manufacturing under a permit of the county commissioner

SEC 8 This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are

The rules and regulations to carry out the objectives of Chapter 5

(commencing with Section 41701) of Division 16 of the Food and Agricultural Code, dealing with garlic and onions for dehydration purposes, are in the process of being prepared. In order to make the necessary changes and corrections reflected in this act prior to the effective date of such rules and regulations, it is necessary that the provisions of this act go into immediate effect.

CHAPTER 58

An act to add Section 3 4 to the Yolo County Flood Control and Water Conservation District Act (Chapter 1657 of the Statutes of 1951), relating to the Yolo County Flood Control and Water Conservation District, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 11, 1979 Filed with Secretary of State May 11, 1979.]

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

SECTION 1 Section 3.4 is added to the Yolo County Flood Control and Water Conservation District Act (Chapter 1657 of the Statutes of 1951), to read:

Sec. 3.4. Notwithstanding any other provision of this act or any law establishing limitations on the rate of interest of any indebtedness or obligation of the district, the rate of interest on any indebtedness or obligation of the district which is payable to the federal government or any agency or instrumentality thereof may be at a rate higher than the limitations established in any other law, if such rate is the rate established by the federal government or any instrumentality thereof. Any such indebtedness or obligation shall be in such form and denomination, have such maturity, and be subject to such conditions as may be prescribed by the federal government or agency or instrumentality thereof.

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 for the Yolo County Flood Control and Water Conservation District to undertake planned projects utilizing traditional long-term financing sources, including the United States Farmers Home Administration, whose available interest rates currently exceed those authorized by law, it is necessary for this act to go into immediate effect.

CHAPTER 59

An act to amend Section 52321 of, and to add and repeal Section 52321.1 of, the Education Code, relating to education, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 14, 1979 Filed with Secretary of State May 14, 1979]

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

SECTION 1. Section 52321 of the Education Code is amended to read:

52321. (a) A regional occupational center or program established and maintained pursuant to Section 52301 shall receive in annual operating funds from each of the participating school districts an amount per unit of average daily attendance equal to the revenue limit received by such districts for each unit of average daily attendance generated in the regional occupational center or program.

However, no district shall be required to pay more than the county revenue limit as determined pursuant to Section 52317 in those instances where the county is maintaining the regional occupational center or program, or the actual cost per unit of average daily attendance in those regional occupational centers or programs which are operated pursuant to a joint powers agreement or cooperative arrangement.

In no case shall any revenue derived from average daily attendance in regional occupational centers and programs be retained by the district of residence.

(b) Any regional occupational center or program is authorized to (1) budget and accumulate an amount necessary to meet the cash flow needs of the regional occupational center or program known as a general reserve, not to exceed 10 percent of the previous year's expenditures for the operation of the regional occupational center or program and (2) budget and accumulate an amount known as an appropriation for contingencies The appropriation for contingencies is intended to provide for unforeseen requirements and shall be available for appropriation only after approval by a two-thirds vote of the governing body, and limited to 5 percent of the previous fiscal year's expenditures for the operation of the regional occupational center or program

(c) Net ending balances, exclusive of capital outlay balances accumulated through the regional occupational center and program restricted capital outlay tax authorized by Sections 52312 and 52317, in excess of 15 percent of the amount expended in the prior year, shall be deemed to be excessive regardless of the year accumulated

Net ending balances in excess of 15 percent shall be returned to the districts participating in the regional occupational center or

program in proportion to the district's contribution to the regional occupational center or program. The county superintendent of schools shall subtract from the amount of money necessary to be raised by the district's general purpose taxes, an amount equal to the excess reserves which are required to be returned to the district.

SEC. 2. Section 52321.1 is added to the Education Code, to read:

52321.1. The provisions of subdivision (c) of Section 52321 shall not be applicable to the Southern California Regional Occupational Center and its participating districts, and the balance in excess of 15 percent at the end of the 1977–78 and 1978–79 fiscal year may be spent for any lawful purpose.

This section shall remain in effect only until July 1, 1980, and as of that date is repealed, unless a later enacted statute, which is chaptered before July 1, 1980, deletes or extends such date.

SEC. 3. The Legislature finds and declares that with respect to Section 2 of this act a general law within the meaning of Section 16 of Article IV of the California Constitution cannot be made applicable because of the unique combination of reserves and a capital intensive program operated by the Southern California Regional Occupational Center.

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 for the Southern California Regional Occupational Center to continue to operate its program, it is necessary that this act take effect immediately.

CHAPTER 60

An act to amend Section 7265.3 of the Government Code, and to add Sections 50520, 50521, and 50522 to the Health and Safety Code, relating to housing, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 14, 1979 Filed with Secretary of State May 14, 1979]

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

SECTION 1. Section 7265.3 of the Government Code is amended to read:

7265.3. (a) A public entity may make payments in the amounts prescribed in this chapter, and may provide advisory assistance under this chapter, to a person who moves from a dwelling, or who moves or discontinues his business, as a result of impending rehabilitation or demolition of a residential or commercial structure, or enforcement of building, housing, or health codes by a public

entity, or because of systematic enforcement pursuant to Section 37924.5 of the Health and Safety Code, or who moves from a dwelling or who moves or discontinues a business as a result of a rehabilitation or demolition program or enforcement of building codes by the public entity, or because of increased rents to result from such rehabilitation or code enforcement. Payments prescribed by subdivision (b) of Section 7264 may also be made to persons who remain in a dwelling during rehabilitation. Payments authorized by this section and made pursuant to subdivision (b) of Section 7264 may, at the option of the public entity, be computed and reviewed annually based on actual rental increases, and may be paid monthly or annually. A public entity may also give priority to a person who moves from a dwelling, or who remains in a dwelling during rehabilitation, in utilization of local, state, or federal rental assistance programs, either to enable the person to pay increased rents or to move to other suitable housing

A public entity assisting in the financing of rehabilitation may provide some or all of the payments authorized by this section as part of the loan for rehabilitation costs, provided that the public entity makes payments directly to the person who moves or who remains in the dwelling during rehabilitation.

(b) A public entity shall make payments in the amounts prescribed by this chapter, and shall provide advisory assistance under this chapter, to persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, whose rent, within one year after the rehabilitation of their dwelling is completed, is increased to an amount exceeding 25 percent of their gross income, or who move from their dwelling, as the result of a rehabilitation program in which the rehabilitation work is wholly or partially financed or assisted with public funds provided by or through the public entity.

(c) A public entity shall provide temporary housing for up to 90 days to persons displaced by rehabilitation work which is wholly or partially financed or assisted with public funds provided by or through the public entity

(d) A person displaced by rehabilitation work which is wholly or partially financed or assisted with public funds provided by or through the public entity shall, as a condition of the financing or assistance, be given the option of relocating, after rehabilitation, in the dwelling from which the person was displaced.

(e) A public entity may limit the amounts of payments under this section, otherwise calculated pursuant to subdivision (b) of Section 7264, to the lesser of: (i) the difference between the increased rent and 25 percent of gross income, or (ii) the difference between the increased rent and the rent immediately before the rehabilitation, code enforcement, or demolition which was greater than 25 percent of gross income.

(f) The payments and advisory assistance as required in this section shall be mandatory only if federal or state funds are available.

However, nothing shall preclude the public entity from using local funds.

SEC. 2. Section 50520 is added to the Health and Safety Code, to read:

50520. The department may, subject to appropriation by the Legislature, grant funds for the purpose of providing relocation benefits to persons and families of low or moderate income who are displaced, or who may be displaced if not assisted, as a result of any of the following:

(a) Direct code enforcement activities of the department.

(b) A disaster for which a state of emergency has been proclaimed by the Governor on or after the effective date of this section.

(c) Fires which damage or destroy residential structures

The department may also provide technical assistance to local agencies in providing relocation benefits, pursuant to Sections 50500 and 50509.

SEC 3. Section 50521 is added to the Health and Safety Code, to read:

50521. Relocation benefits pursuant to Section 50520 may be provided in the form of grants pursuant to Sections 50504 and 50510 for costs of developing replacement housing or of providing subsidies to assist displaced persons.

SEC. 4. Section 50522 is added to the Health and Safety Code, to read

50522 The department may obtain federal assistance pursuant to Section 8 of the United States Housing Act of 1937, for use in providing relocation benefits to persons subject to potential displacement by public or private action, where local relocation benefits or rental subsidies are not immediately available.

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

In order to assist local governmental agencies in meeting the requirements of legislation taking effect January 1, 1979, it is necessary that this act go into immediate effect.

CHAPTER 61

An act to amend Section 56301 of the Education Code, relating to special education programs

[Approved by Governor May 14, 1979 Filed with Secretary of State May 14, 1979]

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

SECTION 1. Section 56301 of the Education Code is amended to read:

56301 The Legislature finds and declares that all individuals with exceptional needs have a right to participate in appropriate programs of publicly supported education and that special educational programs and services for these persons are needed in order to assure them of this right to an appropriate educational opportunity.

Furthermore, it is the intent of the Legislature that the comprehensive restructuring of current educational programs for individuals with exceptional needs required by this chapter should be systematically phased in.

Therefore, the Legislature hereby authorizes the Superintendent of Public Instruction to implement and administer, under a master plan adopted by the State Board of Education, a program to better meet the educational requirements of individuals with exceptional needs. It is the intent of the Legislature that this program shall provide an educational opportunity for individuals with exceptional needs which is equal to or better than that provided prior to the implementation of programs under this chapter, including, but not limited to, individuals previously served in a development center for handicapped pupils pursuant to Chapter 6 (commencing with Section 56800) of Part 30. This program shall provide that:

(a) Each individual with exceptional needs is assured an education appropriate to his or her needs in publicly supported programs through completion of secondary education programs.

(b) Early educational opportunities are available to all children between the ages of three and four years and nine months who require intensive service in special programs.

(c) At the discretion of responsible local agencies, early educational opportunities may be made available to children younger than three years of age who require intensive service in special programs and their parents.

(d) Each individual with exceptional needs shall have his or her educational goals and objectives specified in a written individualized education program

(e) Education programs are provided under an approved plan for special education which comprehensively sets forth the elements of the programs in accordance with the provisions of this chapter. This comprehensive plan for special education shall be developed cooperatively with input from the community advisory committee and appropriate representation from special and regular teachers and administrators selected by the groups they represent to ensure effective participation and communications.

(f) Individuals with exceptional needs are offered special assistance in a program which promotes maximum interaction with the general school population in a manner which is appropriate to

the needs of both

(g) Pupils be transferred out of special education programs when special education services are no longer needed.

(h) The unnecessary use of labels is avoided in providing programs for individuals with exceptional needs.

(i) Procedures and materials for assessment and placement of individuals with exceptional needs shall be selected and administered so as not to be racially, culturally, or sexually discriminatory. No single assessment instrument shall be the sole criterion for determining placement of a pupil. Such procedures and materials for assessment and placement shall be in the individual's mode of communication. Procedures and materials for use with non-English-speaking and limited-English-speaking pupils as defined in subdivisions (d) and (e) of Section 52163, shall be in the individual's primary language.

(j) Educational programs are coordinated with other public and private agencies, including regional occupation centers and programs and postsecondary and adult programs for individuals with exceptional needs.

(k) Each school site shall have access to psychological and health services for individuals with exceptional needs.

(*l*) Continuous evaluation of the effectiveness of these special education programs by the responsible local agency shall be made to insure the highest quality educational offerings.

SEC. 2. The amendment made in Section 1 of this act does not constitute a change in, but is declaratory of, the existing law

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CHAPTER 62

An act to amend Sections 17920, 17920 7, 17922, 17952, and 17980 of, to add Section 17967 to, and to add Part 1 (commencing with Section 17000) to Division 13 of, the Health and Safety Code, and to repeal Part 5 (commencing with Section 1460) of Division 2 of, and to repeal Chapter 4 (commencing with Section 2610) of Part 9 of Division 2 of, the Labor Code, relating to housing, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 14, 1979 Filed with Secretary of State May 14, 1979]

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

SECTION 1 Part 1 (commencing with Section 17000) is added to Division 13 of the Health and Safety Code, to read:

PART 1. EMPLOYEE HOUSING ACT

CHAPTER 1. GENERAL PROVISIONS AND DEFINITIONS

17000. This part shall be known as the Employee Housing Act.

17001. Buildings used for human habitation, and buildings accessory thereto, within a labor camp shall comply with the regulations adopted pursuant to this part, unless a local ordinance prescribing minimum standards equal to such regulations is applicable. Notwithstanding the provisions of Section 17050, if such a local ordinance is applicable to buildings used for human habitation, and buildings accessory thereto, within a labor camp, such buildings shall comply with the construction and erection provisions of the ordinance.

17002. The provisions of this part are not intended to prevent the use of any material, appliance, installation, device, arrangement, or method of construction not specifically prescribed by this part if such alternate has been approved by the Department of Housing and Community Development.

The Department of Housing and Community Development may approve any such alternate if it finds that the proposed design is satisfactory and that the material, appliance, installation, device, arrangement, or method of construction offered is, for the purpose intended, at least the equivalent of that prescribed in this part in quality, strength, effectiveness, fire resistance, durability and safety, for the protection of life and health.

This section shall not apply to a local ordinance which is applicable pursuant to Section 17001.

17003. "Commission," as used in this part, means the Commission of Housing and Community Development.

17004 "Department," as used in this part, means the Department of Housing and Community Development.

17005. "Employee," as used in this part, does not include any of the following

(a) A person engaged in household domestic service

(b) A person employed under circumstances in which his wages are incidental to professional training and where the employer is exempt from taxation under subdivision (b) of Section 4 of Article XIII of the California Constitution.

(c) A person employed incidental to training for, or in furtherance of, a religious vocation and where the employer is exempt from taxation under subdivision (f) of Section 3 of Article XIII of the California Constitution

17006. "Employee housing," as used in this part, means apartment houses, hotels, motels, or dwellings, where living quarters are provided for five or more employees employed in the management, maintenance, or operation of an apartment house, hotel, motel, or dwellings.

17007. "Enforcement agency," as used in this part, means the

Department of Housing and Community Development, or any city, county, or city and county which has assumed responsibility for the enforcement of this part, pursuant to Section 17050.

17008. "Labor camp," as used in this part, means any living quarters, dwelling, boardinghouse, tent, bunkhouse, maintenance-of-way car, mobilehome or other housing accommodations, including employee housing or labor supply camp, maintained in connection with any work or place where work is being performed, whether or not rent is involved, and the premises upon which they are situated or the area set aside and provided for parking of mobilehomes or camping of five or more employees by the employer.

17009. "Labor supply camp," as used in this part, means any place, area or piece of land where housing is provided for five or more employees or prospective employees of another by any individual, firm, partnership, association, or corporation that, for a fee, employs persons to render personal services for, or under the direction of, a third person, or that recruits, solicits, supplies, or hires persons on behalf of an employer, and that, for a fee, provides in connection therewith one or more of the following services:

(a) Furnishes board, lodging, or transportation for such employees or prospective employees

(b) Supervises, times, checks, counts, weighs, or otherwise directs or measures the work of such employees.

(c) Disburses wage payments to such employees.

17010 (a) "Temporary labor camp," as used in this part, means a labor camp which is not operated on the same site annually and which is established for one operation and is then removed.

(b) "Seasonal labor camp," as used in this part, means any camp which is operated annually on the same site and which is occupied for not more than 180 days in any calendar year.

(c) "Permanent labor camp," as used in this part, means any labor camp which is not temporary or seasonal

(d) "Permanent housing," as used in this part, means single family detached dwellings subject to this part, which are provided for habitation by permanent year-round employees and their families.

17011. "Sleeping place," as used in this part, means a dwelling, bunkhouse, tent, mobilehome, or other structure or shelter in which employees are housed in any labor camp.

17012. "Willful violation," as used in this part, means operating or maintaining a labor camp in violation of any provision of this part, rules and regulations promulgated pursuant thereto, or conditions of the permit, after failure to comply with written notice of such violation

CHAPTER 2 APPLICATION AND SCOPE

17020 Except as otherwise provided in this part, the provisions of this part and rules and regulations promulgated pursuant thereto

which relate to labor camps apply in all parts of the state and supersede any ordinance or regulations enacted by any city, county, or city and county applicable to labor camps. Rules and regulations adopted or continued in effect by former Chapter 4 (commencing with Section 2610) of Part 9 of Division 2 of the Labor Code are hereby continued in effect as rules and regulations under this part until amended or repealed by the Department of Housing and Community Development.

17021. Local use zone requirements, local fire zones, property line, source of water supply and method of sewage disposal requirements are hereby specifically and entirely reserved to the local jurisdictions

17022. Enforcement of occupational safety and health standards established pursuant to Chapter 6 (commencing with Section 140) of Division 1 of the Labor Code is hereby specifically and entirely reserved to the Division of Industrial Safety.

17023 Rules and regulations adopted or continued in effect pursuant to the provisions of this part relating to the erection or construction of buildings or structures within labor camps shall not apply to existing buildings or structures or to buildings and structures as to which construction is commenced or approved prior to the effective date of the rules and regulations, except by act of the Legislature, but regulations relating to use, maintenance, and occupancy shall apply to all labor camps approved for construction and operation before or after the effective date of such rules and regulations.

17024 This part does not apply to employee housing provided for faculty or employees of any public or privately operated school, college, or university. This part does not apply to any labor camp owned, operated, and maintained by any of the following:

(a) The federal government

(b) The state.

(c) Any agency or political subdivision of the state.

Chapter 3. Permits and Fees

17030. Every person operating a labor camp shall obtain a permit to operate such labor camp from the enforcement agency. It shall be unlawful for any person to operate a labor camp without a valid permit to operate issued by the enforcement agency. Permits to operate shall be issued annually by the enforcement agency However, a permit to operate a labor camp consisting only of permanent housing may, when approved by the enforcement agency, be issued for a longer period of time not to exceed five years A permit to operate shall be valid from the date of issuance through December 31 of the year of issuance, or December 31 of the year designated by the enforcement agency for permanent housing labor camps Such permits may prescribe conditions on the use or occupancy of a labor camp. The Department of Housing and

Community Development shall be the enforcement agency for any labor camp owned or operated by a railroad corporation.

17031. No permit to operate a labor camp shall be issued for a period of time longer than one year during the first year of operation of the camp, or if within the previous two years the camp has been found to be in violation of this part or the regulations adopted pursuant thereto. Whenever the enforcement agency issues a permit for a period of time longer than one year, it shall make written findings indicating the reasons for issuing such a permit.

The findings of the enforcement agency shall include, but not be limited to, the following information:

(a) The year the dwellings on the labor camp were constructed.

(b) The number of years the labor camp has been operated with a valid permit to operate.

(c) The number and character of any complaints received during the time the labor camp has been operating either with or without a permit.

(d) Any violations cited in the last inspection of the labor camp.

17032. Application for a permit to operate shall be made to the enforcement agency at least 45 days prior to the date of initial occupancy and shall be on the forms supplied by the enforcement agency and shall contain at least the following information:

(a) The name and address and telephone numbers of the camp owner and operator.

(b) The location of the camp.

(c) Approximate number of occupants to be housed.

(d) A description of the facilities comprising the camp.

(e) Approximate dates of occupancy.

The operator shall obtain an amended permit to operate when there is any change in the foregoing information applicable to the labor camp.

17033. The provisions of Section 17032 shall not apply to labor camps owned or operated by railroad corporations. Application for a permit to operate a labor camp owned or operated by a railroad corporation shall be made to the Department of Housing and Community Development within 30 days of initial occupancy and shall contain at least the following information:

(a) The name and address and telephone numbers of the camp owner and operator.

(b) The present location of the camp

(c) The present approximate number of occupants to be housed.

(d) A description of the present facilities comprising the camp.

(e) Approximate dates of present occupancy. An amended permit shall not be required if there is any change in the foregoing information applicable to the railroad labor camp, provided, however, the railroad corporation shall make such information available to the department upon reasonable request.

17034 If any person who holds an annual permit to operate a labor camp violates any of the provisions of this part, the regulations

adopted pursuant thereto, or conditions of the permit, the enforcement agency shall proceed according to Section 17055 immediately upon discovery of such a violation.

17035. The department shall establish and maintain a roster of all labor camps having a valid permit to operate.

17036. The commission shall adopt regulations which it determines are necessary for the administration and enforcement of this part. Such regulations adopted, amended, or repealed shall prescribe reasonable requirements for issuance of permits and establish procedures for suspension of permits, including appeal procedures.

The commission shall establish a schedule of fees to pay for the cost of administration and enforcement of this part.

17037. Every person, or the agent or officer thereof, constructing, operating, or maintaining a labor camp shall comply with the requirements of this part and the regulations adopted pursuant thereto. Any person operating or maintaining a labor camp without first having obtained a permit to operate from the enforcement agency shall pay double the fees prescribed for the permit to operate such camp.

17038. At every labor camp a responsible person shall be appointed by the operator to maintain the labor camp in compliance with the use, maintenance, and occupancy requirements of this part and the regulations adopted pursuant thereto.

Chapter 4. Rules and Regulations

17040. The commission shall adopt, amend, or repeal, and the appropriate enforcement agency shall enforce, rules and regulations for the protection of the public health, safety, and general welfare of employees and the public, governing the erection, construction, enlargement, conversion, alteration, repair, occupancy, use, sanitation, ventilation, and maintenance of all labor camps.

17041 Except as provided in Section 17011, the rules and regulations adopted, amended, or repealed from time to time pursuant to this part shall be consistent with accepted standards and practices reasonably applicable to permanent and temporary labor camps and the utilization of housing or camping facilities. In promulgating rules and regulations, the commission shall consider, among other things, geographic, topographic, and climatic conditions. The commission may establish a schedule of fees for the construction and operation of labor camps wherever the department is the enforcing agency.

Chapter 5. Enforcement

17050. (a) The Commission of Housing and Community Development may promulgate rules and regulations to interpret and make specific the provisions of this part and when adopted such rules

and regulations shall apply to all parts of the state.

(b) Upon written notice to the Department of Housing and Community Development, any city, county, or city and county may assume the responsibility for the enforcement of this part and the regulations adopted pursuant thereto following approval by the department for such assumption

(c) The Commission of Housing and Community Development shall adopt regulations which shall set forth the conditions for assumption and may include required qualifications of local enforcement agencies. When assumption is approved, the department shall transfer the responsibility for enforcement to the city, county, or city and county, together with all records of labor camps within its jurisdiction.

(d) Such city, county, or city and county may, by ordinance, establish a schedule of fees for the operation of labor camps not to exceed that which is established by the commission

(e) In the event of nonenforcement of this part, or the rules and regulations adopted pursuant thereto, the provisions of this part and the rules and regulations adopted thereunder shall be enforced by the department in any such city, county, or city and county after the department has given written notice to the governing body of such city, county, or city and county setting forth in what respects the city, county, or city and county has failed to discharge its responsibility, and has failed to initiate corrective measures to carry out its responsibility within 30 days of the date of such notice.

(f) The department shall conduct an annual evaluation of the enforcement of this part and the regulations adopted pursuant thereto by each city, county, or city and county which has assumed responsibility for enforcement

(g) The department shall be sole judge as to whether the local enforcement agency is properly enforcing this part. The local enforcement agency shall have the right to appeal such decision to the commission

(h) Any city, county, or city and county, upon written notice from the governing body to the department, may cancel its assumption of responsibility for the enforcement of this part. The department, upon receipt of such notice, shall assume such responsibility within 30 days.

(i) The enforcement agency may.

(1) Enter public or private properties to determine whether there exists any labor camp to which this part applies

(2) Enter and inspect all labor camps wheresoever situated, and inspect all accommodations, equipment, or paraphernalia connected therewith.

(3) Enter and inspect the land adjacent to the labor camp to determine whether the sanitary and other requirements of this part have been or are being complied with.

17051 For the purpose of securing compliance with this part, the officers and agents of the enforcement agency may serve any process

or notice throughout its jurisdiction.

17052. The enforcement agency shall annually enter and inspect all registered labor camps; except labor camps consisting only of permanent housing which have been issued multiyear permits to operate pursuant to Section 17030; and all accommodations, equipment, or paraphernalia connected therewith and shall make such reinspection as deemed necessary to assure compliance with the current provisions of this part and the regulations adopted pursuant thereto. The enforcement agency shall make every effort to complete such inspection prior to the occupancy of such labor camps.

17053. The department shall maintain a file of all reports of complaint or other significant information regarding labor camp maintenance and operation. Each file and information shall be available to local enforcement agencies, district attorneys, and the Attorney General. Such material shall be a matter of public record.

17054. The Attorney General, upon the request of the Director of Housing and Community Development, shall conduct such investigations as may be necessary to determine whether any violation of any provision of this part has occurred. For such purpose, the Attorney General shall have the powers specified in Section 17050.

The Attorney General shall conduct such prosecutions of violations of this part as the director may request.

17055 Any person residing in housing subject to this part may file an administrative complaint with the enforcement agency, provided that the complainant also delivers a copy, of the complaint, by mail or in person, to the employer, at the time of filing the complaint, and, if a civil action under Section 17060 has not been filed within 30 days after receipt of the complaint, the complainant may bring a civil action for injunctive or declaratory relief or damages which arise from any violation of this part, regulations adopted pursuant thereto, or conditions of the permit. In any civil action under this section, if the enforcement agency certifies that the labor camp is in compliance with this part, regulations adopted pursuant thereto, and conditions of the permit, no injunctive relief shall be granted with respect to any alleged violation covered by the certificate.

CHAPTER 6. VIOLATIONS

17060. (a) Any labor camp which does not conform to this part, the regulations adopted pursuant thereto, or conditions of the permit, is a public nuisance and if not made to conform within five days, or within such longer period of time, not to exceed 30 days, which may be allowed by the enforcement agency after written notice, shall be abated by proper action brought in the superior court of the county in which the labor camp or greater portion thereof is situated. Where inspection verifies that the owner or operator of a labor camp is proceeding with reasonable diligence, or where

conditions beyond the control of the owner or operator prevent conformance, the enforcement agency may grant time extensions not to exceed 30 days in duration. No more than two such extensions shall be allowed by the enforcement agency prior to initiation of action to abate the public nuisance.

(b) Any violation of this part, the regulations adopted pursuant thereto, or the provisions of the permit which constitute an immediate or material hazard to the health or safety of the occupants of a labor camp, shall be remedied within five days after written notice by the enforcement agency, or shorter time in case of emergency. In the event of failure to comply with this section, the Attorney General, or the attorney for the enforcement agency, shall, by verified complaint setting forth the facts, apply to the superior court for an order granting the relief for which the action or proceeding is brought until the entry of a final judgment or order.

(c) The superior court may make any order for which application is made pursuant to this section

(d) In any action or proceeding brought pursuant to this part, service of summons is sufficient if served in the manner provided in the Code of Civil Procedure.

17061. Any person who violates, or causes another person to violate, any provision of this part is guilty of a misdemeanor, punishable by a fine of not more than one thousand dollars ($1,000), or imprisonment for not more than 60 days, or both.

Any person who willfully violates any provision of this part shall be liable for a civil penalty of not less than three hundred dollars ($300) nor more than one thousand dollars ($1,000) for each such violation or for each day of a continuing violation. The enforcement agency shall institute or maintain an action in the appropriate court to collect any civil penalty arising under this section.

SEC. 2. Section 17920 of the Health and Safety Code is amended to read

17920. As used in this part:

(a) "Building" means a structure subject to this part.

(b) "Commission" means the Commission of Housing and Community Development

(c) "Department" means the Department of Housing and Community Development.

(d) "Noise insulation" means the protection of persons within buildings from excessive noise, however generated, originating within or without such buildings

(e) "Public entity" has the same meaning as defined in Section 811 2 of the Government Code.

(f) "Substandard building" means any building or any portion of a building including, but not limited to, any dwelling unit, guest room, or suite of rooms, or the premises on which the same is located, in which there exist any of the conditions listed in Chapter 10 of the Uniform Housing Code, latest edition, including inadequate structural resistance to horizontal forces, to an extent that endangers

the life, limb, health, property, safety, or welfare of the public or the occupants thereof.

"Substandard building" includes a building not in compliance with Section 17920.7

However, a condition which would require displacement of sound walls or ceilings to meet height, length, or width requirements for ceilings, rooms, and dwelling units shall not by itself be considered sufficient existence of dangerous conditions making a building a substandard building, unless the building was constructed, altered, or converted in violation of such requirements in effect at the time of construction, alteration, or conversion.

Any wiring, plumbing, or mechanical equipment, including vents, shall be deemed to have conformed to applicable law in effect at the time of installation and to have been maintained in good condition if currently in good and safe condition and working properly.

SEC. 3. Section 17920.7 of the Health and Safety Code is amended to read

17920 7. (a) The commission shall adopt, amend, repeal, and except as otherwise provided in this part, enforce rules and regulations for the provision of structural fire safety and fire-resistant exits in existing multiple-story structures let for human habitation including, and limited to, apartment houses, hotels, and motels wherein rooms used for sleeping are let above the ground floor. The rules and regulations shall provide adequate safety to the occupants and the general public, and shall impose the same requirements as are contained in subdivisions (d), (e), (f), (g), (h), (i), (k), and (*l*) of Section 1313 of Chapter 13 of the appendix of the Uniform Building Code, 1970 edition, as adopted by the International Conference of Building Officials.

The commission, after consultation with the State Fire Marshal, may adopt reasonable exceptions to subdivisions (e) and (g) of Section 1313 to permit the continued use of existing stairs and to subdivision (*l*) of Section 1313 to permit equivalent protection in lieu of occupancy separations. However, such exceptions shall not impair occupant safety and shall be consistent with the legislative intent of this section

Interior stairs and vertical openings need not be enclosed in two-story buildings.

(b) Notwithstanding the provisions of subdivision (a), any city, county, or city and county may adopt standards for structural fire safety and fire-resistant exits in structures subject to the provisions of this section, provided that such standards are substantially equivalent in fire safety to the standards adopted by the commission pursuant to subdivision (a) Each city, county, or city and county adopting such alternative standards shall submit a detailed statement, with supporting data, to the Director of Housing and Community Development demonstrating the equivalency of the alternate standards to the state standards. The Director of Housing and Community Development shall make a finding as to the

equivalency of alternate local standards to state standards. It is the intention of the Legislature that this section and the rules and regulations adopted by the commission pursuant to this section shall not be more restrictive than the requirements for new construction contained in the Uniform Building Code, 1970 edition, as adopted by the International Conference of Building Officials.

(c) The provisions of this section shall not apply to any existing apartment house, hotel, or motel having floors, as measured from the top of the floor surface, used for human occupancy located more than 75 feet above the lowest floor level having building access which is subject to the provisions of Chapter 3 (commencing with Section 13210) of Part 2 of Division 12 relating to existing high-rise buildings.

SEC. 4. Section 17922 of the Health and Safety Code is amended to read:

17922. (a) Except as otherwise specifically provided by law, the rules and regulations adopted, amended, or repealed from time to time pursuant to this chapter shall impose substantially the same requirements as are contained in the most recent editions of the following uniform industry codes as adopted by the organizations specified:

(1) The Uniform Housing Code of the International Conference of Building Officials.

(2) The Uniform Building Code of the International Conference of Building Officials.

(3) The Uniform Plumbing Code of the International Association of Plumbing and Mechanical Officials.

(4) The Uniform Mechanical Code of the International Conference of Building Officials and the International Association of Plumbing and Mechanical Officials.

(5) The National Electrical Code of the National Fire Protection Association.

In promulgating regulations the commission shall consider local conditions and any amendments to the uniform codes referred to in this section. In the absence of adoption by regulation, the most recent editions of the uniform codes referred to in this section shall be considered to be adopted and in effect one year after the date of publication.

(b) Except as provided in Section 17959.5, local use zone requirements, local fire zones, building setback, side and rear yard requirements, and property line requirements are hereby specifically and entirely reserved to the local jurisdictions notwithstanding any requirements found or set forth in this part

(c) Regulations governing alteration and repair of existing buildings and moving of apartment houses and dwellings shall permit the replacement, retention, and extension of original materials and the continued use of original methods of construction as long as the hotel, lodginghouse, motel, apartment house, or dwelling, or portions thereof, or building and structure accessory thereto, complies with the rules and regulations of the commission

or alternative local standards adopted pursuant to Section 17920.7 and does not become or continue to be a substandard building. Building additions or alterations which increase the area, volume, or size of an existing building, and foundations for apartment houses and dwellings moved, shall comply with the requirements specified in this part, or in rules and regulations adopted pursuant to this part, for new buildings or structures. However, such additions and alterations shall not cause the building to exceed area or height limitations applicable to new construction.

(d) Regulations adopted by the commission pursuant to this section governing alteration and repair of existing buildings shall permit the use of alternate materials, appliances, installations, devices, arrangements or methods of construction if the material, appliance, installation, device, arrangement, or method is, for the purpose intended, at least the equivalent of that prescribed in this part and the rules and regulations promulgated pursuant thereto in performance, safety, and for the protection of life and health.

SEC. 5. Section 17952 of the Health and Safety Code is amended to read:

17952. (a) In the event of nonenforcement of this part or the rules and regulations promulgated pursuant thereto, such provisions or rules and regulations shall be enforced by the department in any such city or county after the department has given written notice to the governing body of such city or county of a violation of this part or the rules or regulations promulgated thereunder and the city or county has failed to initiate proceedings to secure correction of the violation within 30 days of the date of such notice. The city or county may request a hearing before the commission pursuant to Section 17930 within said 30 days to show cause for nonenforcement. Enforcement by the department shall not be initiated until the decision of the commission, adverse to the city or county, is rendered.

(b) In the event that a city or county or city and county fails to initiate proceedings to correct a specific violation of the rules and regulations or standards adopted pursuant to Section 17920.7 and in the event of enforcement of such rules and regulations or standards by the department pursuant to subdivision (a) of this section, the costs incurred by the department for such enforcement shall be borne by such city or county

SEC 6. Section 17967 is added to the Health and Safety Code, to read

17967 The department may examine the records of the various city, city and county, or county departments charged with the enforcement of building regulations and secure from them reports and copies of their records at any time. The department shall pay the cost of duplicating such records.

SEC 7 Section 17980 of the Health and Safety Code is amended to read·

17980 (a) If any building is constructed, altered, converted, or

maintained in violation of any provision of, or of any order or notice giving a reasonable time to correct such violation issued by an enforcement agency pursuant to, this part and rules and regulations promulgated thereunder, or if a nuisance exists in any building or upon the lot on which it is situated, the enforcement agency shall after 30 days' notice to abate such nuisance institute any appropriate action or proceeding to prevent, restrain, correct, or abate the violation or nuisance.

(b) The enforcement agency shall not require the vacating of a residential building unless it concurrently requires expeditious demolition or repair to comply with the provisions of this part and rules and regulations hereunder. The owner shall have the choice of repairing or demolishing; provided, that if the owner chooses to repair, the enforcement agency shall require that the building be brought into compliance according to a reasonable and feasible schedule for expeditious repair, and the enforcement agency may require vacation and demolition, and institute any appropriate action or proceeding, if repair work is not done as scheduled.

SEC. 8. Part 5 (commencing with Section 1460) of Division 2 of the Labor Code is repealed.

SEC. 9. Chapter 4 (commencing with Section 2610) of Part 9 of Division 2 of the Labor Code is repealed.

SEC. 10. The Legislature finds and declares that there are no state-mandated local costs in this act that require reimbursement under Section 2231 or 2234 of the Revenue and Taxation Code because there are no new duties, obligations, or responsibilities imposed on local government by this act. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 10.5. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 11. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In order to provide lower-cost methods of meeting building and housing code standards and to protect human lives, it is necessary that this act go into immediate effect.

CHAPTER 63

An act to repeal Section 53736 of the Government Code, to repeal Section 53736 of the Government Code as added by Chapter 428 of the Statutes of 1978, and to repeal Section 5904 of the Harbors and Navigation Code, relating to local agency funds.

[Approved by Governor May 14, 1979 Filed with Secretary of State May 14, 1979.]

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

SECTION 1. Section 53736 of the Government Code is repealed.

SEC. 2. Section 53736 of the Government Code, as added by Chapter 428 of the Statutes of 1978, is repealed.

SEC. 3. Section 5904 of the Harbors and Navigation Code is repealed.

CHAPTER 64

An act augmenting and supplementing the Budget Act of 1978, relating to state hospitals, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 18, 1979 Filed with Secretary of State May 18, 1979]

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

SECTION 1. The sum of four million six hundred thirty-eight thousand six hundred and ninety-nine dollars ($4,638,699) is hereby appropriated from the General Fund to the State Department of Developmental Services, in augmentation of Item 468 of the Budget Act of 1978 for the purpose of bringing state hospitals into conformity with fire, life safety, and environmental standards by the federally mandated deadline of July 18, 1982, in accordance with the following schedule:

(a) For repayment of the Emergency Fund loan authorized by Executive Order 78–23 which funds were allocated for the following purposes.....		710,699
Agnews State Hospital		
Fire and Life Safety Corrections and Environmental Improvements·		
Buildings 22 and 24—schematic plans	108,529	
Buildings 51, 52, and 53—schematic plans	1,300	

Camarillo State Hospital	
Fire and Life Safety Corrections and Environmental Improvements:	
Buildings 41 and 42 and Children's Unit—schematic plans	2,800
Environmental Improvements:	
Buildings 60 and 61 and 64, 66, and 67—schematic plans	700
Fairview State Hospital	
Fire and Life Safety Corrections and Environmental Improvements:	
Units D, E, and F—schematic plans	600
Unit B—schematic plans	600
Unit K—schematic plans	600
Units S and S-1—schematic plans	600
Unit U—schematic plans	600
Units Q and J—schematic plans	23,510
Unit P—schematic plans	8,340
Fire and Life Safety Corrections:	
Unit T—preliminary plans	1,257
Environmental Improvements:	
Unit T—preliminary plans	2,456
Frank D. Lanterman State Hospital	
Fire and Life Safety Corrections and Environmental Improvements·	
Buildings 2, 3, 16, 17, 20, 21, 22 and 24—schematic plans	700
Buildings 1, 4, 5, 23, 25, 27, 31 and 32—schematic plans	700
Buildings 10, 11, 12, 14, 15, 18, 19, 26, 28, 40 and 41—preliminary plans	128,693
Napa State Hospital	
Fire and Life Safety Corrections and Environmental Improvements·	
Unit 195—schematic plans	1,100
Units 254, 255 and 256—schematic plans	1,100
Units 253 and 257—schematic plans	1,100
Units 196, 197 and 198—schematic plans	1,100

Patton State Hospital	
Fire and Life Safety Corrections and Environmental Improvements:	
Building 20—schematic plans	400
Building 30—schematic plans	400
Building U—schematic plans	400
Building N—schematic plans	400
Porterville State Hospital	
Fire and Life Safety Corrections and Environmental Improvements:	
Unit F–15—preliminary plans	22,000
Units F–1, F–6, F–12, F–13, F–14, F–16; M–1, M–14—preliminary plans	177,179
Units M–2, M–4, M–6, M–7, M–8, M–9, M–10, M–11; F–10, F–17 and F–18—schematic plans	700
Units M–5, M–12, M–13, M–15, M–16; F–5, F–7, F–8, F–9—schematic plans	700
Fire and Life Safety Corrections:	
Units F–2, F–3, F–4, F–11; M–3—schematic plans	3,705
Environmental Improvements:	
Units F–2, F–3, F–4, F–11; M–3—schematic plans	8,137
Sonoma State Hospital	
Fire and Life Safety Corrections and Environmental Improvements:	
Nelson Building—schematic plans	1,300
Regamy, Emparan, Ordahl, Johnson, Communicable Diseases, Brent, Lathrop, Stoneman, Poppe, Cromwell, Tallman and Judah—schematic plans	1,300
Bemis, Cohen, Butler and Lux—schematic plans	1,300
Powers and Parmelle—schematic plans	1,300
Paxton, McDougall, Roadruck and Osborne—schematic plans	47,390
Thompson/Bane, Bentley and Hill—schematic plans	47,390
Goddard, King and Finnerty—sche-	

matic plans	47,390	
Fire and Life Safety Corrections:		
Corcoran, Malone and Smith—preliminary plans	11,035	
Environmental Improvements:		
Corcoran, Malone and Smith—preliminary plans	2,288	
Stockton State Hospital		
Fire and Life Safety Corrections and Environmental Improvements:		
Cottage F—preliminary plans	46,000	
Cottage G—schematic plans.	900	
Building E—schematic plans	900	
Cottage C—schematic plans.	900	
RTC Building—schematic plans	900	
(b) Fire and Life Safety Corrections and Environmental Improvements		237,500
Frank D. Lanterman State Hospital		
(1) Building 29—working drawings	32,200	
Porterville State Hospital		
(2) Unit F-6—working drawings	36,000	
Sonoma State Hospital		
(3) Corcoran and Malone—working drawings	93,200	
(4) Paxton, McDougall, Roadruck and Osborne—preliminary plans and working drawings	76,100	
(c) Preliminary plans, working drawings and construct renovations for swing space		1,012,500
Agnews State Hospital		
(1) Buildings 8 and 7	37,500	
Camarillo State Hospital		
(2) Buildings 13, 15, 16, 17, 21, 23, 26, 28, and 29	350,000	
Patton State Hospital		
(3) Buildings A/B, C/D, H and J	375,000	
Sonoma State Hospital		
(4) Nelson and School	250,000	

(d) Preliminary plans, working drawings and construct utilities and site development for temporary facilities.. 772,000

(1) Camarillo State Hospital	30,000
(2) Fairview State Hospital	220,000
(3) Frank D. Lanterman State Hospital.....	65,000
(4) Porterville State Hospital	267,000
(5) Sonoma State Hospital.....	110,000
(6) Napa State Hospital	80,000

(e) For purchase or for lease with option to purchase of temporary facilities at Porterville State Hospital 1,070,000

(f) For leasing of temporary facilities..... 766,000

(1) Camarillo State Hospital	39,000
(2) Fairview State Hospital.....	285,000
(3) Frank D. Lanterman State Hospital.....	78,000
(4) Porterville State Hospital	117,000
(5) Sonoma State Hospital.....	143,000
(6) Napa State Hospital	104,000

(g) For consulting services 70,000
provided, that all work to be accomplished with funds appropriated under this section shall be coordinated and administered by the Department of General Services, Office of State Architect.

Provided further that the funds appropriated under category (e) shall not be expended for the purchase, lease-purchase or lease with purchase option of temporary facilities unless the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee, or his designee, are provided a report on the cost-benefit analysis and the programmatic need to obtain the subject facilities on a permanent basis. The chairmen shall be provided a 30-day review of the report or such lesser time as the chairman of said committee or his designee may determine.

SEC. 2. The State Public Works Board shall defer all augmentations in excess of 20 percent of the amount appropriated in this act and in Items 468 and 469 of the Budget Act of 1978 for each capital outlay project relating to fire, life safety, and environmental im-

provements in state hospitals of the State Department of Developmental Services and in state hospitals of the State Department of Mental Health, until the Legislature makes additional funds available for the specific project.

SEC. 3. No money appropriated by this act or Items 468 and 469 of the Budget Act of 1978 for fire, life safety, and environmental improvements in state hospitals of the State Department of Developmental Services and in state hospitals of the State Department of Mental Health may be expended unless and until the State Public Works Board and the Department of Finance have approved preliminary plans for the project to be financed from such appropriations for capital outlay, and unless and until the Chairman of the Joint Legislative Budget Committee, or his designee, is provided with a copy of the preliminary plans for five working days or not sooner than such lesser time as the Chairman or his designee may in each instance determine.

The State Public Works Board shall approve the allocation of working drawings and construction funds as are requested upon approval of preliminary plans.

SEC. 4. The funds appropriated herein and those already appropriated in Items 468 and 469 of the Budget Act of 1978 shall be available for expenditure until June 30, 1982.

SEC. 5. The Legislature intends that:

(a) Clear standards be developed defining the types of developmentally and mentally disabled patients to be treated in state hospitals.

(b) Only those patients for whom state hospital treatment is the most appropriate form of treatment be cared for in state hospitals, except no patient whose treatment, condition, or development would be impaired by transfer from a state hospital to a community-based program should be so transferred.

(c) Community-based programs be developed, if necessary, and utilized to provide treatment and service of equal or superior quality to those rendered by state hospitals for those individuals transferred or diverted from state hospitals.

(d) State hospitals meet federal standards, prescribed by the federal Department of Health, Education, and Welfare relating to fire, life safety, and environmental quality, as a condition of reimbursement for both developmentally and mentally disabled patients under the provisions of Title XIX of the federal Social Security Act.

(e) Such capital modifications to state hospitals as are necessary to meet federal fire, life safety, and environmental quality standards be completed by July 1, 1982.

(f) Capital expenditures for state hospitals be limited to those structures, or parts thereof, which will actually be utilized on July 1, 1982, and thereafter, or are directly related to structures which will be so utilized.

SEC 6. The Departments of Mental Health and Developmental Services shall report to the Legislature no later than September 1,

1979, a statement of options and alternatives concerning:

(a) Clinical and administrative standards defining the types of clients to be served in state hospitals;

(b) Projections of the numbers and types of clients to be served at state hospitals each year through 1985, consistent with each alternative outlined in subdivision (a);

(c) The steps necessary to achieve the numbers of patients projected to be served in each alternative outlined in subdivision (b) at both the state and community levels, and the cost implications for both the state and community programs for each such alternative;

(d) Each department's recommendation on the alternative identified which should be utilized by the state, and the reasons therefor.

Among the alternatives presented by the Department of Developmental Services for developmentally disabled clients, the department shall include a description of the steps necessary to achieve a total number of state hospital clients to be served of no greater than 5,500 by 1982 and, alternatively, by 1985.

SEC 7. The Departments of Mental Health and Developmental Services shall report to the Legislature no later than February 1, 1980, with a plan based upon the preferred alternatives developed pursuant to subdivision (c) of Section 6, unless the Legislature acts to require a different alternative. The plan should include, as a minimum, all of the following:

(a) A program and projected costs for developing community resources sufficient to accommodate all clients transferred or diverted from state hospital treatment including identification of the numbers and types of clients affected and a description of how each type of client will be accommodated;

(b) Identification of statutory and administrative regulation changes necessary to implement the plan.

In developing this plan, the departments shall supply to the regional centers a list of all clients currently in state hospitals who should appropriately be referred to community placement. Regional centers shall supply the departments with an individual evaluation for each client so designated and an indication of the appropriateness and feasibility of community placement as well as resources needed in order to place each client.

SEC. 8. It is the intention of the Legislature that funds appropriated by this act be administered by the State Department of Mental Health and the State Department of Developmental Services in a manner which avoids, to the fullest extent consistent with federal fire, life safety, and environmental requirements for reimbursement under Title XIX of the federal Social Security Act, expenditure for any project, directly related to the remodeling, replacement, or construction of a structure, for which there is substantial probability of nonuse for patient treatment after July 1, 1982 The aforementioned departments shall identify such projects to the Legislature, and the amounts to be expended. Any expenditure made for such projects shall be the minimal amount consistent with federal requirements.

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

In order to meet fire, life safety, and environmental requirements mandated by the federal government and to insure the welfare of residents in the state hospitals, it is necessary that this act take effect immediately.

CHAPTER 65

An act to amend Section 255.3 of, to add Section 2615.5 to, and to repeal Section 255.4 of, the Revenue and Taxation Code, relating to taxation.

[Approved by Governor May 19, 1979. Filed with Secretary of State May 19, 1979]

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

SECTION 1. Section 255.3 of the Revenue and Taxation Code is amended to read:

255.3. For the 1974–75 fiscal year and thereafter, the assessor shall each year on or before March 15 mail a claim form for the homeowners' exemption to a person acquiring title to, and recording his ownership of an eligible dwelling after the immediately preceding lien date and before the lien date of the calendar year of the claim. The failure of a person to receive a claim form shall not, however, excuse the person from timely filing of the required affidavit.

SEC. 2. Section 255.4 of the Revenue and Taxation Code is repealed.

SEC. 3. Section 2615.5 is added to the Revenue and Taxation Code, to read:

2615.5. When the county sends a tax bill or copy thereof to any homeowner who received the homeowners' exemption in the immediately preceding year, except where such person has transferred title in the property since the immediately preceding lien date, or to any person who has filed an exemption claim during the preceding assessment year, the tax bill or copy shall be accompanied by a notice concerning ineligibility for the homeowners' exemption. The notice shall inform the taxpayer of the circumstances under which he becomes ineligible for the exemption, of the penalties which are applicable if he allows the exemption to continue when he is not eligible for the exemption, and of his duty to inform the assessor when he is no longer eligible for the exemption Failure to receive the notice shall not excuse the taxpayer of the duty to inform the assessor of his ineligibility for the

exemption.

CHAPTER 66

An act to amend Sections 682, 723.072, and 723.101 of the Code of Civil Procedure and to amend Sections 11 and 12 of Chapter 1133 of the Statutes of 1978, relating to the Employees' Earnings Protection Law, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 19, 1979. Filed with Secretary of State May 19, 1979.]

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

SECTION 1. Section 682 of the Code of Civil Procedure, as amended by Chapter 1419 of the Statutes of 1978, is amended to read:

682. The writ of execution must be issued in the name of the people, sealed with the seal of the court, and subscribed by the clerk or judge, and be directed to the sheriff, constable, or marshal, or registered process server, and it must intelligibly refer to the judgment, stating the court, the county, and in municipal and justice courts, the judicial district, where the judgment is entered, and if it be for money, the amount thereof, and the amount actually due thereon, and if made payable in a specified kind of money or currency, as provided in Section 667, the execution must also state the kind of money or currency in which the judgment is payable, and must require the officer to whom it is directed to proceed substantially as follows:

1. If it be against the property of the judgment debtor, it must require such officer to satisfy the judgment, with interest, out of the personal property of such debtor, and if sufficient personal property cannot be found, then out of his real property; or if the judgment be a lien upon real property, then out of the real property belonging to him on the day when the abstract of judgment was filed as provided in Section 674 of this code, or at any time thereafter.

2. If it be against real or personal property in the hands of the personal representatives, heirs, devisees, legatees, tenants, or trustees, it must require such officer to satisfy the judgment, with interest, out of such property.

3. If it be issued on a judgment made payable in a specified kind of money or currency, as provided in Section 667, it must also require such officer to satisfy the same in the kind of money or currency in which the judgment is made payable, and such officer must refuse payment in any other kind of money or currency; and in case of levy and sale of the property of the judgment debtor, he must refuse payment from any purchaser at such sale in any other kind of money or currency than that specified in the execution. Any such officer collecting money or currency in the manner required by this

chapter, must pay to the plaintiff or party entitled to recover the same, the same kind of money or currency received by him, and in case of neglect or refusal to do so, he shall be liable on his official bond to the judgment creditor in three times the amount of the money so collected.

4. If it be for the delivery of the possession of real or personal property, it must require such officer to deliver the possession of the same, describing it, to the party entitled thereto, and may at the same time require such officer to satisfy any cost, damages, rents, or profits recovered by the same judgment, out of the personal property of the person against whom it was rendered, and the value of the property for which the judgment was rendered to be specified therein if a delivery thereof cannot be had; and if sufficient personal property cannot be found, then out of the real property, as provided in the first subdivision of this section.

SEC. 2. Section 723.072 of the Code of Civil Procedure, as added by Chapter 1133 of the Statutes of 1978, is amended to read:

723.072. (a) A "withholding order for taxes" is an earnings withholding order issued pursuant to this article to collect a state tax liability and shall be denoted as a withholding order for taxes on its face.

(b) A withholding order for taxes may only be issued under one of the following circumstances:

(1) The existence of the state tax liability appears on the face of the taxpayer's return, including a case where such tax liability is disclosed from the taxpayer's return after errors in mathematical computations in the return have been corrected.

(2) The state tax liability has been assessed or determined, as provided in the Revenue and Taxation Code or Unemployment Insurance Code, and the taxpayer had notice of the proposed assessment or determination and had available an opportunity to have the proposed assessment or determination reviewed by appropriate administrative procedures. If the taxpayer makes a timely request for review of the assessment or determination, the state shall not issue a withholding order for taxes until the administrative review procedure is completed. If the taxpayer is given notice of the proposed assessment or determination but does not make a timely request for review, the state may issue a withholding order for taxes.

(c) In any case where a state tax liability has been assessed or determined prior to January 1, 1980, and the state determines that the requirements of subdivision (b) may not have been satisfied, the state may send a "Notice of Proposed Issuance of Withholding Order for Taxes" to the taxpayer at the taxpayer's last known address by first-class mail, postage prepaid. The notice shall advise the taxpayer that the taxpayer may have the assessment or determination reviewed by appropriate administrative procedures and state how such a review may be obtained. If the taxpayer is sent such a notice and requests such a review within 30 days from the date the notice

was mailed to the taxpayer, the state shall provide appropriate administrative procedures for review of the assessment or determination and shall not issue the withholding order for taxes until the administrative review procedure is completed. If the taxpayer is sent such a notice and does not request such a review within 30 days from the date the notice was mailed to the taxpayer, the state may issue the withholding order for taxes.

(d) A withholding order for taxes may be issued whether or not the state tax liability has been reduced to judgment.

SEC. 3. Section 723.101 of the Code of Civil Procedure, as added by Chapter 1133 of the Statutes of 1978, is amended to read:

723.101. (a) An earnings withholding order shall be served by the levying officer upon the employer by delivery of the order to any of the following:

(1) The managing agent or person in charge, at the time of service, of the branch or office where the employee works or the office from which the employee is paid.

(2) Any person to whom a copy of the summons and of the complaint may be delivered to make service on the employer under Article 4 (commencing with Section 416.10) of Chapter 4 of Title 5.

(b) Service of an earnings withholding order shall be made by personal delivery as provided in Section 415.10 or 415.20 or by delivery by registered or certified mail, postage prepaid, with return receipt requested. When service is made by mail, service is completed at the time the return receipt is executed by or on behalf of the recipient. If the levying officer attempts service by mail under this subdivision and does not receive a return receipt within 15 days from the date of deposit in the mail of the earnings withholding order, the levying officer shall make service as provided in Article 3 (commencing with Section 415.10) of Chapter 4 of Title 5.

(c) Except as provided in subdivision (b), service of any notice or document under this chapter may be made by first class mail, postage prepaid. If service is made on the employer after the employer's return has been received by the levying officer, the service shall be made by first class mail, postage prepaid, on the person designated in the employer's return to receive notices and at the address indicated in the employer's return, whether or not such address is within the county. Nothing in this subdivision precludes service by personal delivery on the employer before the employer's return has been received by the levying officer, or on the person designated in the employer's return after its receipt. Service by personal delivery under this subdivision may be made by either the levying officer or, if the notice or document runs in the debtor's favor, by the debtor or the debtor's agent who obtains the levying officer's permission to do so.

(d) Notwithstanding subdivision (b), if the judgment creditor so requests, the levying officer shall make service of the earnings withholding order by personal delivery as provided in Section 415.10 or 415.20. If the judgment creditor requests that service be made

under this subdivision, the fee provided in Section 26750 of the Government Code shall be increased by one dollar and fifty cents ($1.50).

SEC. 4. Section 11 of Chapter 1133 of the Statutes of 1978 is amended to read·

Sec. 11. Any levy of a writ of execution against the earnings of an employee pursuant to Section 682.3 of the Code of Civil Procedure that has been served on the employer prior to January 1, 1980, shall be given effect after the operative date of this act to the same extent as it would have been given effect had this act not been enacted, and the law in effect prior to the operative date of this act shall govern such levy. No earnings withholding order served pursuant to this act on or after January 1, 1980, shall be given any effect during the period that a levy made pursuant to a writ of execution against the earnings of an employee pursuant to Section 682.3 of the Code of Civil Procedure has been given effect, and any earnings withholding order served on an employer during the period such a levy is in effect shall be ineffective.

SEC. 5. Section 12 of Chapter 1133 of the Statutes of 1978 is amended to read:

Sec 12. This act shall become operative on January 1, 1980. The Judicial Council, the state agencies concerned with the implementation of Article 4 (commencing with Section 723.070) of Chapter 2.5, of Title 9, of Part 2 of the Code of Civil Procedure, and the court clerks and levying officers shall, prior to that date, take all measures necessary in order that the provisions of this act may be implemented on January 1, 1980.

SEC. 6. Sections 1 to 3, inclusive, of this act shall become operative on January 1, 1980.

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

The Employees' Earnings Protection Law becomes operative on July 1, 1979, and requires the use of forms prepared by the Judicial Council. There is not sufficient time before the operative date for the Judicial Council to prepare the required forms or for counties to follow required public bid procedures for the purchase of forms. It is necessary that this act deferring the operative date of the law go into immediate effect so that the law does not become operative before the required forms are available

CHAPTER 67

An act to add Section 2065 to the Code of Civil Procedure, and to add Section 1329.1 to the Penal Code, relating to witnesses.

[Approved by Governor May 19, 1979 Filed with Secretary of State May 19, 1979]

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

SECTION 1. Section 2065 is added to the Code of Civil Procedure, to read:

2065 Any witness who is subpoenaed in any civil or administrative action or proceeding shall be given written notice on the subpoena that the witness may be entitled to receive fees and mileage. Such notice shall indicate generally the manner in which the request for fees and mileage should be made.

SEC. 2 Section 1329 1 is added to Penal Code, to read:

1329.1. Any witness who is subpoenaed in any criminal action or proceeding shall be given written notice on the subpoena that the witness may be entitled to receive fees and mileage. Such notice shall indicate generally the manner in which a request or claim for fees and mileage should be made.

SEC. 3. This act shall become operative July 1, 1980

CHAPTER 68

An act to add Section 980.2 to the Military and Veterans Code, relating to veterans

[Approved by Governor May 19, 1979 Filed with Secretary of State May 19, 1979]

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

SECTION 1. Section 980.2 is added to the Military and Veterans Code, to read.

980 2. For purposes of Section 980, a person who was born in a state other than California during the period of evacuation required by Presidential Executive Order No 9066 dated February 19, 1942, as a child of a bona fide California resident of Japanese ancestry evacuated pursuant to such presidential order, shall be considered to have been a native of California at the time of entry into active duty.

CHAPTER 69

An act to add Section 4705 to the Civil Code, relating to child support.

[Approved by Governor May 19, 1979 Filed with Secretary of State May 19, 1979]

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

SECTION 1. Section 4705 is added to the Civil Code, to read:

4705. In any case in which the court has ordered a noncustodial parent to pay for the support, maintenance, and education of a child, payments for the support of such child made by the federal government pursuant to the Social Security Act or Railroad Retirement Act because of the retirement or disability of the noncustodial parent and transmitted to the custodial parent each month shall be credited toward the amount ordered by the court to be paid for that month by the noncustodial parent for support of the child unless the payments made by the federal government were taken into consideration by the court in determining the amount of support to be paid by the noncustodial parent.

CHAPTER 70

An act to add Section 8766.5 to the Business and Professions Code, relating to records of survey.

[Approved by Governor May 19, 1979 Filed with Secretary of State May 19, 1979]

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

SECTION 1. Section 8766.5 is added to the Business and Professions Code, to read:

8766.5. The county surveyor may charge a reasonable fee, not to exceed the cost of such service, for examining a record of survey pursuant to Section 8766.

CHAPTER 71

An act to amend Sections 40303 5 and 40610 of, and to add Section 40522 to, the Vehicle Code, relating to vehicles, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 19, 1979 Filed with Secretary of State May 19, 1979]

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

SECTION 1. Section 40303.5 of the Vehicle Code is amended to read·

40303.5. Whenever any person is arrested for any of the following offenses, and all of the conditions set forth in subdivision (b) of Section 40610 are met, the arresting officer may permit the arrested person to execute a notice containing a promise to correct the violation in accordance with the provisions of Section 40610:

(a) Any registration infraction set forth in Division 3 (commencing with Section 4000)

(b) Any driver's license infraction set forth in Division 6 (commencing with Section 12500), and subdivision (a) of Section 12951, relating to possession of driver's license

(c) Section 21201, relating to bicycle equipment.

(d) Any infraction involving equipment set forth in Division 12 (commencing with Section 24000).

SEC. 2. Section 40610 of the Vehicle Code is amended to read:

40610 (a) If after an arrest, accident investigation, or other law enforcement action, it appears that a violation has occurred involving a registration, license, or mechanical requirement of this code, and all of the conditions set forth in subdivision (b) are met and the investigating officer decides to take enforcement action, he may prepare, in triplicate, and the violator shall sign, a written notice containing his or her promise to correct the alleged violation and to deliver proof of correction of the violation to the issuing agency.

(b) Use of the notice to correct violation as provided by this section is authorized when all of the following conditions exist·

(1) The violation does not evidence fraud or persistent neglect.

(2) The violation has not presented and does not present an immediate safety hazard

(3) The alleged violator agrees to, and is able to, promptly correct the violation.

(4) The violation does not involve a vehicle subject to regulation under Division 14 8 (commencing with Section 34500)

(c) If any of the conditions set forth in subdivision (b) are not met, the investigating officer may issue a notice to appear in accordance with Article 2 (commencing with Section 40500) of this chapter, or take other appropriate enforcement action

(d) The notice to correct violation shall be in a form approved by the Judicial Council, and in addition to the owner's or operator's address and identifying information, shall contain an estimate of the reasonable time required for correction and proof of correction of the particular defect, not to exceed 30 days.

SEC 3 Section 40522 is added to the Vehicle Code, to read.

40522 Whenever a person is arrested solely for violations

specified in Section 40303.5 and the officer issues a notice to appear, the notice shall specify the offense charged and include the following statement: "Charged pursuant to subdivision (b) of Section 40610 of the Vehicle Code." If the arrested person presents, by mail or in person, proof of correction, as prescribed in Section 40616, on or before the date on which he or she promised to appear, the court shall dismiss the notice to appear.

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:

Existing law, which will become operative July 1, 1979, will require local law enforcement agencies to prepare and issue a new form of citation and will necessitate an expenditure of local funds. It is therefore necessary that this act, which will permit, rather than require, local agencies to issue notices to correct take effect immediately as an urgency measure.

CHAPTER 72

An act to amend Sections 429.11, 24201, 24205, 24220, 24232, 24250, 24252, and 24255 of, and to repeal Sections 24209, 24251, and 24254 of, the Health and Safety Code, to amend Sections 56, 57.1, 60.5, 142, 142.3, 144, 144.5, 147, 147.1, and 6302 of, and to add Sections 60.6, 60.7, 60.8, and 60.9 to, the Labor Code, relating to the reorganization of the executive branch of the California state government.

[Became law without Governor's signature May 20, 1979 Filed with Secretary of State May 21, 1979.]

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

SECTION 1. Section 429.11 of the Health and Safety Code is amended to read.

429.11. The State Department of Health Services shall maintain a program of occupational health and occupational disease prevention including, but not limited to, the following:

(a) Investigations into the causes of morbidity and mortality from work-induced diseases.

(b) Development of recommendations for improved control of work-induced diseases

(c) Maintenance of a thorough knowledge of the effects of industrial chemicals and work practices on the health of California workers.

(d) Provision of technical assistance in matters of occupational disease prevention and control to the Department of Industrial Relations and other governmental and nongovernmental agencies, organizations, and private individuals.

(e) Collection and summarization of statistics describing the causes and prevalence of work-induced diseases in California.

The functions provided for above are intended to implement within the department a continuing research and development capability and a repository of hazardous substances capability which will reinforce and strengthen the administration of the Occupational Safety and Health Act, including the capability to recommend occupational health standards to the California Occupational Safety and Health Standards Board.

SEC. 2. Section 24201 of the Health and Safety Code is amended to read:

24201. The purpose of this chapter is to clarify and strengthen the provisions of state law applicable to the use of carcinogens in California. It is the intent of the Legislature to provide for effective implementation of the provisions of this chapter

SEC. 3. Section 24205 of the Health and Safety Code is amended to read:

24205. "Division" means the Division of Occupational Safety and Health in the Department of Industrial Relations.

SEC 4. Section 24209 of the Health and Safety Code is repealed.

SEC. 5. Section 24220 of the Health and Safety Code is amended to read:

24220. (a) Pursuant to Chapter 6 (commencing with Section 140) of Division 1 of the Labor Code, the standards board shall adopt standards for carcinogens at least as restrictive as the federal requirements for use of carcinogens promulgated under Section 6 of the Occupational Safety and Health Act of 1970 (P.L. 91-596), as such federal requirements may be revised from time to time. Within six months after the effective date of any change in such federal requirements, the standards board shall amend its standards as necessary to comply with this subdivision.

(b) It is the intent of the Legislature that the state shall exercise strong leadership in preventing employees, employers, and other persons from being exposed to carcinogens. In this connection, it is the further intent of the Legislature that the standards board adopt standards for substances as to which there exists a preponderance of evidence of carcinogenicity, but for which the federal government has not yet promulgated requirements specified in subdivision (a). The division shall determine the necessity for such standards and shall develop and present such proposed standards to the standards board pursuant to Section 147.1 of the Labor Code. The standards board shall on or before January 5, 1978, report to the Legislature on whether it has adopted standards for carcinogens which are (1) not subject to federal requirements specified in subdivision (a) or (2) not specified in subdivision (a), (b), or (c) of Section 24204.

SEC. 6 Section 24232 of the Health and Safety Code is amended to read

24232 The division shall make every effort to ascertain the identities of existing users of carcinogens and to notify, inform, and

educate them about the requirements of this chapter. The division shall utilize all appropriate means of communication and education, including direct mailings to employers, the use of courses, workshops, and seminars, advertising in mass media, trade and employee publications, and professional and scientific journals, contact with trade associations, employee representatives, and professional and scientific societies, and cooperation with other governmental agencies to inform affected employees, employers, and the public of the requirements of this chapter.

SEC. 7. Section 24250 of the Health and Safety Code is amended to read:

24250. The division shall establish priorities for the performance of inspections of premises for which uses have been reported pursuant to Section 24230 and shall perform as many of such inspections as possible within the limits of the resources available to it for such purpose

SEC 8 Section 24251 of the Health and Safety Code is repealed

SEC. 9 Section 24252 of the Health and Safety Code is amended to read:

24252 If an authorized representative of the division determines on the basis of an inspection that an employer is using a carcinogen in violation of the standards pertaining to such use, he shall immediately notify the employer and affected employees.

SEC. 10. Section 24254 of the Health and Safety Code is repealed.

SEC 11. Section 24255 of the Health and Safety Code is amended to read·

24255. Upon request of any employer or any employee, or upon its own initiative, the OSHA Consultation Unit of the Department of Industrial Relations shall provide consultation services regarding the use of a carcinogen and may offer educational programs to inform employers and employees of the provisions of this chapter.

SEC. 12. Section 56 of the Labor Code is amended to read:

56. The work of the department shall be divided into at least seven divisions known as the Division of Industrial Accidents, the Division of Occupational Safety and Health, the Division of Labor Standards Enforcement, the Division of Fair Employment Practices, the Division of Labor Statistics and Research, the Division of Apprenticeship Standards, and the State Compensation Insurance Fund.

SEC 13 Section 57 1 of the Labor Code is amended to read·

57 1 (a) The Chief of the Division of Occupational Safety and Health shall receive an annual salary as provided by Chapter 6 (commencing with Section 11550) of Part 1 of Division 3 of Title 2 of the Government Code

(b) All officers or employees of the Division of Occupational Safety and Health employed after the operative date of this section shall be appointed by the director in accordance with the provisions of the State Civil Service Act Notwithstanding the foregoing, two deputy chiefs of the Division of Occupational Safety and Health shall

be appointed by the Governor, with the advice of the Director of Industrial Relations, to serve at the pleasure of the Director of Industrial Relations. The two deputy chiefs shall be exempt from civil service. The annual salaries of the two exempted deputy chiefs shall be fixed by the Director of Industrial Relations, subject to the approval of the Director of Finance.

SEC. 14. Section 60.5 of the Labor Code is amended to read:

60.5. (a) The provisions of Part 1 of Division 5 of this code shall be administered and enforced by the department through the Division of Occupational Safety and Health, subject to the direction of the director pursuant to Section 50.7.

(b) The Division of Occupational Safety and Health succeeds to, and is vested with, all of the powers, duties, purposes, responsibilities, and jurisdiction of the Division of Industrial Safety, which is hereby abolished, and any other jurisdiction conferred by law.

(c) All powers, duties, and responsibilities of the Chief of the Division of Industrial Safety are hereby transferred to the Chief of the Division of Occupational Safety and Health

(d) Any regulation or other action made, prescribed, issued, granted, or performed by the abolished Division of Industrial Safety in the administration of a function transferred pursuant to subdivision (b) shall remain in effect and shall be deemed to be a regulation or action of the Division of Occupational Safety and Health unless and until repealed, modified, or rescinded by such division

(e) Whenever any reference is made in any law to the abolished Division of Industrial Safety, it shall be deemed to be a reference to, and to mean, the Division of Occupational Safety and Health.

SEC. 15. Section 60.6 is added to the Labor Code, to read:

60.6. All persons serving in the state civil service in the Division of Industrial Safety or in the Occupational Health Branch of the State Department of Health Services, and engaged in the performance of a function transferred to the Division of Occupational Safety and Health shall, in accordance with Section 19370 of the Government Code, remain in the state civil service and are hereby transferred to the Department of Industrial Relations. The status, positions, and rights of such persons shall not be affected by their transfer and shall continue to be retained by them pursuant to the State Civil Service Act, except as to positions the duties of which are vested in a position that is exempt from civil service

SEC 16. Section 60.7 is added to the Labor Code, to read:

60.7 The Division of Occupational Safety and Health shall have possession and control of all records, books, papers, offices, equipment, supplies, moneys, funds, appropriations, land, licenses, permits, agreements, contracts, claims, judgments, and other property, real or personal, held for the benefit or use of the Division of Industrial Safety and the Occupational Health Branch of the State Department of Health Services with respect to the functions of those organizations that are transferred to the Division of Occupational

Safety and Health

SEC 17. Section 60.8 is added to the Labor Code, to read:

60.8. The Division of Occupational Safety and Health may expend money appropriated for the administration of the laws the enforcement of which is committed to the division. Such expenditures by the division shall be made in accordance with law in carrying out the purposes for which the appropriations were made.

SEC. 18 Section 60 9 is added to the Labor Code, to read:

60.9. There is within the Division of Occupational Safety and Health an occupational health unit and an occupational safety unit, which shall assist in the performance of occupational health functions and occupational safety functions, respectively, assigned to the division by law. There is also within the occupational health unit an occupational carcinogen control unit responsible for implementing the division's obligations pursuant to the Occupational Carcinogen Control Act, Chapter 2 (commencing with Section 24200) of Division 20 of the Health and Safety Code. The division, in performing its responsibilities under this code, shall provide for laboratory services and service personnel with respect to occupational health matters by interagency agreement with the State Department of Health Services The interagency agreement shall provide for prior approval by the chief of the division of any purchases of laboratory equipment which will be charged against the agreement. In addition, the agreement shall provide that reimbursement of personal services shall be in accordance with and limited to a schedule of activities approved by the chief of the division

SEC. 19. Section 142 of the Labor Code is amended to read:

142. The Division of Occupational Safety and Health shall enforce all occupational safety and health standards adopted pursuant to this chapter, and those heretofore adopted by the Industrial Accident Commission or the Industrial Safety Board. General safety orders heretofore adopted by the Industrial Accident Commission or the Industrial Safety Board shall continue to remain in effect but they may be amended or repealed pursuant to this chapter

SEC. 20. Section 142.3 of the Labor Code is amended to read:

142 3 (a) The board, by an affirmative vote of at least four members, may adopt, amend or repeal occupational safety and health standards and orders. The board shall be the only agency in the state authorized to adopt occupational safety and health standards The board shall adopt standards at least as effective as the federal standards for all issues for which federal standards have been promulgated under Section 6 of the Occupational Safety and Health Act of 1970 (P.L 91-596) within six months of the effective date of the federal standards and which, when applicable to products which are distributed or used in interstate commerce, are required by compelling local conditions and do not unduly burden interstate commerce

(b) Any standard or order promulgated under this section shall prescribe the use of labels or other appropriate forms of warning as are necessary to ensure that employees are apprised of all hazards to which they are exposed, relevant symptoms and appropriate emergency treatment, and proper conditions and precautions for safe use or exposure. Where appropriate, such standards or orders shall also prescribe suitable protective equipment and control or technological procedures to be used in connection with such hazards and shall provide for monitoring or measuring employee exposure at such locations and intervals and in such manner as may be necessary for the protection of employees. In addition, where appropriate, any such standard or order shall prescribe the type and frequency of medical examinations or other tests which shall be made available, by the employer or at his cost, to employees exposed to such hazards in order to most effectively determine whether the health of such employee is adversely affected by such exposure

(c) The results of such examinations or tests shall be furnished only to the Division of Occupational Safety and Health, the State Department of Health Services, any other authorized state agency, the employer, the employee, and, at the request of the employee, to his or her physician.

SEC. 21. Section 144 of the Labor Code is amended to read:

144. (a) The authority of any agency, department, division, bureau or any other political subdivision other than the Division of Occupational Safety and Health to assist in the administration or enforcement of any occupational safety or health standard, order, or rule adopted pursuant to this chapter shall be contained in a written agreement with the Department of Industrial Relations or an agency authorized by the department to enter into such agreement.

(b) No such agreement shall deprive the Division of Occupational Safety and Health or other state agency to which authority has been delegated of any power or authority of the state agency.

(c) Such an agreement may provide for the right of access of an authorized representative of the designated agency to enter any place of employment which is under the jurisdiction of the Division of Occupational Safety and Health.

(d) If any representative of an agency operating under such an agreement becomes aware of an imminent hazard, he shall notify the employer and affected employees of the hazard and immediately notify the Division of Occupational Safety and Health.

(e) Nothing in this section shall affect or limit the authority of any state or local agency as to any matter other than the enforcement of occupational safety and health standards adopted by the board; however, nothing herein shall limit or reduce the authority of local agencies to adopt and enforce higher standards relating to occupational safety and health for their own employees.

SEC. 22. Section 144 5 of the Labor Code is amended to read:

144.5. (a) The Division of Occupational Safety and Health in connection with the enforcement of occupational safety and health

standards adopted pursuant to this chapter shall do all of the following:

(1) Conduct inspections or investigations related to specific workplaces for the evaluation of occupational health problems or environmental conditions which may be harmful to the health of employees.

(2) Upon request of any employer or employee, or on its own initiative, conduct special investigations or studies of occupational health problems which are unrelated to a specific enforcement action to the extent the circumstances indicate and priorities permit.

(3) Provide a continuing program of training for safety engineers of the Division of Occupational Safety and Health in the recognition of health hazards, in dealing with such hazards that do not require specialized competence or equipment and in acquainting them with the skills available from the State Department of Health Services and local health agencies.

(b) (1) When requested by a local health department, the Division of Occupational Safety and Health shall enter into a written agreement with such local health department to conduct inspections and evaluations of occupational health problems, including environmental and sanitary conditions, in places of employment.

(2) Any such agreement shall be subject to the provisions of Section 144. It shall be entered into only after a finding that the local health department can meet the necessary standards of performance for inspections and evaluations to be conducted pursuant to the agreement.

(3) Such agreement shall not be binding upon either party unless and until it has been fully approved by the United States Department of Labor.

(4) Such agreements shall be completed by the Division of Occupational Safety and Health and submitted for approval to the United States Department of Labor not later than six months from the date of request by the local health department.

(5) Inspection services performed under the agreement shall be conducted pursuant to the occupational safety and health standards adopted pursuant to this chapter.

SEC 23. Section 147 of the Labor Code is amended to read:

147. The board shall refer to the Division of Occupational Safety and Health for evaluation any proposed occupational safety or health standard or variance from adopted standards received by the board from sources other than the division The division shall submit a report on the proposed standard or variance within 60 days of receipt thereof.

SEC. 24. Section 147.1 of the Labor Code is amended to read:

147.1 In connection with the development and promulgation of occupational health standards the Division of Occupational Safety and Health shall perform all of the following functions·

(a) Analyze proposed and new federal occupational health standards, evaluate their impact on California, determine any

necessity for their modification, and present proposed standards to the board in sufficient time for the board to conduct hearings and adopt standards within the time required.

(b) Maintain liaison with the National Institute of Occupational Safety and Health and the federal Occupational Safety and Health Administration in the development of recommended federal standards and when appropriate provide representation on federal advisory committees dealing with the development of occupational health standards.

(c) On occupational health issues not covered by federal standards maintain surveillance, determine the necessity for standards, develop and present proposed standards to the board.

(d) Evaluate any proposed occupational health standard or application for a variance of an occupational health standard received by the board, and submit a report to the board on the proposed standard or variance within 60 days of receipt thereof

(e) Appear and testify at board hearings and other public proceedings involving occupational health matters

SEC. 25. Section 6302 of the Labor Code is amended to read:

6302. As used in this division:

(a) "Director" means the Director of Industrial Relations.

(b) "Department" means the Department of Industrial Relations.

(c) "Insurer" includes the State Compensation Insurance Fund and any private company, corporation, mutual association, and reciprocal or interinsurance exchange, authorized under the laws of this state to insure employers against liability for compensation under this part and under Division 4 (commencing with Section 3201), and any employer to whom a certificate of consent to self-insure has been issued.

(d) "Division" means the Division of Occupational Safety and Health.

(e) "Standards board" means the Occupational Safety and Health Standards Board, within the department.

(f) "Appeals board" means the Occupational Safety and Health Appeals Board, within the department.

CHAPTER 73

An act to amend Section 19615 of the Business and Professions Code, relating to horseracing, and declaring the urgency thereof, to take effect immediately

[Became law without Governor's signature May 21, 1979 Filed with Secretary of State May 21, 1979]

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

SECTION 1. Section 19615 of the Business and Professions Code is amended to read:

19615. (a) The board shall provide a method for estimating the aggregate handle for each association's proposed race meeting. Estimates may be revised during the course of such meeting. Based upon the estimate, each association shall pay its license fee weekly, and purses shall be reasonably allocated over the period of the association's anticipated race meeting pursuant to a purse program developed by the association in consultation with the horsemen's organization contracting with the association with respect to the conduct of racing meetings subject to approval of the board.

(b) Within seven (7) days after the close of a race meeting an association shall pay any license fee theretofore unpaid, or shall have refunded to it any excess license fee theretofore paid.

(c) If at the close of a thoroughbred racing meeting at which the total amount handled in the parimutuel pools relating to such meeting exceeds twenty million dollars ($20,000,000) it is determined that the association conducting the meeting has not made payments to or for the benefit of owners and breeders of horses in an amount equaling the percentages set forth in Sections 19611 and 19612, any excess shall be deducted from, and any deficiency not in excess of an amount agreed upon between the association and the horsemen's organization contracting with the association with respect to the conduct of racing meetings shall be added to the amount such association is required to pay to or for the benefit of owners and breeders of horses at its racing meeting in the following calendar year. Any deficiency in excess of the amount agreed upon shall be distributed as provided in such agreement.

(d) If at the close of any other racing meeting it is determined that the association conducting the meeting has not made payments to or for the benefit of owners and breeders of horses in an amount equaling the percentages set forth in Sections 19611 and 19612 of this chapter, any excess shall be deducted from, and any deficiency shall be added to, the amount such association is required to pay to or for the benefit of owners and breeders of horses at its racing meeting in the following calendar year.

(e) Any two associations conducting a meeting pursuant to Section 19612.5 or 19612.6 may, with the approval of the board, combine their excesses or deficiencies from prior meetings if the associations and the organizations representing the horsemen all agree.

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 permit a negotiated settlement with respect to overpayment of purses which will assure the continuation of harness

racing at the California Exposition and State Fair racing facility and the maintaining of state rental payments and parimutuel license fee revenues, it is necessary that this act take effect at the earliest possible opportunity.

CHAPTER 74

An act relating to the data communication consolidation project, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 22, 1979 Filed with Secretary of State May 22, 1979]

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

SECTION 1. The sum of five hundred thirty-two thousand dollars ($532,000) is hereby appropriated payable two hundred thousand dollars ($200,000) from the General Fund and three hundred thirty-two thousand dollars ($332,000) from the Motor Vehicle Account in the State Transportation Fund, to the Department of Motor Vehicles for construction of the Department of Motor Vehicles and Department of Justice data communication consolidation project.

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:

(1) Funds are required for site completion for the Department of Motor Vehicles-Department of Justice data communication consolidation project. In order to meet the site completion date of March 1, 1980, the Office of the State Architect requires approval of working drawings and construction funds by the Public Works Board in May, 1979.

(2) Unless site preparation is completed by March 1, 1980, the state will incur costs of three hundred eighteen thousand dollars ($318,000) in liquidated damages, operation expense, and extension of consultant fees and line costs.

CHAPTER 75

An act relating to the state park system, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 22, 1979 Filed with Secretary of State May 22, 1979]

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

SECTION 1. Notwithstanding the proviso contained in category (d) of Item 457 of the Budget Act of 1978 (Chapter 359, Statutes of 1978) to the contrary, the funds appropriated by category (d) of Item 457 of the Budget Act of 1978 for the acquisition of Santa Susana Mountains lands shall not be used first to augment the appropriation made by the Budget Act of 1977 (Item 443C), as added by Chapter 756 of the Statutes of 1977, for the phase 1 acquisition (Assessor's Parcel Nos. 2723-01-03, 2723-02-09 and 10,2821-11-18, 2821-13-14 and 2821-14-33) and secondly for phase 2 acquisition (Assessor's Parcel Nos. 2723-01-02, 04, 05, 08, 14 and 15, and 2723-02-11 and 12).

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 enable the early acquisition of urgently needed lands for the state park system, it is necessary that this act take effect immediately.

CHAPTER 76

An act to amend Sections 3352, 3363.5, and 3363.6 of the Labor Code, relating to workers' compensation.

[Approved by Governor May 22, 1979 Filed with Secretary of State May 22, 1979]

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

SECTION 1. Section 3352 of the Labor Code is amended to read:

3352. "Employee" excludes:

(a) Any person defined in subdivision (d) of Section 3351 who is employed by his parent, spouse, or child.

(b) Any person performing services in return for aid or sustenance only, received from any religious, charitable, or relief organization.

(c) Any person holding an appointment as deputy clerk, deputy sheriff, or deputy constable appointed for his own convenience, and who receives no compensation from the county or municipal corporation or from the citizens thereof for his services as such deputy. This exclusion is operative only as to employment by the county or municipal corporation and does not deprive any person so deputized from recourse against a private person employing him for injury occurring in the course of and arising out of such employment.

(d) Any person performing voluntary services at or for a

recreational camp, hut or lodge operated by a nonprofit organization, exempt from federal income tax under Section 101(6) of the Internal Revenue Code, of which he or a member of his family is a member and who receives no compensation for such services other than meals, lodging or transportation.

(e) Any person performing voluntary service as a ski patrolman who receives no compensation for such services other than meals or lodging or the use of ski tow or ski lift facilities.

(f) Any person employed by a ski lift operator to work at a snow ski area who is relieved of and not performing any prescribed duties, while participating in recreational activities on his own initiative.

(g) Any person, other than a regular employee, participating in sports or athletics who receives no compensation for such participation other than the use of athletic equipment, uniforms, transportation, travel, meals, lodgings, or other expenses incidental thereto.

(h) Any person defined in subdivision (d) of Section 3351 who was employed by the employer to be held liable for less than 52 hours during the 90 calendar days immediately preceding the date of the injury for injuries as defined in Section 5411 or during the 90 calendar days immediately preceding the date of the last employment in an occupation exposing the employee to the hazards of such disease or injury for injuries as defined in Section 5412, or who earned less than one hundred dollars ($100) in wages from such employer during the 90 calendar days immediately preceding the date of the injury for injuries as defined in Section 5411 or during the 90 calendar days immediately preceding the date of the last employment in an occupation exposing the employee to the hazards of such disease or injury for injuries as defined in Section 5412.

(i) Any person performing voluntary service for a public agency or a private, nonprofit organization who receives no remuneration for such services other than meals, transportation, lodging, or reimbursement for incidental expenses.

SEC. 2. Section 3363.5 of the Labor Code is amended to read:

3363.5. (a) Notwithstanding Sections 3351, 3352, and 3357, a person who performs voluntary service without pay for a public agency, as designated and authorized by the governing body of the agency or its designee, shall, upon adoption of a resolution by the governing body of the agency so declaring, be deemed to be an employee of the agency for purposes of this division while performing such service.

(b) For purposes of this section, "voluntary service without pay" shall include services performed by any person, who receives no remuneration other than meals, transportation, lodging, or reimbursement for incidental expenses.

SEC. 3. Section 3363.6 of the Labor Code is amended to read:

3363.6. (a) Notwithstanding Sections 3351, 3352, and 3357, a person who performs voluntary service without pay for a private, nonprofit organization, as designated and authorized by the board of

directors of the organization, shall, when the board of directors of the organization, in its sole discretion, so declares in writing and prior to the injury, be deemed an employee of the organization for purposes of this division while performing such service.

(b) For purposes of this section, "voluntary service without pay" shall include the performance of services by a parent, without remuneration in cash, when rendered to a cooperative parent participation nursery school if such service is required as a condition of participation in the organization.

(c) For purposes of this section, "voluntary service without pay" shall include the performance of services by a person who receives no remuneration other than meals, transportation, lodging, or reimbursement for incidental expenses.

SEC 4. Nothing in this act shall be construed to affect the status of persons described in Section 830.6 of the Penal Code, as set forth under Division 4 (commencing with Section 3200) of the Labor Code.

CHAPTER 77

An act to add Section 121 to the Business and Professions Code, relating to business and professions.

[Approved by Governor May 22, 1979 Filed with Secretary of State May 22, 1979]

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

SECTION 1. Section 121 is added to the Business and Professions Code, to read:

121. No licensee who has complied with the provisions of this code relating to the renewal of his or her license prior to expiration of such license shall be deemed to be engaged illegally in the practice of his or her business or profession during any period between such renewal and receipt of evidence of such renewal which may occur due to delay not the fault of the applicant.

As used in this section, "license" includes "certificate," "permit," "authorization," and "registration," or any other indicia giving authorization, by any agency, board, bureau, commission, committee, or entity within the Department of Consumer Affairs, to engage in a business or profession regulated by this code or by the board referred to in the Chiropractic Act or the Osteopathic Act.

CHAPTER 78

An act to amend Section 12020 of the Penal Code, relating to weapons, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 22, 1979 Filed with Secretary of State May 22, 1979]

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

SECTION 1. Section 12020 of the Penal Code is amended to read:

12020. (a) Any person in this state who manufactures or causes to be manufactured, imports into the state, keeps for sale, or offers or exposes for sale, or who gives, lends, or possesses any cane gun or wallet gun, any firearm which is not immediately recognizable as a firearm, any ammunition which contains or consists of any flechette dart, any bullet containing or carrying an explosive agent, or any instrument or weapon of the kind commonly known as a blackjack, slungshot, billy, nunchaku, sandclub, sandbag, sawed-off shotgun, or metal knuckles, or who carries concealed upon his person any explosive substance, other than fixed ammunition or who carries concealed upon his person any dirk or dagger, is guilty of a felony, and upon conviction shall be punishable by imprisonment in the county jail not exceeding one year or in a state prison. A bullet containing or carrying an explosive agent is not a destructive device as that term is used in Section 12301.

(b) Subdivision (a) shall not apply to any of the following:

(1) The manufacture, possession, transportation or use, with blank cartridges, of sawed-off shotguns solely as props for motion picture film or television program production when such is authorized by the Department of Justice pursuant to Article 6 (commencing with Section 12095) of this chapter and is not in violation of federal law.

(2) The possession of a nunchaku on the premises of a school which holds a regulatory or business license and teaches the arts of self-defense.

(3) The manufacture of a nunchaku for sale to, or the sale of a nunchaku to, a school which holds a regulatory or business license and teaches the arts of self-defense.

(4) Any antique firearm. For purposes of this section, the term "antique firearm" means any firearm not designed or redesigned for using rim fire or conventional center fire ignition with fixed ammunition and manufactured in or before 1898 (including any matchlock, flintlock, percussion cap, or similar type of ignition system or replica thereof, whether actually manufactured before or after the year 1898) and also any firearm using fixed ammunition manufactured in or before 1898, for which ammunition is no longer manufactured in the United States and is not readily available in the ordinary channels of commercial trade

(5) Tracer ammunition manufactured for use in shotguns.

(6) Any firearm or ammunition which is a curio or relic as defined in Section 178.11 of Title 27 of the Code of Federal Regulations and which is in the possession of a person permitted to possess such items pursuant to Chapter 44 (commencing with Section 921) of Title 18 of the United States Code and the regulations issued pursuant thereto. Any person prohibited by Section 12021 or 12021.5 of this code or Section 8103 of the Welfare and Institutions Code from possessing such firearms or ammunition who obtains title to such items by bequest or intestate succession may retain title for not more than one year, but actual possession of such items at any time shall be punishable pursuant to Section 12021 or 12021.5 of this code or Section 8103 of the Welfare and Institutions Code. Within such year the person shall transfer title to such firearms or ammunition by sale, gift, or other disposition. Any person who violates this paragraph is in violation of subdivision (a).

(7) Any other weapon as defined in subsection (e) of Section 5845 of Title 26 of the United States Code and which is in the possession of a person permitted to possess such weapons pursuant to the Gun Control Act of 1968 (P.L. 90-618; 82 Stat. 1213), as amended, and the regulations issued pursuant thereto. Any person prohibited by Section 12021 or 12021.5 of this code or Section 8103 of the Welfare and Institutions Code from possessing such weapons who obtains title to such weapons by bequest or intestate succession may retain title for not more than one year, but actual possession of such weapons at any time shall be punishable pursuant to Section 12021 or 12021.5 of this code or Section 8103 of the Welfare and Institutions Code. Within such year the person shall transfer title to such weapons by sale, gift, or other disposition. Any person who violates this paragraph is in violation of subdivision (a).

(c) Any person in this state who manufactures or causes to be manufactured, imports into the state, keeps for sale or offers or exposes for sale, or who gives, lends, or possesses any instrument, without handles, consisting of a metal plate having three or more radiating points with one or more sharp edges and designed in the shape of a polygon, trefoil, cross, star, diamond, or other geometric shape for use as a weapon for throwing is guilty of a felony, and upon conviction shall be punishable by imprisonment in the county jail not exceeding one year or in a state prison.

(d) (1) As used in this section a "sawed-off shotgun" means any firearm (including any revolver) manufactured, designed, or converted to fire shotgun ammunition having a barrel or barrels of less than 18 inches in length, or a rifle having a barrel or barrels of less than 16 inches in length, or any weapon made from a rifle or shotgun (whether by manufacture, alteration, modification, or otherwise) if such weapon as modified has an overall length of less than 26 inches.

(2) As used in this section, a "nunchaku" means an instrument consisting of two or more sticks, clubs, bars or rods to be used as

handles, connected by a rope, cord, wire or chain, in the design of a weapon used in connection with the practice of a system of self-defense such as karate.

(3) As used in this section a "wallet gun" means any firearm mounted or enclosed in a case, resembling a wallet, designed to be or capable of being carried in a pocket or purse, if such firearm may be fired while mounted or enclosed in such case.

(4) As used in this section a "cane gun" means any firearm mounted or enclosed in a stick, staff, rod, crutch or similar device, designed to be or capable of being used as an aid in walking, if such firearm may be fired while mounted or enclosed therein.

(5) As used in this section, a "flechette dart" means a dart, capable of being fired from a firearm, which measures approximately one inch in length, with tail fins which take up five-sixteenths inch of the body.

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 prevent the confiscation of firearms and ammunition from persons who presently possess items which would be classified as curios or relics by this bill it is necessary that this act shall go into immediate effect.

CHAPTER 79

An act making an appropriation for reimbursing local governments for peace officer training, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 23, 1979 Filed with Secretary of State May 23, 1979]

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

SECTION 1 The sum of six hundred fifty thousand dollars ($650,000) is hereby appropriated from the Peace Officers' Training Fund to the Commission on Peace Officer Standards and Training in augmentation of Item 357 of the Budget Act of 1977 (Ch. 219, Stats 1977) for allocation to cities, counties, cities and counties, or districts for the purpose of reimbursing such jurisdictions for peace officer training.

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:

The approval of Proposition 13 (now Article XIII A of the California Constitution) at the June 6, 1978 primary election has in

certain instances caused a shortage of funds to meet operating and debt expenses of local governments, and has sometimes caused the curtailment or elimination of programs and services which are vital to California's public health, safety, education, and welfare. Local governmental agencies which had their peace officers complete state-mandated and other training during the 1977–78 fiscal year with the expectation of receiving reimbursement for such expenses at a rate previously announced by the Commission on Peace Officer Standards and Training, have in some instances not received such payment for expenses incurred. Since the reimbursement of such eligible local governmental agencies at the earliest possible time is of critical importance, it is necessary that this act take effect immediately.

CHAPTER 80

An act to augment the Budget Act of 1978, relating to correctional programs, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 23, 1979 Filed with Secretary of State May 23, 1979.]

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

SECTION 1. The sum of three million two hundred forty-three thousand thirty-two dollars ($3,243,032) is hereby appropriated from the General Fund to the State Controller for augmentation of the Budget Act of 1978 for correctional purposes, to be allocated as follows:

(a) Item 279—For support of Department of Corrections	$1,089,762
(b) Item 286—For support of Department of the Youth Authority	$2,153,270

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 fact constituting such necessity is:

Expanding inmate population has created the need for increased institutional bed capacity in both departments.

CHAPTER 81

An act to amend Section 21167.3 of the Public Resources Code, relating to projects, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 24, 1979 Filed with Secretary of State May 24, 1979]

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

SECTION 1. The Legislature hereby finds that:

(a) The Congress of the United States, in enacting the Public Utility Regulatory Policies Act of 1978 (Public Law 95-617), has determined that expeditious federal and state decisions for west-to-east crude oil delivery systems are of the utmost priority.

(b) In order to achieve expeditious construction and operation of such crude oil delivery systems, the Congress established, in Title V of such statute, special procedures for ensuring expeditious actions on applications for federal permits, licenses, and approvals required for the construction and operation of west-to-east crude oil transportation systems, with specific reference to the Long Beach-Midland project, as defined in Section 503 of such statute.

SEC. 2. The Legislature hereby declares that it is the policy of the state, consistent with the federal policy established by Title V of the Public Utility Regulatory Policies Act of 1978, that all state, regional, and local agencies in California expedite, to the maximum possible extent, final decisions with respect to any lease, permit, license, certificate, or other entitlement for use required for the construction or operation of the Long Beach-Midland project.

SEC. 3. (a) In furtherance of the policy stated in Section 2 of this act, any action or proceeding to attack, review, set aside, void, or annul a determination, finding, or decision in connection with, or to in any way challenge, the issuance of, a lease, permit, license, certificate, or other entitlement for use required for the construction or operation of the Long Beach-Midland project shall be commenced in the appropriate superior court within 30 days after the effective date of this act or within 30 days after the issuance of such lease, permit, license, certificate, or other entitlement for use, whichever time period is longer. The provisions of this subdivision shall apply notwithstanding any other provision of law which may be inconsistent therewith.

(b) If no such action or proceeding is filed during the time period provided in subdivision (a), the issuance of such lease, permit, license, certificate, or other entitlement for use shall be conclusively presumed to comply with all requirements of law for such lease, permit, license, certificate, or other entitlement for use.

SEC. 4. (a) In furtherance of the policy stated in Section 2 of this act, any action or proceeding specified in subdivision (a) of Section

3 of this act, including the hearing of any such action or proceeding on appeal from the decision of a lower court, shall be given preference over all other civil actions or proceedings in any court, in the matter of setting such action or proceeding for hearing or trial, and in hearing the same, to the extent that all such actions or proceedings shall be quickly heard and determined. The provisions of this section shall supersede any provision of law requiring courts to give preference to other civil actions or proceedings.

(b) In view of the national interest in expediting final decisions on the Long Beach-Midland project, as expressed and determined in Title V of the Public Utility Regulatory Policies Act of 1978, the Legislature hereby respectfully requests the Supreme Court of California to exercise original jurisdiction, as provided by Section 10 of Article VI of the California Constitution, in any action or proceeding specified in subdivision (a) of Section 3 of this act.

SEC. 5. (a) Any action or proceeding specified in Section 3 of this act which challenges a decision of a public agency, which decision was made as a result of a proceeding in which, by law, a hearing has been required to be given, evidence has been required to be taken, and discretion in the determination of facts has been vested in such public agency, shall be in accordance with the provisions of Section 1094.5 of the Code of Civil Procedure.

In any such action or proceeding, the court shall not exercise its independent judgment on the evidence but shall only determine whether the decision is supported by substantial evidence in the light of the whole record.

(b) In any action or proceeding specified in Section 3 of this act to which the provisions of subdivision (a) of this section are inapplicable, the inquiry shall extend only to whether there has been a prejudicial abuse of discretion. Abuse of discretion is established if the public agency has not proceeded in a manner required by law or if the decision is not supported by substantial evidence.

SEC. 6. Section 21167.3 of the Public Resources Code is amended to read:

21167.3. (a) If an action or proceeding alleging that an environmental impact report does not comply with the provisions of this division is commenced during the period described in subdivision (c) of Section 21167, and if an injunction is issued prohibiting the project from being carried out or approved pending final determination of the issue of such compliance, responsible agencies shall assume that the environmental impact report for the project does comply with the provisions of this division and shall issue a conditional approval or disapproval of such project according to the timetable for agency action in Article 5 (commencing with Section 65950) of Chapter 4.5 of Division 1 of Title 7 of the Government Code. A conditional approval shall constitute permission to proceed with a project when and only when such action or proceeding results in a final determination that the environmental impact report does comply with the provisions of this division.

(b) In the event that an action or proceeding is commenced as described in subdivision (a) but no injunction is sought and granted, responsible agencies shall assume that the environmental impact report for the project does comply with the provisions of this division and shall approve or disapprove the project according to the timetable for agency action in Article 5 (commencing with Section 65950) of Chapter 4.5 of Division 1 of Title 7 of the Government Code. Such approval shall constitute permission to proceed with the project at the applicant's risk pending final determination of such action or proceeding.

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

In order to eliminate procedural anomalies in existing law as soon as possible, and to expedite decisions required for the construction and operation of the Long Beach-Midland project for the transportation of crude oil, it is necessary that this act take effect immediately.

CHAPTER 82

An act relating to school facilities, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 24, 1979 Filed with Secretary of State May 24, 1979]

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

SECTION 1. The Governing Board of the Mendocino Unified School District has actively pursued a plan for the replacement of its older school buildings which do not conform to the structural standards of the so-called Field Act. It has used district funds as well as state school building aid funds for this purpose. It has proved necessary to continue to use the former music building on the Mendocino High School campus. At the same time, the district, which formerly operated a junior-senior high school, found it necessary to establish a middle school to accommodate an increasing student population. The middle school is presently conducted in portable buildings located on the site of a discontinued grammar school. Pending the construction of permanent facilities for the middle school on another site, students attending the middle school must use the grammar school restroom and cafeteria facilities. It is not economically feasible to construct new restroom and cafeteria facilities at the former grammar school site for temporary use by the middle school

The State Allocation Board has granted approval for the former

grammar school facilities to be used until June 30, 1977, or until the completion of replacement facilities for the grammar school.

Progress has been made in the replacement and discontinuance of all pre-Field Act buildings of the district, but construction of permanent facilities for the new middle school and the high school's former music building could not be undertaken until the district received voter approval for the commitment of additional local funds for that purpose.

The Comptche Elementary School, a two-room school located in the community of Comptche, is attended by 40 students in kindergarten through grade 4. The relocatable building on the Greenwood School campus serves the children of the town of Elk. Until district funds are available to reconstruct or replace these facilities, their continued use is necessary to serve children living in the Comptche and Elk areas.

SEC. 2. Notwithstanding Section 39227 of the Education Code, the Governing Board of the Mendocino Unified School District may use such buildings and related facilities of a former grammar school as the governing board finds necessary for the continued operation of the Mendocino Middle School on the grammar school site, and may continue to use the building and related facilities of the Comptche Elementary School. Use of the former grammar school may continue until permanent facilities for the middle school are constructed and ready for occupancy, or until June 30, 1982, whichever occurs earlier. Use of the Comptche Elementary School, the former music building on the Mendocino High School campus, and the relocatable building on the Greenwood School campus in Elk may continue until June 30, 1982. During the period of continued use authorized by this section, the buildings and related facilities of the former grammar school, the Comptche Elementary School, the former music building on the Mendocino High School campus, and the relocatable building on the Greenwood School campus in Elk shall not be subject to Article 3 (commencing with Section 39140) or Article 6 (commencing with Section 39210) of Chapter 2 of Part 23 of the Education Code.

SEC. 3. The Bolinas-Stinson Union School District has begun a building program to replace a shop facility and a large two-classroom building which is the original school, neither of which comply with the structural standards prescribed by the so-called Field Act. Since the building program will be completed and the new buildings ready for occupancy by June 1980, it is necessary that the district be authorized to use the nonconforming buildings until June 1980.

SEC. 4. Notwithstanding Section 39227 of the Education Code, the Governing Board of the Bolinas-Stinson Union School District may continue to use the buildings described in Section 3 of this act for the remainder of the 1978–79 school year and for the 1979–80 school year. During the period of continued use authorized by this section, such buildings shall not be subject to Article 3 (commencing with Section 39140) or Article 6 (commencing with Section 39210)

of Chapter 2 of Part 23 of the Education Code.

SEC. 5 The Governing Board of the Modoc Joint Unified School District needs to conduct a continuation high school program in three classrooms of a school building in Alturas which does not conform to the so-called Field Act. As the district is unable under present law to sell bonds or to levy and collect an additional property tax to pay for a lease-purchase of additional buildings, it is necessary that the existing building be used for such purposes if the continuation high school program is to continue to exist.

SEC 6. Notwithstanding Section 39227 of the Education Code, the Modoc Joint Unified School District may use the existing school building in Alturas described in Section 5 to conduct a continuation high school program until permanent replacement facilities for such purposes are constructed and ready for occupancy, or until June 30, 1982, whichever occurs earlier. During the period of continued use authorized by this section, such buildings shall not be subject to Article 3 (commencing with Section 39140) or Article 6 (commencing with Section 39210) of Chapter 2 of Part 23 of the Education Code.

SEC. 7. In February, 1979, the Planada School District purchased a building to house a special program for mentally gifted minors. The purchase was canceled because of increased costs and difficulties with the manufacturer related to delivery dates. Unexpected increases in enrollment in the school district make it impossible for the district to use any facility for this program except a barracks classroom which does not comply with the standards prescribed by the so-called Field Act. Since the district will purchase or lease a portable classroom by September, 1979, it is necessary that the district be authorized to use the nonconforming building until September, 1979.

SEC. 8 Notwithstanding Section 39227 of the Education Code, the Governing Board of the Planada School District may continue to use the building described in Section 7 of this act until September 1, 1979. During the period of continued use authorized by this section, such building shall not be subject to Article 3 (commencing with Section 39140) or Article 6 (commencing with Section 39210) of Chapter 2 of Part 23 of the Education Code.

SEC. 9. Due to the unique circumstances concerning the construction of permanent facilities for the Mendocino Unified School District the Bolinas-Stinson Union School District, and the Modoc Joint Unified School District, as partially set forth in Sections 1, 3, and 5 of this act, the unique circumstances concerning the lease or purchase of a portable classroom for the Planada School District, as partially set forth in Section 7 of this act, and the limited nature of the exemption provided for in this act, the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the Constitution.

SEC 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 certain buildings and facilities which are essential to the operation of schools in the Mendocino Unified School District, in the Bolinas-Stinson Union School District, and in the Modoc Joint Unified School District may continue to be utilized without interruption pending the construction of permanent facilities, and in order that a certain building essential to the operation of the Planada School District may continue to be used pending the lease or purchase of a portable classroom, it is necessary that this act take effect immediately.

SEC. 11. This act shall remain in effect only until June 30, 1982, and as of that date is repealed.

CHAPTER 83

An act to add Section 2006.1 to the Streets and Highways Code, relating to county road commissioner.

[Approved by Governor May 24, 1979. Filed with Secretary of State May 24, 1979]

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

SECTION 1. Section 2006.1 is added to the Streets and Highways Code, to read:

2006.1. Notwithstanding Section 2006 or Section 2006.5, the board of supervisors of any county may abolish the office of road commissioner if the board transfers all duties of the road commissioner to the county director of transportation. The director of transportation shall not be required to have any special permit, registration, or license. Any civil engineering functions which are required to be performed by the road commissioner shall be performed by a registered civil engineer acting under the authority of the director of transportation

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CHAPTER 84

An act making an appropriation, relating to the California State University and Colleges, and in this connection amending and supplementing the Budget Act of 1978 by adding Section 3 4A thereto, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor May 29, 1979 Filed with Secretary of State May 30, 1979]

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

SECTION 1. In order for San Jose State University to continue to provide adequate student health facilities and proper medical care to its students, it is necessary for San Jose State University to add improvements to its student health center

SEC. 2. Pursuant to the requirement of Section 89702 of the Education Code, the Legislature hereby approves the construction and improvement of the student health center at San Jose State University, and further approves, confirms, validates, and declares legally effective the construction and improvement of the student health centers set forth in Resolution Chapter 25 of the Statutes of 1972, Resolution Chapter 151 of the Statutes of 1973, and Resolution Chapter 127 of the Statutes of 1976. The construction and improvement of the student health center at San Jose State University shall be subject to approval by the State Public Works Board.

SEC. 3. Section 3.4A is added to the Budget Act of 1978, to read:

STATE HIGHER EDUCATION CONSTRUCTION PROGRAM BOND ACT

Sec. 3.4A. The following sums of money, or so much thereof as may be necessary, are hereby appropriated for expenditure during the 1978–79, 1979–80, and 1980–81 fiscal years for expenditures only for the programs contemplated by the State Higher Education Construction Program Bond Act of 1966. All such appropriations shall be paid out of the State Construction Program Fund

Education

Item 522 1—For augmentation of category (1) of Item 522 of this act, and in accordance with the provisions of Section 16354 of the Government Code	878,000

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 award a construction contract by June 1, 1979, the Chancellor's office of the State University and Colleges requires approval of an augmentation by the State Public Works Board on May 31, 1979. Unless funds are made available prior to May 31, 1979, the contract award period will have elapsed.

In order for construction of needed improvements to begin immediately at San Jose State University, it is necessary for this act to

take effect immediately.

CHAPTER 85

An act to amend and repeal Section 2732.15 of the Business and Professions Code, relating to nursing.

[Approved by Governor May 30, 1979. Filed with Secretary of State May 30, 1979]

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

SECTION 1. Section 2732.15 of the Business and Professions Code is amended to read:

2732.15. (a) It is the intent of the Legislature in enacting this section to encourage registered nurses to practice in rural areas which have insufficient numbers of registered nurses to provide comprehensive medical care, as determined by the State Department of Health Services.

(b) Notwithstanding any other provision of law, any hospital of 100 beds or less and which lies within an area described in subdivision (a) may employ a person who has completed a course of nursing instruction meeting the requirements of Section 2736 in another state, district or territory of the United States, or Canada, to perform the duties of a registered nurse, provided such person has committed no act, which, if committed by a licensee would be a ground for disciplinary action. A person employed pursuant to this subdivision may engage in the practice of nursing upon the issuance of a permit issued pursuant to subdivision (c).

(c) A person, to be employed under subdivision (b), shall apply for the interim permit at the time of application for licensure by examination. The board shall issue such an applicant an interim permit authorizing the applicant to practice nursing pending the results of the first licensing examination following the applicant's employment. If the applicant passes the examination, the interim permit shall remain in effect until a regular renewable license is issued by the board. If the applicant fails the examination, the interim permit shall terminate upon notice thereof by certified mail return receipt requested, or if the applicant fails to receive the notice, upon the date specified in the interim permit.

This section shall remain in effect only until July 1, 1982, and on such date it is repealed.

CHAPTER 86

An act to add Section 1529.5 to the Health and Safety Code, relating to community care facilities.

[Approved by Governor May 30, 1979. Filed with Secretary of State May 31, 1979.]

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

SECTION 1. Section 1529.5 is added to the Health and Safety Code, to read:

1529.5. A day care facility for children which provides care for six or fewer children, exclusive of children who reside at the facility, and which also serves as the residence of the licensee, shall be considered a residential use of property for the purposes of all local ordinances, and shall not be classified by a local zoning ordinance in any way which provides or implies that the facility is a business run for profit or differs in any other way from a single-family residence. No conditional use permit, zoning ordinance, or other zoning clearance shall be required for such a facility which is not required of a single-family residence in the same zone. Use of a single-family dwelling for purposes of a day care facility for children serving six or fewer children, exclusive of children who reside at the facility, shall not constitute a change of occupancy for purposes of Part 1.5 (commencing with Section 17910) of Division 13 or local building codes.

Nothing in this section is intended to supersede Section 13143 or Section 13143.6, to the extent that such sections are applicable to day care facilities for children. The provisions of this section shall not be construed to preclude any city, county, or other local public entity from placing restrictions on building heights, setback, or lot dimensions of a day care facility which serves six or fewer children as long as such restrictions are identical to those applied to other single-family residences. The provisions of this section shall not be construed to preclude the application to a day care facility for children of any local ordinance which deals with health and safety, building standards, environmental impact standards, or any other matter within the jurisdiction of a local public entity; provided, that such ordinance does not distinguish day care facilities which serve six or fewer children, exclusive of children who reside at the facility, from other single-family dwellings.

The Legislature finds and declares that there are insufficient numbers of licensed child day care facilities in California, that the need for such facilities will continue to grow with the increase in the number of working mothers, and that many parents prefer to have child day care provided in their neighborhoods in small family homes. The Legislature also finds and declares that some jurisdictions have adopted zoning restrictions which deter the

development of small family day care homes. It is the intent of the Legislature to encourage the development of such homes.

CHAPTER 87

An act to amend Section 44270 of the Education Code, relating to certification requirements, and declaring the urgency thereof, to take effect immediately.

[Became law without Governor's signature May 31, 1979 Filed with Secretary of State May 31, 1979]

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

SECTION 1. Section 44270 of the Education Code is amended to read:

44270. The minimum requirements for the services credential with a specialization in administrative services are all of the following:

(a) The possession of a valid teaching credential issued under the law and rules and regulations in effect on or before December 31, 1971, requiring the possession of a baccalaureate degree, or as specified in Section 44259, or as specified in Section 44260 provided the applicant also possesses a baccalaureate degree, or a services credential with a specialization in pupil personnel services as specified in Section 44266

(b) A minimum of three years of successful, full-time classroom teaching experience in the public schools, or in private schools of equivalent status or three years of experience in the field of pupil personnel services.

(c) A program of specialized and professional preparation in administrative services approved by the commission or one year internship in a commission-approved program of supervised in-service training in administrative services.

The services credential with a specialization in administrative services shall authorize the holder to serve as a superintendent, associate superintendent, deputy superintendent, principal, assistant principal, supervisor, consultant, coordinator, or in an equivalent or intermediate level administration position.

Any person who administers a pupil personnel program shall hold a services credential with a pupil personnel or administrative specialization

SEC 2 The amendments to Section 44270 of the Education Code made by Section 1 of this act shall not affect those candidates for a credential with a specialization in administrative services who, in fulfillment of subdivision (c) of that section, successfully completed an examination in administrative services prior to the effective date of this act

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

In order to prevent, in the current school year, the administration of tests for the services credential with a specialization in administrative services, it is necessary that this act take effect immediately.

CHAPTER 88

An act relating to district elections, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 1, 1979. Filed with Secretary of State June 1, 1979]

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

SECTION 1. Notwithstanding any other provision of law, whenever any district has adopted the all-mailed ballot procedure for conducting general district elections pursuant to Section 23511.2 of the Elections Code and any other election is scheduled to be held in territory that is the same or partly the territory of the district on the first Tuesday after the first Monday in November of the odd-numbered year, the district may, by resolution of the governing board, revoke the adoption of the all-mailed ballot procedure and order the general district election consolidated with such other election pursuant to Section 23301.5 of the Elections Code.

The provisions of this act shall only be applicable to the Dublin-San Ramon Community Services District.

This act shall be operative only until January 1, 1980, and as of such date is repealed.

SEC. 2. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article 4 of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In order that the provisions of this act, permitting the Dublin-San Ramon Community Services District to consolidate with school district governing board member elections, may go into effect for the November 1979 general district election, it is necessary that this act take effect immediately.

CHAPTER 89

An act to amend Section 17152 of the Food and Agricultural Code, relating to electrified fences.

[Approved by Governor June 1, 1979 Filed with Secretary of State June 1, 1979]

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

SECTION 1. Section 17152 of the Food and Agricultual Code is amended to read·

17152. No electrified fences shall be offered for sale, sold, installed, or used in this state, or otherwise connected to a source of electrical current, unless the electrical current is limited and regulated by an electrical controller which meets or exceeds the standards or specifications of the National Electrical Code of the National Fire Protection Association, the New Zealand Standards Institute, the Standards Association of Australia, or the Underwriters Laboratories for intermittent type electric fence or electrified fence controllers.

CHAPTER 90

An act to amend Section 5135.5 of the Streets and Highways Code, relating to the Improvement Act of 1911.

[Approved by Governor June 1, 1979 Filed with Secretary of State June 1, 1979]

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

SECTION 1. Section 5135.5 of the Streets and Highways Code is amended to read:

5135.5. When the contractor, at the time of execution of the contract, exercises his option to assign the warrant, assessment, and diagram to the legislative body, payments of installments may be made in the manner provided under the provisions of Section 5374.1 for installment payment of contributions.

CHAPTER 91

An act relating to elections, and declaring the urgency thereof, to take effect immediately

[Approved by Governor June 1, 1979 Filed with Secretary of State June 1, 1979]

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

SECTION 1. Notwithstanding Section 35258 of the Government Code, if a county board of supervisors, on or after April 1, 1979, and prior to the effective date of enactment of this act, adopted a resolution ordering incorporation of territory subject to the confirmation of the voters, the board of supervisors may call a special election to be held on any Tuesday, not following a state holiday, occurring at least 60 days after the effective date of this act, whether or not such special election falls on a regularly established election date. Such election shall otherwise be called and conducted in all respects in the manner provided in Part 2 (commencing with Section 35000) of Division 2 of Title 4 of the Government Code for incorporation elections

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 that the approval by a local agency formation commission and county board of supervisors relative to the proposed incorporation of a city may be considered by the voters at the earliest possible time, thus avoiding lengthy delays in the incorporation proceedings, it is necessary that this act take effect immediately

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CHAPTER 92

An act to amend Sections 1063.5, 3572 5, 3578, and 3583 1 of the Public Utilities Code, relating to transportation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 1, 1979 Filed with Secretary of State June 1, 1979]

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

SECTION 1. Section 1063.5 of the Public Utilities Code is amended to read

1063.5 Any person or corporation operating as a radial highway common carrier on the effective date of this section may on or before October 1, 1979, file an application for a certificate to continue such operation as a highway common carrier. In lieu of all other fees required by law, the applicant shall pay a fee of twenty-five dollars ($25). Upon filing of the application together with adequate evidence of the carrier's operation, the commission shall, on or after January 31, 1980, issue a certificate authorizing the carrier to continue its operation without requiring further proof of public

convenience and necessity, if it finds upon examination that the carrier was in bona fide operation as a radial highway common carrier on July 1, 1978, or at any time thereafter and on the date of filing

Upon issuance of the certificate to operate as a highway common carrier, the permit to operate as a radial highway common carrier shall be revoked.

SEC. 2. Section 3572.5 of the Public Utilities Code is amended to read:

3572.5. Any person or corporation operating as a radial highway common carrier on the effective date of this section, may on or before October 1, 1979, file an application for a highway contract carrier permit. In lieu of all other fees required by law, the applicant shall pay a fee of twenty-five dollars ($25). Except as provided in Section 3542, the commission shall, on or after January 31, 1980, issue to the applicant a permit authorizing operation as a highway contract carrier, if it finds that such carrier was in bona fide operation as a radial highway common carrier on July 1, 1978, or at any time thereafter and on the date of filing.

Upon the issuance of the highway contract carrier permit, the radial highway common carrier permit held by the applicant shall be revoked.

SEC. 3. Section 3578 of the Public Utilities Code is amended to read:

3578. Any person or corporation holding a radial highway common carrier permit on the effective date of this section shall be authorized to continue operations under such permit, unless suspended or revoked by the commission, or otherwise terminated by law or act of the holder, but in no event longer than one year after January 1, 1979, except that if such permit holder shall have filed an application for a certificate authorizing operation as a highway common carrier pursuant to Section 1063.5, or for a permit authorizing operation as a highway contract carrier pursuant to Section 3572 5, operations may be continued pending action by the commission on such application Such carriers, while operating under such radial highway common carrier permits, shall be subject to regulation as highway permit carriers under the provisions of this act.

SEC. 4. Section 3583.1 of the Public Utilities Code is amended to read:

3583.1. Any person or corporation operating as a highway carrier on the effective date of this section, who was engaged in business as an agricultural carrier during the preceding past year, shall file with the commission prior to October 1, 1979, an application for a permit to operate as an agricultural carrier. In lieu of all other fees required by law, the applicant shall pay a fee of twenty-five dollars ($25). The commission shall issue such permit authorizing operation within the area requested in the application without further proceedings.

SEC 5. It is the purpose of the Legislature in enacting this statute

to correct inequities that result from inadvertent failure of some radial highway common carriers to file for conversion of their permits before December 31, 1978; and, to correct inequities that result from disqualification of numerous radial highway common carriers to convert their permits due to technical suspension of their permits between July 1, 1978, and December 31, 1978. The Legislature does not intend the amendments enacted by this statute to affect the rights of the parties in pending court litigation.

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

Over 2,000 radial highway common carriers were not in bona fide operation continuously from July 1, 1978, to December 31, 1978, because their operating authorities had been suspended, in most cases due to minor technicalities Since this failure to be in bona fide operation continuously during such period has barred these carriers from converting their operating authorities and consequently will impose an unintended and unreasonable hardship upon them, it is necessary that this act take effect immediately.

CHAPTER 93

An act relating to school facilities, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 1, 1979 Filed with Secretary of State June 1, 1979]

The people of the State of California do enact as follows

SECTION 1. It has not been possible for the Oakland Unified School District to bring Oakland Senior High School up to the standards prescribed by the so-called Field Act within the time allotted due to delays caused by budget problems, the original design architect, and the concentrated rainfall after the drought.

SEC 2. The governing board of the Oakland Unified School District may continue to use Oakland Senior High School until new school facilities that are being constructed to replace the buildings that comprise such school are completed, or until June 30, 1980, whichever occurs earlier During such period of continued use, the buildings shall not be subject to any of the provisions of Article 3 (commencing with Section 39140) or Article 6 (commencing with Section 39210) of Chapter 2 of Part 23 of Division 3 of the Education Code

SEC 3 Due to the unique circumstances concerning the construction of new school facilities in the Oakland Unified School District, as set forth in Section 1 of this act, and the limited nature

of the exemption provided for in Section 2 of this act, the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the Constitution.

SEC. 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 that buildings which are presently serving the needs of pupils of the Oakland Unified School District may continue to be utilized without interruption while school facilities which meet Field Act standards are brought into use, it is necessary that this act take effect immediately.

CHAPTER 94

An act to add and repeal Section 49557 of the Education Code, relating to school meals.

[Approved by Governor June 6, 1979 Filed with Secretary of State June 6, 1979]

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

SECTION 1. The Legislature hereby finds that the Bear Valley School District because of transportation scheduling problems and lack of adequate facilities is unable to feasibly serve full meals for needy pupils pursuant to Article 11 (commencing with Section 49550) of Chapter 8 of Part 27 of the Education Code. Problems are most pronounced because Bear Valley School District is located in a rural mountainous area. The district is required to schedule double sessions and its pupils rely totally on bus transportation to get to and from school. Poor weather conditions and the fact that pupils must be bused nearly 40 miles to the closest school compound transportation problems for the Bear Valley School District.

If needy pupils are served full meals at noontime, the full complement of pupils would be on school grounds at the same time. The cafeterias have the capacity only for a fraction of these pupils. Adding to the transportation problem, morning-session pupils would be required to remain 30 minutes after school, and require afternoon-session pupils to arrive 30 minutes early. Therefore, to feed pupils at each separate session, meals would have to be served at the morning and afternoon recess. When this is the case pupils will be fed just two and one-half hours after arriving from home, and do not require a full meal.

Due to the unique circumstances in the Bear Valley School District, the Legislature finds and declares that a general statute cannot be made applicable to it within the meaning of Section 16 of Article IV of the Constitution.

SEC. 2. Section 49557 is added to the Education Code, to read:

49557 Notwithstanding any other provision of law, the Bear Valley School District shall be permitted to meet the requirement to provide a nutritionally adequate meal for needy pupils as described in Sections 49550 and 49553 in the following manner:

(a) All needy students, kindergarten through grade 12, will be offered foods from the following five food groups:

(1) Two ounces of meat or a meat alternate.

(2) Vegetable or fruit.

(3) Vegetable or fruit.

(4) One serving of bread or the equivalent.

(5) One-half pint fresh fluid milk (whole, non-fat, low-fat, flavored or buttermilk).

The total serving of items (2) and (3) shall equal three-fourths of a cup.

(b) When pupils select foods from at least three of the five groups listed above, this constitutes a reimbursable meal pursuant to the provisions of Section 49536.

(c) The Bear Valley School District shall continue to emphasize nutrition education.

(d) The Legislative Analyst shall monitor the program and provide a report to the Legislature thereon by March 1, 1982.

This section shall remain in effect only until January 1, 1982, and as of such date is repealed, unless a later enacted statute, which is chaptered before January 1, 1982, deletes or extends such date.

CHAPTER 95

An act to amend Sections 31453 and 31582 of the Government Code, relating to the County Employees Retirement Law of 1937.

[Approved by Governor June 6, 1979 Filed with Secretary of State June 6, 1979]

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

SECTION 1. Section 31453 of the Government Code is amended to read:

31453. An actuarial valuation shall be made within one year after the date on which any system established under this chapter becomes effective, and thereafter at intervals not to exceed three years. The valuation shall be conducted under the supervision of an actuary and shall cover the mortality, service, and compensation experience of the members and beneficiaries, and shall evaluate the assets and liabilities of the retirement fund. Upon the basis of the investigation, valuation, and recommendation of the actuary, the board shall, at least 60 days prior to the beginning of the succeeding fiscal year, recommend to the board of supervisors such changes in

the rates of interest, in the rates of contributions of members, and in county and district appropriations as are necessary. With respect to the rates of interest to be credited to members and to the county or district, the board may, in its sound discretion, recommend a rate which is higher or lower than the interest assumption rate established by the actuarial survey No adjustment shall be included in the new rates for time prior to the effective date of the revision.

SEC. 2. Section 31582 of the Government Code is amended to read.

31582. The county auditor shall certify to the board at the end of each month or at the end of each pay period the total amount of compensation paid safety members of the retirement association covered by Article 7.5 (commencing with Section 31662), and the total amount of compensation paid all other members of the retirement association, and the auditor shall thereupon transfer from the appropriation to the retirement fund the percentage of this amount determined pursuant to Sections 31453, 31453.5 and 31454. Until such determination, the amount of the transfer shall be 23.77 percent of the total compensation of all safety members covered by Article 7 5 (commencing with Section 31662) and 8.85 percent of the total amount of compensation of all other members.

The board of supervisors may authorize the county auditor to make an advance payment of all or part of the county's estimated annual contribution to the retirement fund, provided that the payment is made within 30 days of the commencement of the county's fiscal year. If the advance is only a partial payment of the county's estimated annual contribution, transfers from the appropriation to the retirement fund shall be made at the end of each month or at the end of each pay period until the total amount estimated for the year is contributed. This amount shall be adjusted at the end of the fiscal year to reflect the actual contribution required for that year

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CHAPTER 96

An act to amend Sections 50090, 50091, 50092, 50093, 50098, 50105, 50462, 50506, 50515, 50516, 50530, 50602, 50627, 50902, 50904, 50951, 50958, 50959, 51005, 51057, 51063, 51065, 51066, 51200, 51228, 51301, 51302, 51307, and 51611 of, to add Sections 50052.5, 50079.5 and 50104 5 to, and to repeal and add Section 50101 of, the Health and Safety Code, relating to housing, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 6, 1979 Filed with Secretary of State June 6, 1979]

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

SECTION 1. Section 50052.5 is added to the Health and Safety Code, to read:

50052.5. "Affordable housing cost" means housing cost not exceeding 25 percent of gross income. The agency shall, by regulation, adopt criteria defining, and providing for determination of, gross income and housing cost for purposes of this section, which shall be consistent with pertinent regulations of the United States Department of Housing and Urban Development or other federal law with respect to developments aided by the federal government.

With respect to tenants of rental housing developments and members or shareholders of cooperative housing developments, "affordable housing cost" has the same meaning as affordable rent, as defined in Section 50053.

SEC 1.5. Section 50079.5 is added to the Health and Safety Code, to read:

50079 5 "Lower income households" means persons and families whose income does not exceed the qualifying limits for lower income families as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937. The limits shall be published by the department in the California Administrative Code as soon as possible after adoption by the Secretary of Housing and Urban Development. In the event such federal standards are discontinued, the department shall, by regulation, establish income limits for lower income households for all geographic areas of the state at 80 percent of area median income, adjusted for family size and revised annually. As used in this section, "area median income" means the median family income of a geographic area of the state.

SEC 2. Section 50090 of the Health and Safety Code is amended to read:

50090 "Nonmetropolitan area" means an area not included in a metropolitan area.

SEC. 3. Section 50091 of the Health and Safety Code is amended to read:

50091 "Nonprofit housing sponsor" means a nonprofit corporation incorporated pursuant to Part 1 (commencing with Section 9000) of Division 2 of Title 1 of the Corporations Code or a corporation or association which is, or will be qualified as, a cooperative housing corporation for purposes of subdivision (a) of Section 17265 of the Revenue and Taxation Code, and which is certified by the agency as qualified to own a housing development.

SEC 4. Section 50092 of the Health and Safety Code is amended to read:

50092 "Owner-occupied housing development" means a housing development containing not more than four residential units, one of which is occupied by the owner of the housing development "Owner-occupied housing development" does not include a cooperative housing development, and does not include a

rental housing development other than as provided in this section.

SEC 5 Section 50093 of the Health and Safety Code is amended to read:

50093. "Persons and families of low or moderate income" means persons and families whose income does not exceed 120 percent of area median income, adjusted for family size by the department in accordance with adjustment factors adopted and amended from time to time by the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937 Such income limits shall be published as regulations by the department However, the agency and the department jointly, or either acting with the concurrence of the Secretary of the Business and Transportation Agency, may permit the agency to use higher income limitations in designated geographic areas of the state, upon a determination that 120 percent of the median income in the particular geographic area is too low to qualify a substantial number of persons and families of low or moderate income who can afford rental or home purchase of housing financed pursuant to Part 3 (commencing with Section 50900) without subsidy.

"Persons and families of low or moderate income" includes very low income households, as defined in Section 50105 and lower income households as defined in Section 50079.5, and includes persons of low income, persons and families of moderate income, and middle-income families As used in this division:

(a) "Persons of low income" means persons or families who are eligible for financial assistance specifically provided by a governmental agency for the benefit of occupants of housing financed pursuant to this division.

(b) "Persons and families of moderate income" or "middle-income families" means persons and families of low or moderate income whose income exceeds the income limit for lower income households.

As used in this section, "area median income" means the median family income of a geographic area of the state, as annually estimated by the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937. In the event such federal determinations of area median income are discontinued, the department shall establish and publish as regulations income limits for persons and families of low or moderate income for all geographic areas of the state at 120 percent of area median income, adjusted for family size and revised annually.

The department shall establish and publish a general definition of income, including inclusions, exclusions, and allowances, for qualifying persons under the income limits of this section and Sections 50079.5 and 50105, to be used where no other federal or state definitions of income apply Such definition need not be established by regulation

Nothing in this division shall prevent the agency or the department from adopting separate family size adjustment factors or

programmatic definitions of income to qualify households, persons, and families for programs of the agency or department, as the case may be.

SEC. 6. Section 50098 of the Health and Safety Code is amended to read:

50098. "Rents" means the charges paid by the persons and families of low or moderate income for occupancy in a housing development assisted under this division whether the units are rented or operated as a cooperative.

SEC. 7 Section 50101 of the Health and Safety Code is repealed.

SEC 8. Section 50101 is added to the Health and Safety Code, to read·

50101. "Rural area" means any open country or any place, town, village, or city which by itself and taken together with any other places, towns, villages, or cities that it is part of or associated with: (a) has a population not exceeding 10,000; or (b) has a population not exceeding 20,000 and is contained within a nonmetropolitan area. This definition may be changed by the agency to conform to changes in federal programs.

SEC. 9. Section 50104.5 is added to the Health and Safety Code, to read·

50104.5 "Urban area" means any portion of a county or the state which is not a rural area.

SEC. 10 Section 50105 of the Health and Safety Code is amended to read·

50105. "Very low income households" means persons and families whose incomes do not exceed the qualifying limits for very low income families as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937. Such limits shall be published by the department in the California Administrative Code as soon as possible after adoption by the Secretary of Housing and Urban Development. In the event such federal standards are discontinued, the department shall, by regulation, establish income limits for very low income households for all geographic areas of the state at 50 percent of area median income, adjusted for family size and revised annually. As used in this section, "area median income" means the median family income of a geographic area of the state.

SEC. 10.5 Section 50462 of the Health and Safety Code is amended to read:

50462 The department may initiate, develop, and propose regulations for adoption by the agency and review regulations proposed by the board prior to their taking effect, with respect to the following.

(a) Standards for affirmative marketing programs of housing sponsors seeking financial assistance from the agency.

(b) Criteria for certifying that the sale or conveyance of real property pursuant to Section 51061 or Section 51251 will primarily benefit persons and families of low or moderate income living in a

housing development or a residential structure.

(c) Regulations permitting grants to be made by the agency to housing sponsors for the purpose of attaining affordable rents in housing developments financed by the agency. Such grants shall not be made with moneys derived from the sale of bonds.

(d) Regulations governing payments, procedures, and eligibility for relocation assistance for individuals and families displaced by actions of the agency or of housing sponsors of housing developments or neighborhood improvement loans.

(e) Criteria for qualification of persons, families, and households as persons and families of low or moderate income, lower income households, or very low income households.

(f) Regulations establishing the maximum percentage of income which may be paid by persons and families of low or moderate income for housing cost within the meaning of the term affordable housing cost, as defined in Section 50052.5.

(g) Regulations designating geographical areas of need throughout the state for housing construction or rehabilitation, as identified in the California Statewide Housing Plan, identifying housing markets in which insufficient financing is available for purchase or rehabilitation of existing housing, identifying types of households with particularly severe housing needs, or establishing priority criteria for the selection of homes and projects to be financed as housing developments or neighborhood improvement loans.

(h) Criteria for inclusion of nonhousing facilities in housing developments financed by the agency.

Regulations proposed by the agency in such areas of responsibility shall not take effect without concurrence of the director, the Secretary of the Business and Transportation Agency, or a representative of the secretary specifically designated for such review and approval.

SEC. 11. Section 50506 of the Health and Safety Code is amended to read·

50506. The department may conduct programs of subsidies for occupants of existing housing pursuant to Section 8 of the United States Housing Act of 1937, but may not submit any competitive application for operation of an existing housing program in a geographic area which includes a local public entity that has applied. However, in conducting subsidy programs pursuant to this section, the department shall not operate housing developments or engage in the purchase, lease, or sublease of housing developments.

SEC. 12. Section 50515 of the Health and Safety Code is amended to read:

50515. As used in Section 50516 and Section 50517:

(a) "Revolving loan fund" means the Housing Predevelopment Loan Fund which is replenished continuously by repayments of principal on loans made from the fund

(b) "Predevelopment loan" means a loan for required expenses, other than administrative and construction, which are incurred by

local agencies and nonprofit corporations in the process of, and prior to, securing long-term financing for production or rehabilitation of assisted housing, and which are recoverable once long-term financing is obtained. Predevelopment loans may include, but are not limited to loans covering costs associated with land purchase or options to buy land, with professional services such as architectural, engineering, or legal services, with permit or application fees, and with bonding, site preparation, related water or sewer development, or material expenses. In addition, such loan funds may be deposited in banks as compensating balances to establish lines of credit for participating nonprofit corporations.

(c) "Nonprofit corporation" means an entity incorporated pursuant to Part 1 (commencing with Section 9000) of Division 2 of Title 1 of the Corporations Code or a cooperative housing corporation which is a stock cooperative, as defined by Section 11003 2 of the Business and Professions Code.

SEC. 13. Section 50516 of the Health and Safety Code is amended to read

50516. There is hereby continued in existence in the State Treasury the Housing Predevelopment Loan Fund

All money in the Housing Predevelopment Loan Fund, including any interest on loans made therefrom, is continuously appropriated to the department for carrying out the purposes of this section and Section 50517. The Housing Predevelopment Loan Fund shall be a revolving loan fund which shall be used to make predevelopment loans to local agencies or nonprofit corporations for assisted housing for persons of low income in rural areas.

SEC. 14. Section 50530 of the Health and Safety Code is amended to read:

50530 As used in this chapter.

(a) "Loan" means a loan for required expenses, other than administrative and construction, which are incurred by local agencies and nonprofit corporations in the process of, and prior to, securing long-term financing for construction or rehabilitation of assisted housing, and which are recoverable once long-term financing is obtained Purposes for which loans may be made include, but are not limited to, costs of, or associated with, land purchase or options to buy land, professional services such as architectural, engineering, or legal services, permit or application fees, and bonding, site preparation, and related water or sewer development. In addition, such loans may be made for an extension of an option or advance previously obtained. Such loan funds may be deposited in banks as compensating balances to establish lines of credit for participating nonprofit corporations.

(b) "Loan fund" means the Urban Housing Development Loan Fund.

(c) "Nonprofit corporation" means an entity incorporated pursuant to Part 1 (commencing with Section 9000) of Division 2 of Title 1 of the Corporations Code or a cooperative housing

corporation which is a stock cooperative, as defined by Section 11003.2 of the Business and Professions Code.

SEC. 15. Section 50602 of the Health and Safety Code is amended to read:

50602. It is, therefore, the policy of the Legislature of the State of California to encourage cities, counties, cities and counties, housing authorities, and appropriate qualifying organizations to provide adequate training to persons of low income in home management, home maintenance, consumer finance, and homeownership. Financial assistance will be made available to such public agencies and private organizations for use in training persons of low income and providing them with the necessary qualifications and skills to live meaningful lives as renters or owners.

SEC. 16. Section 50627 of the Health and Safety Code is amended to read:

50627. The director is authorized to make grants, subject to the availability of funds therefor, to any city, county, city and county, housing authority, or nonprofit organization or developer of housing under the provisions of any federal program intended to increase the supply of housing for persons of low income. Such grants shall be made to assist in the establishment of a home management training program by the city, county, city and county, housing authority, nonprofit organization, or developer. To qualify for such a grant, an applicant shall submit to the director an application showing a comprehensive plan for the training and qualification of persons of low income. Subject to the availability of funds, grants may be renewed annually.

SEC. 17. Section 50902 of the Health and Safety Code is amended to read:

50902. Appointed members of the board shall be able persons broadly reflective of the economic, cultural, and social diversity of the state, including ethnic minorities and women. However, it is not intended that formulas or specific ratios be applied in order to achieve such diversity. Of the members appointed by the Governor, one shall be an elected official of a city or county engaged in the planning or implementation of a housing, housing-assistance, or housing rehabilitation program; one shall be experienced in residential real estate in the savings and loan, mortgage banking, or commercial banking industry; one shall be experienced as a builder of residential housing; one shall be experienced in organized labor of the residential construction industry; and one shall be experienced in the management of rental or cooperative housing occupied by lower-income households. At least one of such members appointed by the Governor shall be a resident of a rural or nonmetropolitan area. The Senate Rules Committee and the Speaker of the Assembly shall each appoint a resident of rental or cooperative housing financed by the agency or a person experienced in counseling, assisting, or representing tenants. The terms of the members initially appointed by the Governor, the Senate Rules Committee, and the

Speaker of the Assembly shall be as follows:

(a) An elected official of a city or county engaged in the planning or implementation of a housing, housing-assistance, or housing rehabilitation program—two years appointed by the Governor.

(b) Member experienced in residential real estate in the savings and loan mortgage banking or commercial banking industry—four years appointed by the Governor.

(c) Member who is experienced as a builder of residential housing—six years appointed by the Governor.

(d) Member experienced in organized labor of the residential construction industry—two years appointed by the Governor.

(e) Member experienced in the management of rental or cooperative housing occupied by lower-income households—four years appointed by the Governor.

(f) Member appointed by the Speaker of the Assembly who is a resident of rental or cooperative housing financed by the agency or is experienced in counseling, assisting, or representing tenants—six years.

(g) Member appointed by the Senate Rules Committee who is a resident of rental or cooperative housing financed by the agency or is experienced in counseling, assisting, or representing tenants—two years.

The term of any member of the board appointed to serve subsequent to the expiration of such an initial term shall be six years. Any person appointed to fill a vacancy on the board shall serve only for the remainder of the unexpired term. Successors to initially appointed members specified in subdivisions (f) and (g) shall be or shall have been residents of rental or cooperative housing financed by the agency, if any exists. Members of the board shall, subject to continued qualification, be eligible for reappointment. If a member of the board ceases to meet the qualifications specified in this section, the membership of such person on the board shall be terminated.

SEC. 18. Section 50904 of the Health and Safety Code is amended to read:

50904. The representation of varied interest groups on the board shall be deemed essential to obtain information for the development of policy and decisions of the board. It shall not be a conflict of interest for an official of any local public entity or a resident of any housing development, or a director, officer, stockholder, or employee of any savings and loan institution, investment banking firm, brokerage firm, commercial bank or trust company, architectural firm, insurance company, labor union, or any other person, association, or corporation to serve as a member of the board. When present at a meeting of the board, a board member shall be legally required to participate in the deliberations within the meaning of Section 87101 of the Government Code, except as otherwise provided in this section. If any board member has a financial interest, such interest shall be disclosed as a matter of official public record and shall be described with particularity before

the board member acts or participates in any way in deliberations affecting such interests.

If any board member has a financial interest, a conflict statement shall be filed pursuant to the regulations of the Fair Political Practices Commission and distributed to all other members of the board.

No board member of the agency may vote on any matter in which the member has a financial interest.

A member who has a financial interest in a housing sponsor or a housing development financed by the agency shall disclose the financial interest in open public meeting at the time matters concerning such a housing sponsor or housing development are raised. A member having such an interest may not participate in the deliberations and may not vote on any matters concerning a housing sponsor or housing development in which he has an interest.

Violations of this section shall constitute grounds for disqualification from office as a board member Knowing or willful violation of the disclosure requirements of this section shall constitute a misdemeanor under Section 91000 of the Government Code. Pursuant to Section 91000, fines may be imposed for any such violation.

Within 60 days of September 26, 1975, the agency shall adopt a conflict of interest disclosure code pursuant to Sections 3703 and 3704 of the Government Code which shall remain in effect until a conflict of interest code has been adopted by the agency and approved by the Fair Political Practices Commission and is in effect pursuant to Article 3 (commencing with Section 87300) of Chapter 7 of Title 9 of the Government Code. Within 15 days of adoption of such code, each board member shall file a statement.

SEC. 18.5. Section 50951 of the Health and Safety Code is amended to read.

50951. In meeting the housing needs of persons and families of low or moderate income, not less than 30 percent of the units financed by mortgage loans or neighborhood improvement loans pursuant to this part shall be available to, or occupied by, very low income households at affordable housing cost, unless it is not possible to obtain subsidies necessary to meet such requirement. No development loan, rehabilitation loan, or construction loan shall be made pursuant to this part if the agency determines that its ability to utilize currently available subsidies to meet the requirements of this section would be jeopardized thereby.

SEC 19 Section 50958 of the Health and Safety Code is amended to read:

50958. Loans made pursuant to this part to housing sponsors, other than local public entities and nonprofit housing sponsors of rental and cooperative housing developments, shall not exceed 95 percent of the development costs of the housing development for which the loan is made. Loans made pursuant to this part to local public entities and nonprofit housing sponsors shall in no event

exceed 100 percent of development costs.

SEC. 20. Section 50959 of the Health and Safety Code is amended to read:

50959. This division is intended to benefit purchasers and residents of housing developments who are persons and families of low or moderate income and shall be liberally construed to allow such persons to initiate civil actions and to enforce rights, duties and benefits under this division and regulations adopted pursuant to this division; provided however, this section shall not limit, modify or restrict the standing of other persons to initiate civil actions by reason of the action or inaction of the agency, department or commission; and provided further that this section shall not authorize any action contesting or affecting the validity or enforceability of any bonds or insurance issued under this division or of any of the proceedings of, or actions taken by, the agency relative to such bonds or insurance.

SEC. 21. Section 51005 of the Health and Safety Code is amended to read:

51005. The agency shall, within 90 days following the close of each fiscal year, submit an annual report of its activities under this division for the preceding year to the Governor, the Secretary of the Business and Transportation Agency, the Director of Housing and Community Development, the State Treasurer, and the Legislature. Within 90 days following the close of each fiscal year, the agency shall also submit an annual report to the Joint Legislative Audit Committee and the Joint Legislative Budget Committee. Each such report shall set forth a complete operating and financial statement of the agency during the concluded fiscal year. The report shall specify the number of units assisted, the distribution of units among the urban metropolitan, nonmetropolitan, and rural metropolitan areas of the state, and shall contain a summary of statistical data relative to the incomes of households occupying assisted units, the monthly rents charged to occupants of rental and cooperative housing developments, and the sales prices of housing developments purchased during the previous fiscal year by housing sponsors who are persons or families of low or moderate income. The report shall also include a statement of accomplishment during the previous year with respect to the agency's progress, priorities, and affirmative action efforts The agency shall specifically include in its report on affirmative action goals, statistical data on the numbers and percentages of minority sponsors, developers, contractors, subcontractors, suppliers, architects, engineers, attorneys, mortgage bankers or other lenders, insurance agents and managing agents. The agency shall cause an audit of its books and accounts with respect to its activities under this division to be made at least once during each fiscal year by an independent certified public accountant and the agency shall be subject to audit by the Department of Finance not more often than once each fiscal year.

Within 90 days following receipt of the agency's annual report, the

Joint Legislative Audit Committee and the Joint Legislative Budget Committee shall submit a report on the agency's activities under this division to the Legislature.

SEC 22 Section 51057 of the Health and Safety Code is amended to read:

51057. Prior to the commitment of moneys under this part for the financing of a housing development as provided in Articles 1 to 4 inclusive, of Chapter 5 (commencing with Section 51100) of this part, the agency shall take adequate measures to assure (a) the economic feasibility of the housing development, (b) the financial eligibility of the housing sponsors and tenants, (c) the consistency of the proposed housing development with the current housing objectives of the agency, (d) the sufficiency of access of the housing development to supporting social services, public mass transit services and other transportation, schools, employment, and retail merchants, and (e) that the location of the proposed housing development is consistent with the agency's policies of dispersing housing developments throughout communities and of avoiding undue concentration of lower income households. Wherever possible, the agency shall verify such facts before financing is committed.

In providing for dispersal of housing developments, the agency shall consider economic feasibility, which shall be determined in light of all relevant factors, including the assistance programs and funds which could be utilized to reduce costs. Nothing in this section shall prohibit the agency from financing housing developments in neighborhood preservation areas in a manner that would otherwise be in conflict with the agency's policies respecting dispersal of housing developments or concentration of lower income households, where necessary to accomplish the purposes for which financing or loan insurance is made available by the agency in such an area

SEC. 23. Section 51063 of the Health and Safety Code is amended to read:

51063. Relocation payments shall be made to persons and families of low or moderate income who are residents displaced because of temporary or permanent displacement for rehabilitation work assisted under this part, or rent increases resulting from rehabilitation, pursuant to the Uniform Relocation and Real Property Acquisition Policies Act of 1970 (42 U.S.C., Sec. 4601) or Chapter 16 (commencing with Section 7260) of Division 7 of Title 1 of the Government Code. Notwithstanding the provisions of this section, middle-income families who decide against occupying the rehabilitated housing shall not continue to receive relocation payments.

The agency shall also insure that the relocation payments and the relocation advisory assistance specified therein shall be provided. Pursuant to the provisions of this section, the agency shall insure relocation payments are provided to persons and families involuntarily displaced in making a site or structure available for rehabilitation or construction financed under this part, or in the

alternative may require the housing sponsor receiving a loan commitment pursuant to this part to make such payments and provide such assistance, whether such displacement has occurred in anticipation of the loan commitment or will occur subsequent thereto.

For purposes of this section, displacement includes relocation occurring because of a qualified person or family's inability to pay increased rentals resulting from rehabilitation, or involuntary temporary or permanent displacement of a qualified person or family to allow rehabilitation work to be done.

SEC. 24. Section 51065 of the Health and Safety Code is amended to read:

51065. The agency may make grants to nonprofit housing sponsors and local public entities to meet expenses incurred in planning, constructing, rehabilitating, or managing housing developments The agency may make grants to housing sponsors for the purpose of lowering the rents on some or all of the units within a housing development Grants authorized by this section shall not be made with proceeds from the sale of bonds.

SEC. 25. Section 51066 of the Health and Safety Code is amended to read

51066. The agency shall establish a grievance procedure or require housing sponsors to establish such a procedure, or both, for the purpose of resolving complaints by housing sponsors and tenants of housing sponsors and contractual disputes between two or more housing sponsors or between a housing sponsor and a tenant of such housing sponsor. Notwithstanding any other provision of law, no individual or family shall be evicted from a housing development unless the following requirements are met·

(a) The eviction is for good cause as defined by rules and regulations of the agency.

(b) Eviction proceedings shall be commenced by the giving of notice as required by Section 1946 of the Civil Code or Section 1161 or 1161a of the Code of Civil Procedure and served as provided by Section 1162 of the Code of Civil Procedure. Such notice shall contain a statement of the cause for eviction and of the right of the tenant to a hearing and decision pursuant to regulations of the agency if a request for such a hearing is made to the landlord in writing within the period specified in Section 1946 of the Civil Code or Section 1161 of the Code of Civil Procedure, as the case may be.

(c) When the tenant so requests the landlord in writing within the period specified in Section 1946 of the Civil Code or Section 1161 of the Code of Civil Procedure, as the case may be, a hearing, in accordance with procedures established pursuant to regulations of the agency, shall be held by an impartial individual or panel selected or approved by the agency and a decision rendered within two weeks after receipt by the landlord of the tenant's written request for a hearing Good cause for eviction shall be established at the hearing by the weight of the evidence. Before a right to a hearing

vests, the tenant must pay rent for the two-week hearing period to the owner or to an escrow account of the agency, if not already paid.

A defendant in an unlawful detainer proceeding may assert as a defense the failure of the plaintiff or the agency to comply with the requirements of this section or regulations adopted pursuant to this section. A defendant in such a proceeding may assert as a defense that the findings at the hearing were not supported by the weight of evidence.

The costs of any hearing conducted pursuant to this section shall be assessed to, and paid by, the losing party as provided in regulations of the agency. If neither party prevails, the costs of the hearing shall be equitably apportioned.

As used in this section, "tenant" includes a resident shareholder of a cooperative housing development. Nothing in this section shall be construed as a limitation of the rights of a resident shareholder of a cooperative housing development.

SEC. 26. Section 51200 of the Health and Safety Code is amended to read:

51200. With respect to each class of housing sponsor as defined by the agency, the agency shall do the following:

(a) Prescribe uniform systems of accounts and records for each class of housing sponsors of rental and cooperative housing developments and require them to make reports and give answers to specific questions on such forms and at such times as may be necessary for the purposes of this part.

(b) Establish minimum reserves to be maintained by nonprofit and limited-dividend housing sponsors of rental and cooperative housing developments.

(c) Fix and alter from time to time a schedule of rents such as may be necessary to provide residents of rental and cooperative housing developments who are persons and families of low or moderate income with affordable rents to the extent consistent with the maintenance of the financial integrity of the housing development and to provide profits to housing sponsors subject to the limitations of Section 51202. Income from commercial facilities constituting a portion of a single housing development financed pursuant to this part shall, to the extent they receive the benefit of below-market-interest financing from the agency, assist in the support of appurtenant residential facilities. No housing sponsor shall increase the rent charged on any assisted rental or cooperative unit of a housing development without the prior permission of the agency, which shall be given only if the housing sponsor affirmatively demonstrates that such increase is required to defray necessary operating costs or avoid jeopardizing the fiscal integrity of the housing development or to provide the agreed rate of return with respect to additional equity money contributed by investors pursuant to Section 51202, and additional debt service and necessary operating costs with respect to increases in mortgage loans for improvements to the housing development deemed necessary by

the agency.

Applications to the agency for permission to adjust rents shall include a statement of the existing and proposed rent for each unit, a detailed statement of the necessity and authority for the increase under this subdivision, and the extent to which rent increases would be paid by residents of assisted units and not offset by increased subsidy payments. Prior notice of any rent increase shall be given in writing as required by Section 1946 of the Civil Code. Prior to the time any rent increase is effective the housing sponsor shall notify every affected resident, in writing, of informal meetings with the housing sponsor to review the proposed rent increase and that each resident, upon request, will be provided the information submitted to the agency under this subdivision.

(d) Determine standards for, and control selection by housing sponsors of, tenants and purchasers.

(e) Regulate the terms of occupancy agreements to be used in housing financed under this chapter.

(f) Provide such bilingual services and publications, or require housing sponsors to provide such bilingual services and publications, as are necessary to ensure informed access to housing financed pursuant to this part for persons and families of low or moderate income who have limited fluency in the English language.

SEC. 27. Section 51228 of the Health and Safety Code is amended to read:

51228. At the time a mortgage loan commitment is made to finance any rental or cooperative housing development, a written agreement between the agency and housing sponsor shall be executed, designating the number of units to be made available on a priority basis within such housing development to very low income households, to other persons and families of low or moderate income, and to other households. If the number of units occupied by very low income households in any housing development ever falls below the number agreed to by the agency and housing sponsor, then units which become available for occupancy shall, subject to available subsidies be made available on a priority basis to very low income households until the number of units so occupied equals at least the number specified in the agreement. The agency may from time to time review agreements designating the allocation of units and, subject to agreement with the housing sponsor, may increase the number of units to be made available to very low income households if consistent with maintenance of the financial integrity of the housing development and continuance of permitted earnings distributions, or may establish minimum rents or minimum incomes for occupancy of units becoming vacant and not otherwise allocated to very low income households if necessary to the financial integrity of the housing development and continuance of permitted earnings distributions.

SEC. 28 Section 51301 of the Health and Safety Code is amended to read

51301. The agency shall, after public hearings, establish priorities for the allocation of financing assistance pursuant to this chapter among eligible areas and counties and cities throughout the state. In so doing, the agency shall take into account the following factors, to the extent applicable:

(a) The impact of financing assistance in upgrading substandard residential structures to decent, safe, and sanitary condition.

(b) The impact of financing assistance in stablilizing urban neighborhoods and preventing or arresting the process of deterioration.

(c) The impact of financing assistance in effectuating the efficient utilization of commitments of housing subsidies, thereby increasing housing opportunities for lower income households and very low income households.

(d) The impact of financing assistance in complementing the local utilization of community development funds made available pursuant to Title 1 of the Housing and Community Development Act of 1974 (Public Law 93-383).

(e) The availability and feasibility of alternative means to achieve substantially the same results as financing assistance provided pursuant to this chapter.

(f) The availability of efficient and effective public mass transit service for the residents of the neighborhood assisted. Other things being equal, preference shall be given to preserving neighborhoods where efficient and effective public mass transit service exists.

SEC. 29. Section 51302 of the Health and Safety Code is amended to read:

51302. Upon application by a local agency supplying such supporting information and data as the agency may require, the agency may designate an area within a city or county as a concentrated rehabilitation area if it makes the following findings:

(a) The area was selected by the legislative body after citizen participation.

(b) The area is an area of substantial deterioration of residential structures, as evidenced by a significant number of older and deteriorating residential structures in such area requiring rehabilitation.

(c) Rehabilitation assistance is necessary to enable and encourage residents in such area to cooperate in a local program of concentrated enforcement of rehabilitation standards.

(d) Rehabilitation of residential structures will arrest deterioration in the area.

(e) Rehabilitation of residential structures in the area is economically feasible.

(f) The local agency has offered to contract with the agency to (1) provide necessary supporting neighborhood public improvements and services, such as street improvements, landscaping and acquisition of open space, undergrounding of utility lines, and construction of drainage facilities in the area for which eligibility has

been requested, and (2) provide concentrated and continuing enforcement of rehabilitation standards in such area.

(g) The local agency has agreed to make every effort to prevent unnecessary displacement in accomplishing rehabilitation and has an adequate program of relocation advisory assistance for persons unavoidably displaced due to rehabilitation.

(h) The supply of housing available to very low income households at affordable rents and the supply of housing available to other persons and families of low or moderate income at affordable rents will not be reduced within the area because those displaced will receive relocation payments and be able to obtain standard housing in the area. Alternatively, standard housing will be available at affordable rents in equally desirable neighborhoods, expanding the range of housing opportunities for minorities and lower income households.

(i) The local agency has adopted a housing element in compliance with Section 65302 of the Government Code, and with housing element guidelines, which sets forth an effective plan for systematic enforcement of state and local building and housing standards throughout its jurisdiction.

(j) The application is consistent with local housing assistance plans adopted pursuant to the Housing and Community Development Act of 1974 (Public Law 93-383).

(k) The local agency has satisfied such other pertinent criteria as the agency may by regulation require.

(*l*) The local agency has investigated the current and planned levels of public transit service for the area.

SEC. 30. Section 51307 of the Health and Safety Code is amended to read:

51307. In addition, neighborhood improvement loans may be provided, on the following terms:

(a) Neighborhood improvement loans shall not be subject to the conditions applicable to mortgage loans or construction loans made for housing developments, except as follows:

(1) Residential structures financed shall be deemed to be housing developments, and their owners housing sponsors, for purposes of Chapter 1 (commencing with Section 50900) and Chapter 2 (commencing with Section 50950) of this part, but excluding Sections 50952 and 50958.

(2) All powers and duties specified in Chapter 4 (commencing with Section 51050) as to housing developments shall apply to residential structures financed by neighborhood improvement loans, except that the exercise of powers specified in Section 51064 shall be permissive.

(3) Neighborhood improvement loans shall be subject to such conditions as may be provided by agreement between the agency and a local public entity administering the program and as provided for specifically in this part.

(b) Neighborhood loans shall be made at market interest, except

that loans to persons and families of low or moderate income for residential structures of one to four units which are to be occupied by the owner may be made at lower interest rates based on income.

(c) Neighborhood improvement loans shall be made by the administering agency or local public entity or qualified mortgage lender.

(d) Neighborhood improvement loans shall be made only for residential structures.

(e) Refinancing may be provided, but only as necessary to permit the owner to afford the cost of rehabilitation or to minimize rent increases for occupants of the structure whose rents would otherwise exceed affordable rents due to the expense of rehabilitation, and provided that the cost of rehabilitation is at least 20 percent of the principal amount of the loan.

(f) Neighborhood improvement loans other than for refinancing shall be made for rehabilitation costs. In addition to the actual rehabilitation cost, if any, loans may be made for general repairs and improvements to the structure in amounts not in excess of the greatest of:

(1) Two thousand five hundred dollars ($2,500) per dwelling unit.

(2) Twenty percent of rehabilitation costs in the case of a residential structure other than a residential structure of one to four units to be occupied by the owner.

(3) Forty percent of rehabilitation costs in the case of a residential structure of one to four units to be occupied by the owner.

(g) The agency shall require that borrowers contract during the term of the loan not to raise residential rents over an amount which the agency by regulation establishes will yield a fair rate of return and will allow for increases reasonably necessary to provide and continue proper maintenance of the property.

"Rehabilitation costs," as used in this section, may include development costs, as defined, which are incurred in the rehabilitation of a housing development or residential structure and such other costs for general renovation of the building as are permitted by agency regulations.

Nothing in this section shall authorize financing for the acquisition of residential structures. The agency may by regulation provide for such additional conditions and agreements, not inconsistent with this section, as are deemed necessary to further the purposes of this part.

SEC. 31. Section 51611 of the Health and Safety Code is amended to read:

51611. "Qualified rehabilitator" means a housing sponsor which is certified by the agency to be qualified according to experience, financial capability, and such other pertinent criteria as the agency may establish by regulation, to carry out activities to rehabilitate and revitalize neighborhood preservation areas through loans insured pursuant to this part.

SEC. 32. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within

the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In order to clarify the meaning of the term "persons and families of low and moderate income" in legislation taking effect January 1, 1979, it is necessary that this act go into immediate effect.

CHAPTER 97

An act to amend Sections 50002, 50003, 50004, 50005, 50407, 50452, 50557, 50952, and 51225 of, to add Chapter 4 (commencing with Section 50200) to Part 1 of Division 31 of, to repeal Section 50008 of, and to repeal and add Chapter 3 (commencing with Section 50150) of Part 1 of Division 31 of, the Health and Safety Code, relating to housing, and declaring the urgency thereof, to take effect immediately

[Approved by Governor June 6, 1979 Filed with Secretary of State June 6, 1979]

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

SECTION 1. Section 50002 of the Health and Safety Code is amended to read:

50002. The Congress of the United States has established, as a national goal, the provision of a decent home and a suitable living environment for every American family and the Legislature finds and declares that the attainment of this goal is a priority of the highest order The national housing goal, as it applies to California, is deserving of adoption by the Legislature, with the accompanying commitment to guide, encourage, and direct where possible, the efforts of the private and public sectors of the economy to cooperate and participate in the early attainment of a decent home and a satisfying environment for every Californian

SEC. 2. Section 50003 of the Health and Safety Code is amended to read:

50003. (a) The Legislature finds and declares that, as a result of public actions involving highways, public facilities, and urban renewal projects, and as a result of poverty and the spread of slum conditions and blight to formerly sound neighborhoods, there exists within the urban and rural areas of the state a serious shortage of decent, safe, and sanitary housing which persons and families of low or moderate income, including the elderly and handicapped, can afford. This situation creates an absolute present and future shortage of supply in relation to demand, as expressed in terms of housing needs and aspirations, and also creates inflation in the cost of housing, by reason of its scarcity, which tends to decrease the relative affordability of the state's housing supply for all its residents

(b) To provide a decent home and suitable living environment for

every California family is the basic housing goal of state government. The Legislature recognizes that the California Statewide Housing Plan shows the magnitude of this goal by documenting a substantial need for rehabilitation of existing housing, demolition and replacement of severely dilapidated housing, construction of new apartments, houses, and mobilehomes, construction or rehabiliation of housing for year-round hired and seasonal farmworkers as well as housing for migrant farmworkers, and the provision of financial assistance to a substantial number of lower income households in order to meet standards for affordable rent or housing cost. Private enterprise and investment, without governmental assistance, cannot economically achieve the needed construction of decent, safe, and sanitary housing at rents or purchase prices which persons and families of low or moderate income can afford, nor can it provide the urgently needed rehabilitation of existing housing.

(c) The shortage of decent, safe, and sanitary housing is inimical to the safety, health, and welfare of the residents of the state and sound growth of its communities.

(d) In order to remedy such shortages, it is the intent of the Legislature in enacting this division to provide a comprehensive and balanced approach to the solution of housing problems of the people of this state.

(e) This section shall not be interpreted as requiring state actions to meet housing goals without legislative authorization, or as requiring such legislative action.

SEC. 3. Section 50004 of the Health and Safety Code is amended to read:

50004. The Legislature finds and declares that it is to the economic benefit of the state and a public purpose to encourage the availability of adequate housing and home finance for persons and families of low or moderate income, and to develop viable urban and rural communities by providing decent housing, enhanced living environment, and increased economic opportunities for persons and families of low or moderate income.

SEC. 4. Section 50005 of the Health and Safety Code is amended to read:

50005. The Legislature finds and declares that full cooperation and coordination with the cities and counties of the state in meeting the housing needs of the state on a level of government which is as close as possible to the people it serves is essential if workable housing programs are to be developed and implemented.

The provision to local governments of financial resources, statistical data, and technical assistance is necessary to implementation of public programs to meet housing needs with adequate consideration of the relationship between housing and the community in which the housing is located.

SEC. 5. Section 50008 of the Health and Safety Code is repealed.

SEC. 6. Chapter 3 (commencing with Section 50150) of Part 1 of Division 31 of the Health and Safety Code is repealed.

SEC. 7. Chapter 3 (commencing with Section 50150) is added to Part 1 of Division 31 of the Health and Safety Code, to read:

CHAPTER 3. AGENCY AND DEPARTMENT RESPONSIBILITIES

50150. This chapter sets forth the general responsibilities and roles of the Business and Transportation Agency, the Department of Housing and Community Development, and the California Housing Finance Agency in carrying out state housing policies and programs. It is declaratory of existing law as to those roles and responsibilities, and shall not be construed as creating additional responsibilities.

50151. The Secretary of the Business and Transportation Agency shall be responsible for allocating financial aid and contributions made available directly to state government or to the agency by any agency of the United States for the purpose of subsidizing housing for persons and families of low or moderate income.

The agency shall have priority among all other units of state government for receipt of federal housing subsidies for use in connection with its lending and insurance programs.

50152. The department shall be the principal state department responsible for coordinating federal-state relationships in housing and community development, except for housing finance, and for evaluating the operations and accomplishments of other state departments as they affect housing and community development. It shall have primary responsibility for development and implementation of housing policy.

In addition, the department shall be the primary agency in the implementation of that policy. The types of programs for which the department is responsible include, but are not limited to, technical assistance, rental subsidies, predevelopment loans, loans and grants for solar energy installation, grants and loans for the construction and rehabilitation of housing for persons and families of low or moderate income, and financial and other assistance to local public entities and nonprofit organizations for housing-related services. The department is also responsible for the development and enforcement of building and housing standards and regulations as provided by law to protect the public's health and safety. Nothing in this section is, however, intended to supersede the provisions of Part 1.5 (commencing with Section 17910) of Division 13.

The department annually shall report on the department's progress toward the accomplishment of goals and objectives, and compliance with priorities stated in the plan. All housing programs not expressly assigned to other agencies shall be assigned to the department for implementation.

50153. To further the goals of this division and to enable the success of a statewide housing program, it is essential, and the Legislature intends, that the agency and the department shall closely coordinate their activities to assure that the goals and purposes of this division are realized To this end, the Secretary of the Business and

Transportation Agency and the director of the department have been given a role on the board which administers the agency and approves major contractual agreements, and a veto power over agency regulations in certain policy areas as specified in Section 50462, and the agency is required to coordinate its activities with the department. Subject to these restrictions, however, and when carrying out its own unique responsibilities, the agency is relatively free of regulation by other agencies of state government.

50154 The California Housing Finance Agency, within the Business and Transportation Agency, is a primary agency in the implementation of state housing policy. The agency's role is to make financing opportunities available for the construction, rehabilitation, and purchase of housing for persons and families of low or moderate income by (a) borrowing in the securities markets and relending to housing sponsors, developers, and homeowners and (b) insuring loans made by the agency or by others for the same purposes. In general, the agency pays for its operations out of the excess of its interest revenue from loan repayments over the cost of the money it borrows or, in the case of insurance, by the excess of fees charged for the provision of insurance over the value of claims paid. The agency shall seek to implement the goals, policies, and objectives of the California Statewide Housing Plan and shall annually report on its progress toward compliance with priorities in the California Statewide Housing Plan.

SEC. 8. Chapter 4 (commencing with Section 50200) is added to Part 1 of Division 31 of the Health and Safety Code, to read:

CHAPTER 4. GENERAL PROVISIONS

50200. The exercise of powers specified in this division will be in all respects for the benefit of the people of the state, for their well-being and prosperity, and for the improvement of their social and economic conditions. Therefore, this division shall be liberally construed to effect its purposes. In the event of conflict between this division and any other provision of law, the provisions of this division shall be deemed controlling. If any clause, sentence, paragraph, or section of this division is held invalid by any court of competent jurisdiction, the decision shall not affect or impair any of the remaining provisions.

50201. Nothing in this division shall preclude the establishment of direct relationships between the federal government and local public entities or shall in any way alter the authority of local public entities to directly receive federal funds, nor shall anything in this division be construed to supersede or affect any other provision of law relating to the control of funds by local public entities. Further, nothing in this division shall affect the authority or reduce the obligations specified in Chapter 16 (commencing with Section 7250) of Division 7 of Title 1 of the Government Code with respect to payment of relocation assistance or prevent the receipt or

disbursement of federal funds made available to any governmental agency for such purpose.

50202. Nothing in this division shall authorize the imposition of rent regulations or controls except by a regulatory contract between the agency or the department, as the case may be, and its housing sponsor or developer, for housing units financed, insured, or otherwise assisted by the agency or by the department, as the case may be. Except for the federal government, the right to control rent on such units shall reside exclusively in the agency or the department, as the case may be, and the housing sponsor or developer so regulated shall not otherwise be subject to controls on rent imposed by any state or local agency or other local public entity.

50203. Nothing in this division shall be construed to authorize the creation of a debt or liability of the state within the meaning of Section 1 of Article XVI of the State Constitution.

SEC. 9. Section 50407 of the Health and Safety Code is amended to read:

50407 The department shall be the principal state department responsible for coordinating federal-state relationships in housing and community development, except for housing finance. The department shall be the principal state department responsible for implementation of the California Statewide Housing Plan. The department shall continually evaluate the impact upon the state of federal policies and programs affecting housing and community development and encourage full utilization of federal programs available for assisting the residents of this state, the private housing industry, and local public entities in satisfying housing and community development needs in this state Such evaluation shall include an assessment of the coordination between federal housing assistance and public transit service availability. The department shall encourage and assist housing and community development in rural areas and among Indian residents of the state. The department shall encourage mutual self-help projects, home management training, and relocation assistance. The department shall promote maximum utilization of federal subsidies available to meet housing needs of very low income households and other persons and famililes of low or moderate income, or both. The department shall assist communities and persons to avail themselves of state housing programs.

SEC. 10. Section 50452 of the Health and Safety Code is amended to read:

50452 The department shall biennially update and provide to the commission, for review, comment, and submission to the Legislature, a revision of the California Statewide Housing Plan. Such proposed revisions shall contain the following segments:

(a) A comparison of the housing goals for the preceding two fiscal years with the amount of construction and rehabilitation achieved and housing assistance provided in such fiscal years

(b) A revision of the minimum housing construction and

rehabilitation goals specified in subdivision (b) of Section 50451 for the current year and projected four additional fiscal years ahead.

(c) A revision of the housing assistance goals specified in subdivision (c) of Section 50451 for the current year and projected four additional fiscal years ahead.

(d) A revision of the evaluation required by subdivision (a) of Section 50451 as new census or other survey data become available.

(e) An updating of recommendations for state action which will facilitate the attainment of housing goals established for California.

The Legislature may review, revise, and adopt such biennial updates to the California Statewide Housing Plan.

SEC. 11. Section 50557 of the Health and Safety Code is amended to read:

50557. The commission shall review and comment on the California Statewide Housing Plan, and shall provide policy guidance to the Department of Housing and Community Development.

SEC. 12. Section 50952 of the Health and Safety Code is amended to read:

50952. The agency shall also seek to attain the following objectives:

(a) Acquisition of the maximum amount of funds available for subsidies for the benefit of persons and families of low or moderate income occupying units financed pursuant to this part.

(b) Housing developments providing a socially harmonious environment by meeting the housing needs of both very low income households and other persons and families of low or moderate income and by avoidance of concentration of very low income households that may lead to deterioration of a development.

(c) Emphasis on housing developments of superior design, appropriate scale and amenities, and on sites convenient to areas of employment, shopping, and public facilities.

(d) Increasing the range of housing choice for minorities in lower income households and other lower income households, rather than maintaining or increasing the impaction of low-income areas, and cooperation in implementation of local and areawide housing allocation plans adopted by cities, counties, and joint powers entities made up of counties and cities.

(e) Reducing the cost of mortgage financing for rental and cooperative housing to provide lower rent for persons and families of low or moderate income.

(f) Reducing the cost of mortgage financing for home purchase, in order to make homeownership feasible for persons and families of low or moderate income.

(g) Identification of areas of low-vacancy rates where construction is needed, of areas of substandard housing where rehabilitation is needed, and of areas of credit shortage where financing is needed for transfer of existing housing, so as to maximize the impact of financing activities on employment, reduction of housing costs, and maintenance of local economic activity.

(h) A balance between urban metropolitan, nonmetropolitan, and rural metropolitan housing developments, and between family housing and housing for the elderly and handicapped, in general proportion to the needs identified in the California statewide housing plan.

(i) Minimization of fees and profit allowances of housing sponsors so far as consistent with acceptable performance, in order to maximize the benefit to persons and families of low or moderate income occupying units financed by the agency.

(j) Full utilization of federal subsidy assistance for the benefit of persons and families of low or moderate income.

(k) Full cooperation and coordination with the local public entities of the state in meeting the housing needs of cities, counties, cities and counties, and Indian reservations and rancherias on a level of government that is as close as possible to the people it serves.

(*l*) Promoting the recovery and growth of economically depressed business located in areas of minority concentration and in mortgage-deficient areas.

(m) Revitalization of deteriorating and deteriorated urban areas by attracting a full range of income groups to central-city areas to provide economic integration with persons and families of low or moderate income in such areas.

(n) Implementation of the goals, policies, and objectives of the California Statewide Housing Plan.

(o) Location of housing in public transit corridors with high levels of service.

SEC. 13. Section 51225 of the Health and Safety Code is amended to read:

51225. In selecting proposals for financing, the agency shall balance its activity between urban metropolitan, nonmetropolitan, and rural metropolitan areas of the state in general proportion to the needs identified in the California Statewide Housing Plan.

Insofar as feasible, the agency shall attempt to provide financing for housing specifically designed for occupancy by particular types of lower-income households in general proportion to the proportionate need identified in the California Statewide Housing Plan and shall concentrate financing of construction and rehabilitation and financing for the sale of existing housing in areas of need as identified in the California Statewide Housing Plan or pursuant to regulations adopted pursuant to subdivision (g) of Section 50462.

The agency may also give priority consideration to, and reserve funds for use in connection with, large urban revitalization programs.

In order to facilitate implementation of local housing allocation plans, the agency may contract with a local public entity to reserve a portion of available credit and subsidy assistance for that area for one year. Such contracts may be renewed annually by mutual agreement.

SEC. 14. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are·

In order to establish the roles and responsibilities of state departments and agencies for purposes of legislation to be adopted in 1979 prior to the consideration of such legislation, it is necessary that this act go into immediate effect.

CHAPTER 98

An act to amend Sections 3512, 3526, and 18950.1 of, and to add Section 3518.7 to, the Government Code, relating to state employment relations, and declaring the urgency thereof, to take effect immediately

[Approved by Governor June 6, 1979 Filed with Secretary of State June 6, 1979]

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

SECTION 1. Section 3512 of the Government Code is amended to read:

3512. It is the purpose of this chapter to promote full communication between the state and its employees by providing a reasonable method of resolving disputes regarding wages, hours, and other terms and conditions of employment between the state and public employee organizations. It is also the purpose of this chapter to promote the improvement of personnel management and employee-employer relations within the State of California by providing a uniform basis for recognizing the right of state employees to join organizations of their own choosing and be represented by such organizations in their employment relations with the state

Nothing in this chapter shall be construed to contravene the spirit or intent of the merit principle in state employment, nor to limit the entitlements of state civil service employees, including those designated as managerial and confidential, provided by Article VII of the California Constitution or by laws or rules enacted pursuant thereto

SEC 2. Section 3518 7 is added to the Government Code, to read·

3518 7. Managerial employees and confidential employees shall be prohibited from holding elective office in an employee organization which also represents "state employees," as defined in subdivision (c) of Section 3513.

SEC. 3 Section 3526 of the Government Code, as amended by Section 5 5 of Chapter 776 of the Statutes of 1978, is amended to read:

3526 As used in this chapter.

(a) "Employee organization" means any organization which includes employees of the state, as defined in subdivision (c), and which has as one of its primary purposes representing its members in employer-employee relations.

(b) The provisions of this chapter apply only to the State of California. The "State of California" as used in this chapter means such state agencies, boards, commissions, administrative officers, or other representatives as may be designated by law.

(c) "Public employee," "state employee," "employee of the state," or "employee" means any person employed by the state, including employees of the Legislative Counsel Bureau, the Public Employment Relations Board, nonclerical employees of the State Personnel Board engaged in technical or analytical personnel functions, and conciliators employed by the State Conciliation Service within the Department of Industrial Relations, excepting those persons elected by popular vote or appointed to office by the Governor of this state, and excepting any civil service employees of the state, managerial employees as defined in subdivision (e) of Section 3513, confidential employees as defined in subdivision (f) of Section 3513, and employees of the California Maritime Academy.

This section shall remain in effect only until July 1, 1979.

SEC. 4. Section 3526 of the Government Code, as amended by Section 5 8 of Chapter 776 of the Statutes of 1978, is amended to read:

3526. As used in this chapter:

(a) "Employee organization" means any organization which includes employees of the state, as defined in subdivision (c), and which has as one of its primary purposes representing its members in employer-employee relations.

(b) The provisions of this chapter apply only to the State of California. The "State of California" as used in this chapter means such state agencies, boards, commissions, administrative officers, or other representatives as may be designated by law, except the University of California, Hastings College of the Law, and the California State University and Colleges.

(c) "Public employee," "state employee," "employee of the state," or "employee" means any person employed by the state, including employees of the Legislative Counsel Bureau, the Public Employment Relations Board, nonclerical employees of the State Personnel Board engaged in technical or analytical personnel functions, and conciliators employed by the State Conciliation Service within the Department of Industrial Relations, excepting those persons elected by popular vote or appointed to office by the Governor of this state, and excepting any civil service employees of the state, employees of the University of California, Hastings College of the Law, and the California State University and Colleges, managerial employees as defined in subdivision (e) of Section 3513, confidential employees as defined in subdivision (f) of Section 3513, and employees of the California Maritime Academy.

This section shall become operative July 1, 1979

SEC. 5. Section 18950.1 of the Government Code is amended to read:

18950.1 Notwithstanding any other provision of the law, fulltime employees of the state who are exempt from state civil service pursuant to the provisions of Section 4 of Article VII of the California Constitution, shall be eligible to receive three career credits under conditions prescribed by the State Personnel Board.

Such credits shall be granted only for open nonpromotional examinations. In order to be eligible to receive credits, such employees must meet all qualification requirements specified by the board and must have 12 consecutive months of service in an exempt position.

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 to facilitate the timely incorporation of the provisions of this act with other provisions of law relating to public employment relations which are to become operative July 1, 1979, the provisions of this act must take effect immediately.

CHAPTER 99

An act to amend Section 1814 of the Welfare and Institutions Code, relating to youths, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately

[Approved by Governor June 6, 1979 Filed with Secretary of State June 6, 1979]

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

SECTION 1. Section 1814 of the Welfare and Institutions Code is amended to read.

1814. (a) A county's per capita distribution shall be made quarterly by the state. Counties shall be required to file an annual summary program budget showing the county's intended distribution of its subvention in accordance with subdivision (a) of Section 1806.

(b) Any funds not used for actual expenditures for the funding year in accordance with this article shall revert to the state, except (1) funds encumbered annually by the county for capital expenditures, subject to the limitations set forth in subdivision (b) of Section 1806 and (2) all funds allocated to a county for the fiscal year 1978–79 which are unexpended or unencumbered at the end of such fiscal year; such funds shall be carried over and shall be available for use in fiscal year 1979–80 All fiscal year 1978–79 funds that are carried over for use in fiscal year 1979–80 shall be allocated only to programs

or activities which were in existence in fiscal year 1978–79.

(c) Fiscal year 1978–79 funds that are carried over into fiscal year 1979–80 pursuant to subdivision (b) shall not be considered in determining a base for increased levels of funding under the county justice system subvention program.

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 for the Department of the Youth Authority to be able to carry out the purposes of Chapter 461 of the Statutes of 1978, it is necessary that this act take effect immediately.

CHAPTER 100

An act to amend Section 17929 of the Business and Professions Code, relating to fictitious business name statements.

[Approved by Governor June 8, 1979. Filed with Secretary of State June 8, 1979]

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

SECTION 1. Section 17929 of the Business and Professions Code is amended to read:

17929. (a) The fee for filing a fictitious business name statement is ten dollars ($10) for the first name and two dollars ($2) for each additional name filed on the same statement and doing business at the same location. This fee covers the cost of filing and indexing the statement (and any affidavit of publication), furnishing one certified copy of the statement to the person filing the statement, and mailing the notice of expiration of the statement.

(b) The fee for filing a statement of abandonment of use of a fictitious business name is five dollars ($5). This fee covers the cost of filing and indexing the statement and any affidavit of publication.

(c) The fee for filing a statement of withdrawal from partnership operating under fictitious business name is five dollars ($5). This fee covers the cost of filing and indexing the statement and any affidavit of publication.

CHAPTER 101

An act to amend the heading of Article 17 (commencing with Section 38521) of Chapter 5 of Part 3 of Division 15 of, to amend and renumber Section 38522 of, to add Article 10.2 (commencing with Section 38348) to Chapter 5 of Part 3 of Division 15 of, and to add

Section 38522 to, the Food and Agricultural Code, relating to agriculture

[Approved by Governor June 8, 1979 Filed with Secretary of State June 8, 1979]

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

SECTION 1. Article 10.2 (commencing with Section 38348) is added to Chapter 5 of Part 3 of Division 15 of the Food and Agricultural Code, to read:

Article 10.2. Sterilized Whipped Cream or Sterilized Cream Topping and Sterilized Sour Cream

38348. Sterilized whipped cream or sterilized cream topping means a product containing not less than 18 percent milk fat, and which is packaged and dispensed from a pressurized, heat-sterilized, hermetically sealed container

38348.1. Sterilized whipped cream or sterilized cream topping shall be made with cream and may include one or more of the following ingredients· nonfat milk solids, whey solids, nutritive sweeteners, flavoring, and coloring Hexitols may be added within limits established by the Federal Food, Drug, and Cosmetic Act Harmless edible stabilizers and emulsifiers may be added to the extent required to accomplish the necessary physical effect.

38348 2. Sterilized whipped cream or sterilized cream topping shall be manufactured and processed in a milk products plant licensed by the department. It may be homogenized. It shall be subjected to a temperature high enough and a time long enough to sterilize the product, and shall be packaged in heat-sterilized, hermetically sealed containers. The product shall be charged with nitrous oxide or other inert, harmless gas that is approved by the director.

38348 3. Sterilized whipped cream or sterilized cream topping shall be conspicuously labeled with the full name of the product, the name and address of the distributor, and with the plant number of the manufacturer if the address for the distributor is not the address of the plant of manufacture

38349 Sterilized sour cream means a product containing not less than 18 percent of milk fat and not less than 0.50 percent acidity, expressed as lactic acid, which has been produced by the culturing of cream with the addition of pure cultures of one or more strains of lactic acid bacteria, and afterwards heated to a temperature high enough and long enough to sterilize the product. Sterilized sour cream shall be packaged in hermetically sealed containers.

38349.1 Sterilized sour cream shall be made with cream and may include one or more of the following optional ingredients: milk solids-not-fat, salt, or lactose Harmless edible stabilizers and

emulsifiers may be added to the extent required to accomplish the necessary physical effect.

38349.2. Containers of sterilized sour cream shall be conspicuously labeled with the full name of the product and shall also be labeled with the name and address of the distributor, and with the plant number of the manufacturer if the address for the distributor is not the address of the plant of manufacture.

SEC 2. The heading of Article 17 (commencing with Section 38521) of Chapter 5 of Part 3 of Division 15 of the Food and Agricultural Code is amended to read:

Article 17. Acidophilus Milk and Milk, Lowfat Milk, and Nonfat Milk with Lactobacillus Acidophilus Culture Added

SEC. 3. Section 38522 of the Food and Agricultural Code is amended and renumbered to read:

38523. The manufacture, labeling, and sale of acidophilus milk and milk, lowfat milk, or nonfat milk with lactobacillus acidophilus culture added shall be in accordance with regulations adopted by the director after a hearing which is duly called Interested parties shall be notified of the hearing.

SEC. 4. Section 38522 is added to the Food and Agricultural Code, to read:

38522. Milk with lactobacillus acidophilus culture added, lowfat milk with lactobacillus acidophilus culture added, and nonfat milk with lactobacillus acidophilus culture added means a market milk product that has been pasteurized, cooled to a temperature not exceeding 45°F., and afterwards inoculated with a pure culture of lactobacillus acidophilus.

CHAPTER 102

An act to amend Sections 86, 186 5, 2106, 2107.5 of, and to repeal Sections 186 4 and 2360 of, the Streets and Highways Code, relating to streets.

[Approved by Governor June 8, 1979 Filed with Secretary of State June 8, 1979.]

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

SECTION 1. Section 86 of the Streets and Highways Code is amended to read:

86. The commission may delegate to the department any ministerial or administrative power, duty, responsibility, or function of the commission. The delegations authorized herein shall be upon such conditions and terms as the commission deems appropriate.

SEC. 2. Section 186.4 of the Streets and Highways Code is

repealed

SEC. 3. Section 186.5 of the Streets and Highways Code is amended to read:

186.5. Whenever local entities are unable to agree upon the number and width of traffic lanes for a street or road proposed to be constructed by any such entity where such specifications will affect the uniform flow of traffic on a road or street from one such local entity to another, the matter may be submitted to the department. The department shall thereupon endeavor to establish such specifications for such street or road proposed to be constructed, and, if established, such specifications shall be binding upon the local entity constructing such road or street.

SEC. 4. Section 2106 of the Streets and Highways Code is amended to read·

2106. A sum equal to the net revenue derived from one and four one-hundredths cent ($0.0104) per gallon tax under the Motor Vehicle Fuel License Tax Law shall be apportioned monthly from the Highway Users Tax Account in the Transportation Tax Fund among counties and cities as provided in this section.

The amounts available under this section shall be apportioned, as follows:

(a) Four hundred dollars ($400) per month shall be apportioned to each city and city and county and eight hundred dollars ($800) per month shall be apportioned to each county and city and county.

(b) Thirty thousand dollars ($30,000) per month shall be transferred to the Bicycle Lane Account in the State Transportation Fund.

(c) The balance shall be apportioned, as follows:

(1) A base sum shall be computed for each county by using the same proportions of fee-paid and exempt vehicles as are established for purposes of apportionment of funds under subdivision (d) of Section 2104.

(2) For each county the percentage of the total assessed valuation of tangible property subject to local tax levies within the county which is represented by the assessed valuation of tangible property outside the incorporated cities of the county shall be applied to its base sum, and the resulting amount shall be apportioned to the county. The assessed valuation of taxable tangible property for purposes of this computation shall be that most recently used for countywide tax levies as reported to the State Controller by the State Board of Equalization In the event an incorporation or annexation is legally completed following the base sum computation, the new city's assessed valuation shall be deducted from the county's assessed valuation, the estimate of which may be provided by the State Board of Equalization.

(3) The difference between the base sum for each county and the amount apportioned to the county shall be apportioned to the cities of that county in the proportion that the population of each city bears to the total population of all cities in the county. Populations used for

determining expenditure of moneys under Section 2107 are to be used for purposes of this section.

SEC. 5. Section 2107.5 of the Streets and Highways Code is amended to read:

2107.5. In addition to the amounts apportioned to cities from the Highway Users Tax Fund under Sections 2106 and 2107, the following amounts shall be allocated annually during the month of July of each fiscal year for expenditure exclusively for engineering costs and administrative expenses in respect to city streets:

(a)	For each city with a population of over 500,000 inhabitants	$20,000
(b)	For each city with a population of 100,000 to 500,000 inhabitants	10,000
(c)	For each city with a population of 50,000 to 99,999 inhabitants	7,500
(d)	For each city with a population of 25,000 to 49,999 inhabitants	6,000
(e)	For each city with a population of 20,000 to 24,999 inhabitants	5,000
(f)	For each city with a population of 15,000 to 19,999 inhabitants	4,000
(g)	For each city with a population of 10,000 to 14,999 inhabitants	3,000
(h)	For each city with a population of 5,000 to 9,999 inhabitants	2,000
(i)	For each city with a population of less than 5,000 inhabitants	1,000

For the purpose of this section the population in each city shall be determined in accordance with Sections 2107, 2107.1, and 2107.2 at the time of allocation. Any city incorporated after the first day of July of any year shall receive the full annual allocation prescribed in this section, such allocation to be made during the month succeeding the filing or certification of the incorporation by the Secretary of State.

Any city under subdivision (h) or (i) above may expend the moneys allocated to it hereunder for acquisition of rights-of-way for and construction of its street system.

SEC. 6. Section 2360 of the Streets and Highways Code is repealed.

CHAPTER 103

An act to amend Section 20012 of, and to add Sections 20009.8, 20567.7, and 22850.2 to the Government Code, relating to the Public Employees' Retirement System, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 8, 1979 Filed with Secretary of State June 8, 1979]

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

SECTION 1 Section 20009.8 is added to the Government Code, to read·

20009.8. "Public agency" also includes a hospital which is managed by a city legislative body in accordance with Article 8 (commencing with Section 37650) of Chapter 5 of Part 2 of Division 3 of Title 4.

SEC. 2. Section 20012 of the Government Code is amended to read:

20012. "Employee" means:

(a) Any person in the employ of the state or the university whose compensation, or at least that portion of his compensation which is provided by the state or the university, is paid out of funds directly controlled by the state or the university, excluding all other political subdivisions, municipal, public and quasi-public corporations. "Funds directly controlled by the state" includes funds deposited in and disbursed from the State Treasury in payment of compensation, regardless of their source.

(b) Any person in the employ of any contracting agency, and for the purposes of the Public Employees' Retirement Law, and where a county or city and county becomes a contracting agency, the employees and attachés of the superior court of the State of California in and for said county or city and county shall be considered employees of the contracting agency.

(c) City employees who prior to effective date of the contract with the hospital are assigned to a hospital which became a contracting agency because of Section 20009.8 shall be deemed hospital employees from and after the effective date of contract with the hospital for retirement purposes. City employees who after the effective date of contract with the hospital become employed by such a hospital, shall be considered as new employees of such hospital for retirement purposes.

SEC. 3. Section 20567.7 is added to the Government Code, to read:

20567.7 When a hospital becomes a contracting agency pursuant to Section 20009.8, such contract shall be construed as a continuation of the city's contract for all purposes of this part, and the sponsoring city, the hospital, and the board shall enter into an agreement under the terms of which hospital employees shall retain, under the hospital's contract, all of the retirement rights and benefits which have accrued to them under the city's contract. The board shall compute the unpaid costs, if any, of such accrued rights and benefits, and the city shall pay to the board such amount in a manner and at times satisfactory to all parties to the agreement. Thereafter, the city shall be relieved and discharged from all liabilities on account of

rights and benefits which have accrued to the hospital employees, and the hospital shall then become liable for such rights and benefits under its contract with the board.

On and after the effective date of the hospital's contract with the board, neither the city nor the hospital shall be an employer as defined in Section 20740.

All employees of the city who have retired or separated from employment prior to the effective date of the hospital's contract shall be treated as retired city employees or former city employees, as the case may be, for all purposes of this part, whether or not they ever worked in the hospital.

SEC. 4. Section 22850.2 is added to the Government Code, to read:

22850.2. When a hospital becomes a contracting agency pursuant to Section 20009.8, its employees shall be deemed city employees for purposes of this part until such hospital enacts its own resolution or acts officially to terminate its subjection to this part.

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 employees of a municipal hospital may be included under a separate contract in the Public Employees' Retirement System prior to the commencement of the next fiscal year, this act must take effect immediately.

CHAPTER 104

An act making an appropriation in augmentation of Items 249 and 252 of the Budget Act of 1978, relating to public social services, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 10, 1979 Filed with Secretary of State June 10, 1979]

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

SECTION 1 The sum of one million six hundred thousand two hundred forty-four dollars ($1,600,244) is hereby appropriated from the General Fund to the State Department of Finance for allocation to the State Department of Health Services, pursuant to the following schedule:

(a) For the purpose of meeting increases in the state's share of expenditures for Medi-Cal fiscal intermediary services, the sum of nine hundred three thousand three hundred dollars shall be used to augment Item 249 of the Budget Act of 1978

(Chapter 359, Statutes of 1978) $903,300
provided, whenever the State Department of Health Services changes the definition of the term "claims", for purposes of Medi-Cal, the department shall forthwith notify the Legislature of the change.
(b) For the purpose of meeting increases in claims for the genetically handicapped person's program, the sum of six hundred ninety-six thousand nine hundred forty-four dollars shall be used to augment subparagraph (2) of subdivision (c) of Item 252 of the Budget Act of 1978 (Chapter 359, Statutes of 1978) $696,944

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 avoid an anticipated deficiency in the funds which support the Medi-Cal fiscal intermediary services and to enable the state to make payment of essential claims against the state when due, it is necessary that this act take effect immediately.

CHAPTER 105

An act relating to financial support of the public schools, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 12, 1979 Filed with Secretary of State June 12, 1979]

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

SECTION 1. Notwithstanding Section 41603 of the Education Code, the maximum reduction pursuant to Section 41603 for the 1978–79 school year shall be such that no district's revenue is reduced below 85 percent of the sum of the district's projected revenues computed pursuant to subdivision (a) of Section 2 of Chapter 292 of the Statutes of 1978 as amended by Chapter 332 of the Statutes of 1978, plus the miscellaneous revenues of the district for the 1978–79 school year.

SEC. 2. This act shall be deemed operative for the entire 1978–79 fiscal year as though it were enacted and became operative on July 1, 1978. The Superintendent of Public Instruction and other public officers shall, for such purposes, have authority to take all necessary steps to effect the retroactive application of this act, including the authority to adjust allowance computations, apportionments, and disbursements for the fiscal year commencing July 1, 1978.

SEC. 3. This act is an urgency measure necessary for the immediate preservation of the public peace, health, or safety within

the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

School districts in the State of California receive annually from the government of the United States money derived from bonuses, royalties, and rentals under acts of Congress relating to potash and potassium mining in the public domain. Payments pursuant to these acts are deposited in the general fund of the school districts pursuant to Section 12307 of the Education Code. At least one school district in this state has been unfairly penalized by a reduction in its state aid pursuant to Section 41603 of the Education Code and Section 2 of Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978, as a result of payments deposited in its general fund pursuant to Section 12307 of the Education Code. In order to prevent any further unfair and inequitable treatment of school districts receiving potash and potassium bonuses, royalties, and rentals and in an effort to correct the inequities which have already occurred to at least one school district in the state, it is necessary for this act to take effect immediately.

CHAPTER 106

An act relating to an apportionment to the Bakersfield City School District, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 12, 1979. Filed with Secretary of State June 12, 1979.]

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

SECTION 1. The Legislature finds that certain school districts prior to June 6, 1978, entered into binding salary contracts for certificated and classified employees containing cost-of-living increases for the 1978–79 school year. The Legislature also finds that the adoption of Proposition 13 has made it extremely difficult for some of these districts to meet these legal obligations and that it would be in the interest of the state to make an advance apportionment to such a district from funds which would otherwise be apportioned to the district in the 1979–80 school year.

SEC. 2. The sum of nine hundred eighty-six thousand eight hundred eighty-seven dollars ($986,887) is hereby transferred from the General Fund to Section A of the State School Fund for apportionment pursuant to Section 41310 of the Education Code to the Bakersfield City School District during the 1978–79 school year. Any apportionments to which the district would otherwise be entitled in the 1979–80 school year shall be reduced by such amount.

SEC. 3. Due to the unique circumstances concerning the school district subject to the provisions of this act, the Legislature finds and

declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

SEC. 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 permit the apportionment authorized by this act to be made available to the affected district during the 1978–79 school year, and so permit such district a year in which to make an adjustment within its budget, it is necessary that this act go into effect immediately.

CHAPTER 107

An act to amend Sections 98.1 and 98.2 of the Labor Code, relating to enforcement of labor laws, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 12, 1979 Filed with Secretary of State June 12, 1979.]

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

SECTION 1. Section 98.1 of the Labor Code is amended to read:

98.1. (a) Within 15 days after the hearing is concluded, the Labor Commissioner shall file in the office of the division a copy of the order, decision or award. Such order, decision or award shall include a summary of the hearing and the reasons for decision. Upon filing of the order, decision or award, the Labor Commissioner shall serve a copy of the decision personally or by certified mail on the parties. The notice shall also advise the parties of their right to appeal the decision or award and further advise the parties that failure to do so within the period prescribed by this chapter shall result in the decision or award becoming final and enforceable as a judgment by the appropriate municipal or superior court, in accordance with the appropriate rules of jurisdiction.

(b) For the purpose of this section, an award shall include such sums found owing, damages proved, and any penalties awarded pursuant to the provisions of this code.

(c) All awards granted pursuant to a hearing under this chapter shall accrue interest on all due and unpaid sums at the same rate as judgments in civil actions, except that no interest shall accrue on such sums during the course of a court appeal. Such interest will run from the date of notice of the award or decision.

SEC. 2. Section 98.2 of the Labor Code is amended to read:

98.2. (a) Within 10 days after service of notice of an order, decision or award the parties may seek review by filing an appeal to the municipal or superior court, in accordance with the appropriate

rules of jurisdiction, where the same shall be heard de novo. A copy of the appeal request shall be served upon the Labor Commissioner by the appellant.

(b) If no notice of appeal is filed within 10 days of receipt of the notice of decision or award, the decision or award shall, in the absence of fraud, be deemed the final order.

(c) The Labor Commissioner shall file within 10 days of the order becoming final pursuant to subdivision (b) of this section, a certified copy of the final order with the clerk of the municipal or superior court, in accordance with the appropriate rules of jurisdiction, of the appropriate county unless a settlement has been reached by the parties and approved by the Labor Commissioner. Judgment shall be entered immediately by the court clerk in conformity therewith. The judgment so entered shall have the same force and effect as, and shall be subject to all of the provisions of law relating to, a judgment in a civil action; and it may be enforced in the same manner as any other judgment of the court in which it is entered. Enforcement of such judgment shall receive court priority.

(d) Notwithstanding subdivision (c) of this section, the Labor Commissioner may stay execution of any judgment entered upon an order, decision, or award which has become final upon good cause appearing therefore and may impose the terms and conditions of the stay of execution. A certified copy of such stay of execution shall be filed with the clerk entering the judgment.

(e) When a judgment is satisfied in fact, otherwise than by execution, the Labor Commissioner may, upon the motion of either party or on its own motion, order entry of satisfaction of judgment. The clerk of the court shall enter a satisfaction of judgment upon the filing of a certified copy of such order.

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:

There is presently considerable court congestion in the superior courts. In order to relieve this burden on the courts as soon as possible, it is necessary that this act take effect immediately.

CHAPTER 108

An act to add Chapter 19 5 (commencing with Section 9780) to Division 3 of the Business and Professions Code, relating to aircraft repair

[Approved by Governor June 12, 1979 Filed with Secretary of State June 12, 1979]

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

SECTION 1. Chapter 19.5 (commencing with Section 9780) is added to Division 3 of the Business and Professions Code, to read:

CHAPTER 19.5. AIRCRAFT REPAIR

9780. Any person having a noncommercial aircraft in for repairs or service has the right to request, in advance of any work done, a written estimate or may specify a maximum charge on the total cost of repairs or service to be performed. No charge shall be made for work done or parts supplied in excess of the estimated price without the oral or written consent of the customer which shall be obtained at some time after it is determined that the estimated price is insufficient and before the work not estimated is done or the parts not estimated are supplied. Nothing in this section shall be construed as requiring any person to give a written estimated price if such person does not agree to perform the requested repair.

CHAPTER 109

An act to amend Section 1391 of the Health and Safety Code, relating to health care service plans, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 12, 1979. Filed with Secretary of State June 12, 1979.]

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

SECTION 1. Section 1391 of the Health and Safety Code is amended to read:

1391. The commissioner may issue an order directing a plan, solicitor firm, or any representative thereof, or solicitor to cease and desist from engaging in any act or practice in violation of the provisions of this chapter.

Within 15 days after service of the order of cease and desist, the respondent may request a hearing on the question of whether acts or practices in violation of this chapter have occurred. If a timely request for a hearing is made, such request shall automatically stay the effect of the order only to the extent that such order either requires the cessation of operation of the plan or prohibits acceptance of new members by the plan. However, no automatic stay shall be issued if any examination or inspection of the plan performed by the commissioner discloses, or reports or documents submitted to the commissioner by the plan on their face show, that the plan is in violation of any fiscal requirement of this chapter or in violation of any requirement of Section 1384 or Section 1385. In the

event of such automatic stay, only that portion of the order requiring cessation of operation or prohibiting enrollment shall be stayed and all other portions of the order shall remain effective. If a hearing is held, and a finding is made that the health or safety of the members and potential members of the plan might be adversely affected by its continued operation, the stay shall be terminated. Such a finding shall be made, if at all, not later than 30 days after the date of the hearing.

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:

A health care service plan may fail to submit reports or documents in compliance with reporting and recordkeeping requirements and such failure may prevent the commissioner from obtaining information demonstrating violations of fiscal requirements of the Knox-Keene Health Care Service Act of 1975 and yet the plan would be eligible for the automatic stay of a cease and desist order, which in view of the time necessary for an administrative hearing, could operate to the serious detriment of subscribers and enrollees of the plan.

CHAPTER 110

An act to add Section 1752.5 to the Welfare and Institutions Code, relating to the Youth Authority.

[Approved by Governor June 15, 1979 Filed with Secretary of State June 15, 1979.]

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

SECTION 1. Section 1752.5 is added to the Welfare and Institutions Code, to read:

1752.5. The director may establish and maintain at any institution or camp under his jurisdiction a canteen for the sale to persons confined therein of candy, nutritional snacks, toilet articles, tobacco products, sundries, and other articles. The canteen shall operate on a nonprofit basis. However, if sales should exceed costs, the surplus shall be deposited in a special fund, to be designated "Benefit Fund." Any moneys contained in such fund shall be used for the benefit of the wards resident at the institution or camp.

CHAPTER 111

An act relating to local agencies, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 15, 1979 Filed with Secretary of State June 15, 1979]

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

SECTION 1. Notwithstanding Sections 54902, 54902.1, and 54903 of the Government Code, any exclusion of territory from an improvement district of a municipal water district pursuant to Part 8.5 (commencing with Section 72080) of Division 20 of the Water Code which is completed prior to February 26, 1979, shall be effective for assessment and taxation purposes for the 1979–1980 fiscal year if the required statement and map or plat is filed on or before March 1, 1979.

SEC. 2. Notwithstanding Sections 54902, 54902.1 and 54903 of the Government Code, any county service area which is formed to provide street lighting services, the formation of which is completed by January 26, 1979, shall be effective for assessment and taxation purposes for the 1979–80 fiscal year if the statement and map or plat required by Sections 54900 and 54901 of the Government Code were filed with the State Board of Equalization and each assessor whose roll is used for the levy on or before March 28, 1979.

SEC 3. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to that section nor shall there be an appropriation made by this act because this act is in accordance with the request of a local government entity or entities which desires legislative authority to carry out the program specified in this act.

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

Municipal water districts have utilized the procedures set forth in Part 8.5 (commencing with Section 72080) of Division 20 of the Water Code for exclusion of territory from improvement districts for the purpose of relieving such territory of taxes to be levied upon taxable property in such improvement districts for the payment of principal and interest on outstanding bonds during the fiscal year beginning July 1, 1979. However, Part 8.5 was added to Division 20 of the Water Code by Chapter 404 of the Statutes of 1978, and became effective on January 1, 1979, and it was not possible, therefore, for such municipal water districts to complete such exclusion proceedings and file the statement and map or plat required by Section 54902 of the Government Code before the deadlines specified therein. It is thus necessary, in order to relieve territory

excluded from such improvement districts of taxes levied in the fiscal year 1979–1980 that this act take effect immediately

In addition, in order that assessment and taxation of property in county service areas providing street lighting services may be accomplished in fiscal year 1979–80 in accordance with county service area boundary changes which have taken place, it is necessary that this act take effect immediately.

CHAPTER 112

An act to repeal Division 5 (commencing with Section 14000) of, and to add Division 5 (commencing with Section 14000) to, the Financial Code, relating to credit unions.

[Approved by Governor June 15, 1979 Filed with Secretary of State June 15, 1979]

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

SECTION 1. Division 5 (commencing with Section 14000) of the Financial Code is repealed

SEC. 2. Division 5 (commencing with Section 14000) is added to the Financial Code, to read:

DIVISION 5. CREDIT UNIONS

CHAPTER 1. GENERAL PROVISIONS

Article 1. Definitions

14000. This division shall be known as the "California Credit Union Law."

14001. The definitions given in this division govern the construction of this division unless the context otherwise requires.

14002 A credit union is a cooperative corporation, organized for the purposes of promoting thrift among its members and creating a source of credit for them at legal rates of interest for provident purposes

14003. "Commissioner" means the Commissioner of Corporations of the State of California.

Article 2 General

14050. The use by any person, other than those authorized by this division, of any name or title which contains the phrase "credit union," is a misdemeanor. Nonprofit associations, which are formed for the mutual benefit and protection of credit unions, by credit unions organized under this division, or under the provisions of the

statutes of the United States applicable to credit unions or any nonprofit association formed for the mutual benefit and protection of credit union employees by bona fide employees of credit unions, may use the phrase "credit union" in the name or title designating any such association.

14051. Any person who willfully and knowingly makes, circulates, or transmits to another or others any statement or rumor, written, printed or by word of mouth, which is untrue in facts and is directly or by inference derogatory to the financial condition or affects the solvency or financial standing of any credit union doing business in this state, or who knowingly counsels, aids, procures, or induces another to start, transmit, or circulate any such statement or rumor, is guilty of a misdemeanor and shall be punished by a fine of not more than one thousand dollars ($1,000) or by imprisonment for not more than one year, or both.

14052. In addition to the powers enumerated in this division, every credit union has the general powers conferred upon corporations by the General Corporation Law of this state unless restricted by this division.

CHAPTER 2. FORMATION

Article 1. Incorporation and Bylaws

14100. Credit unions may be incorporated under this division in the same manner as corporations under the General Corporation Law of this state, except as otherwise provided in this division.

14101. The articles of incorporation of every credit union shall set forth the following:

(a) The name of the corporation, which shall include the phrase "credit union."

(b) The authorized number of members or memberships or that the number thereof is unlimited, unless the corporation is formed with authorized shares of stock.

14102. (a) Amendments to the articles of incorporation of any credit union may be adopted by resolution of the board of directors, which is also adopted by a vote of a majority of the members of the credit union present, in person or by proxy, as provided in the credit union's bylaws, at any regular or special meeting of the shareholders for which notice of such proposed amendments has been given; provided, however, that a minimum vote of at least 10 percent of the entire membership entitled to vote on the question votes in favor of the amendment and those voting in favor of the amendment constitute a majority of the members participating in the vote. The 10 percent minimum vote may be obtained by accumulating the votes obtained at the meeting, in person or by proxy, or by a mail vote which shall be taken within 30 days prior to or subsequent to the meeting.

(b) The commissioner may approve the amendment according to

the resolution adopted by the board of directors if approved by less than 10 percent of the entire membership as provided in this section if he finds, upon the written and verified application filed by the board of directors, that (1) notice of the meeting called to consider the amendment was mailed to each member entitled to vote upon the question, (2) such notice disclosed the purpose of the meeting and properly informed the membership that approval of the amendment might be sought pursuant to this section and (3) a majority of the votes cast upon the question were in favor of the amendment.

14103. The bylaws shall prescribe the manner in which the business of the credit union shall be conducted with reference to the following matters:

(a) The purpose of the corporation.

(b) The qualification for membership.

(c) Determination of the month, time and place of the annual meeting; the manner of conducting meetings; the method by which members shall be notified of meetings; and the number of members which shall constitute a quorum.

(d) The number of directors necessary to constitute a quorum, and the compensation and duties of officers elected by the directors.

(e) The membership, powers, and duties of the supervisory committee.

(f) The membership, powers, and duties of the credit committee.

(g) The conditions upon which shares may be issued, paid for, transferred and withdrawn.

(h) The charges, if any, which may be imposed for failure to punctually meet obligations to the corporation.

(i) The conditions upon which certificates may be issued and withdrawn.

(j) The manner in which the funds of the corporation shall be employed.

(k) The conditions upon which loans may be made and repaid.

(*l*) The maximum rate of interest that may be charged upon loans.

(m) The method of receipting for money paid on account of shares, certificates or loans.

(n) The manner in which the guaranty fund shall be accumulated.

(o) The manner in which dividends may be determined and paid to members.

(p) The manner in which the bylaws may be amended.

14104. An amendment to the bylaws of a credit union pursuant to Section 14810 shall not be adopted except upon the submission of the proposed amendment by mail to all members entitled to vote and the affirmative vote of a majority of the members responding to such notice, given in person either at a meeting or by written ballot. Any such amendment to the bylaws adopted by written vote shall be certified by the president and secretary as to the manner by which the matter was submitted and the result of the voting.

Article 2. Certificate to Act as a Credit Union

14150. No membership shares, certificates for funds or other securities shall be issued by any credit union until it has applied for and obtained from the commissioner a certificate authorizing it to act as a credit union.

14151. Applications for a certificate to act as a credit union shall be made in writing to the commissioner, setting forth such information as the commissioner requires. The application shall be verified by one or more officers of the credit union authorized by its board of directors.

14152. At the time of filing an application to operate as a credit union, the applicant shall pay to the commissioner a filing fee of five dollars ($5).

14153. Upon the filing of the application for a certificate to act as a credit union, the commissioner shall examine the application together with the other papers and documents filed therewith. The commissioner may make any further investigation of the applicant and its affairs that he deems advisable.

14154. If the commissioner is not satisfied, as provided in Section 14155, he shall deny the application and refuse such certificate and notify the applicant in writing of his decision.

14155. (a) If the commissioner is satisfied that the field of membership of the applicant is not contrary to the principles of organizing credit unions based on common bond of employment, membership, or residence, and does not substantially encroach upon that of any existing credit union to the extent that it will impair the successful operation of either credit union, that the applicant has made a showing as to the economic feasibility of the proposed credit union, that the number of persons eligible for membership is not less than 100, that the responsibility, character, and general fitness of the officers, committeemen, and directors of the applicant are such as to command the confidence of the community and to warrant belief that the business will be operated honestly, fairly, and efficiently within the purposes of this division, the commissioner shall issue to the applicant a certificate authorizing it to engage in and carry on business as a credit union.

(b) Subject to the appropriate findings specified in subdivision (a), nothing in this division shall prohibit the commissioner from issuing a certificate authorizing a credit union for an association or associations of employers located in one reasonably compact geographical area.

14156 Each certificate issued under this division remains in full force and effect until suspended or revoked by the commissioner.

Chapter 3. Administration and Powers of the Commissioner

Article 1. General

14200. The powers of supervision and examination of all credit unions organized under the provisions of this division are vested in the commissioner.

14201. The commissioner may establish such rules and regulations as may be reasonable or necessary to carry out the purposes and provisions of this division.

14202. The commissioner may by regulation authorize credit unions organized under the provisions of this division to engage in any activity authorized by law or regulation for credit unions organized under the laws of the United States. Any such regulation shall expire on the first day of January of the second succeeding year following the end of the calendar year in which such regulation was promulgated.

14203. Upon request of the commissioner, a credit union shall furnish to the commissioner an authorization for examination of financial records of any capital funds, undivided profits, and guaranty funds, maintained in a financial institution, in accordance with the procedures set forth in Section 7473 of the Government Code.

14204. If the commissioner upon any examination, or from any report made to him, finds any credit union is violating the provisions of this division, or is insolvent, or is conducting its business in an unsafe or unauthorized manner, he may notify such credit union to, and such credit union shall, cease such practices in the conduct of its business as the commissioner finds unsafe or finds is being conducted in an unauthorized manner. The commissioner may notify such credit union to, and the credit union shall, temporarily suspend or entirely cease the transaction of any new business or such portion thereof as is ordered by the commissioner.

14205. The commissioner may, upon reasonable opportunity to be heard, suspend or revoke any certificate if he finds that the credit union has violated any provisions of this division or any rule or regulation of the commissioner made pursuant to this division.

14206. Whenever a hearing is required or granted by this division 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 commissioner has all the powers granted therein.

14207. In any proceeding under this law, the burden of proving an exemption or an exception from a definition is upon the person claiming it.

14208. The commissioner may, after appropriate notice and opportunity for hearing, by order censure, or suspend for a period not exceeding 12 months, or bar from any position of employment or management of, any credit union, any officer, director, or employee of, or person performing similar functions for, a credit union, if the commissioner finds that such censure, suspension or bar is in the public interest, that such person has committed a violation of this division or rule of the commissioner, and that such violation

was either willful or caused, or will probably cause, material damage to the credit union or any member thereof.

Article 2. Examinations and Reports

14250. (a) For the purpose of discovering violations of this division or securing information required by him, the commissioner may at any time investigate the affairs and examine the books, accounts, records, and files used in the business of every credit union, whether it acts or claims to act under or without authority of this division. For the purposes of examination and investigation the commissioner and his duly designated representatives shall have free access to the offices and places of business, books, accounts, papers, records, files, safes, and vaults of all such credit unions.

(b) If during any calendar year the commissioner has not examined a credit union pursuant to subdivision (a) or requested an audit report pursuant to subdivision (a) of Section 14252, he shall perform such an examination or request such an audit report, as authorized by this division.

14251. The commissioner upon the written consent of any credit union officer or director may make any examination of the credit union in any regularly established office of the commissioner.

14252. (a) In lieu of an annual examination of a credit union, the commissioner may request and the credit union may submit, or the commissioner may approve the request of a credit union to submit, at such credit union's own expense in either case, an audit report containing audited financial statements prepared in accordance with generally accepted accounting principles covering the calendar year or, if such credit union has an established fiscal year, then for such fiscal year, within 105 days after the close of such calendar or fiscal year, together with such other relevant information as the commissioner may require. The audited financial statements shall include at least a balance sheet and a statement of income for the year ended on the balance sheet date.

(b) The report and audited financial statements referred to in subdivision (a) shall be accompanied by a report, certificate or opinion of an independent certified public accountant or independent public accountant and shall contain such relevant information as the commissioner may require. The audit shall be conducted in accordance with generally accepted auditing standards and the rules and regulations of the commissioner.

(c) If the report, certificate or opinion of the independent accountant referred to in subdivision (a) is in any way qualified, the commissioner may require the credit union to take such action as he deems appropriate to permit an independent accountant to remove such qualification from the report, certificate, or opinion.

(d) The commissioner may reject any financial statement, report, certificate, or opinion filed pursuant to this section by notifying the credit union of its rejection and the cause thereof. Within 30 days

after the receipt of such notice, the credit union shall correct such deficiency, and the failure to do so shall be deemed a violation of this division. The commissioner shall retain a copy of all filings so rejected.

(e) The commissioner may by rule or regulation specify the form and content of the reports and financial statements required to be filed pursuant to this section and may require that such reports be verified by the credit union in such manner as he may prescribe.

14253. A credit union shall, when requested by the commissioner, submit its unaudited financial statements, prepared in accordance with generally accepted accounting principles and consisting of at least a balance sheet and statement of income as of the date and for the period specified by the commissioner. The commissioner may require the submission of such reports on a monthly or other periodic basis.

14254. On or before 45 days after the 31st day of December of each year every credit union shall make a written report to the commissioner which shall contain a statement of its condition as of December 31st of that year. The report shall be in the form and contain the matters prescribed by the commissioner. Every such report shall be verified by the oath of the president and secretary of the credit union. The verification shall state that the report is true and correct in all respects to the best of the knowledge and belief of the persons verifying it.

14255. Every credit union shall make other special reports to the commissioner as the commissioner may from time to time require. Such reports shall be in the form and filed at such date as prescribed by the commissioner, and shall if required by him, be verified in such manner as he prescribes.

14256. If any credit union fails to make any report required by this division on or before the day designated for the making thereof, or fails to include therein any matter required by the commissioner, such failure is grounds for the suspension or revocation of the certificate authorizing such credit union to act as a credit union, unless the time for filing the report is extended by the commissioner.

Article 3. Possession of Credit Union by Commissioner and Liquidation

14300. If the commissioner finds, after a hearing, unless waived in writing by the licensee, that a credit union has impaired capital or is operating in an unsafe or unsound manner, or has failed to comply with Section 14858, he may take possession of the business and assets of the credit union and maintain possession until such time as he shall permit it to continue business, or its affairs are finally liquidated.

If such credit union submits a satisfactory plan to restore any impairment of capital and to proceed with business in a sound, businesslike manner, the commissioner may permit such credit

union to resume possession of the business and assets and operate as a credit union under such conditions as may be imposed by the commissioner in the public interest.

14301. On taking possession of the business and assets of any credit union as provided in this article, the commissioner may proceed to liquidate the credit union in the manner provided by Division 1 (commencing with Section 99) or he may appoint a liquidating agent or a liquidating committee of three members of the credit union to liquidate the business and assets of the credit union in the manner provided in Article 2 (commencing with Section 15250) of Chapter 9, except that in lieu of the certificate required under Section 15252 the commissioner shall prepare and file in the office of the Secretary of State a certificate of commencement of liquidation proceedings upon taking possession of the business and assets, and the commissioner or his authorized deputy shall countersign the certificate referred to in Sections 15257 and 15258 whenever liquidation is involuntary. The commissioner may, however, prepare and file such final certificate whenever he retains possession of the assets of any credit union for the purpose of liquidation. The liquidating agent need not be a member of the credit union to be liquidated and may be a person, firm or corporation as determined by the commissioner.

14302. The commissioner shall supervise the acts of the liquidating agent or the liquidating committee appointed under this article and may remove the liquidating agent or any member of the liquidating committee in his discretion.

14303. The liquidating agent or the members of the liquidating committee appointed under this article shall file with the commissioner a faithful performance bond in an amount to be determined by the commissioner. The premium for such bond shall be paid out of the assets of the credit union

14304. If the commissioner retains possession of the assets of such credit union for the purpose of liquidation, the commissioner shall use the services of civil service employees of the commissioner's office and the attorneys employed by the commissioner or the Department of Justice shall render all necessary legal services, as the commissioner may request.

Article 4 Costs of Administration

14350. To defray the costs of administration of this division, including investigations and supervision, but not including the costs of examination referred to in Section 14353, except as otherwise provided therein, the commissioner shall require every credit union licensed by him or coming under his supervision to pay in advance to him for the ensuing year charges and assessments in accordance with the following schedule:

Total assets of credit union	Amount of assessment
Assets of $1,000 or less	$20.00
Over $1,000, but not more than $50,000	$20.00 plus $2.00 per $1,000 of assets in excess of $1,000
Over $50,000, but not more than $150,000	$118.00 plus $1.75 per $1,000 of assets in excess of $50,000
Over $150,000, but not more than $300,000	$293.00 plus $1.50 per $1,000 of assets in excess of $150,000
Over $300,000, but not more than $500,000	$518.00 plus $1.00 per $1,000 of assets in excess of $300,000
Over $500,000, but not more than $750,000	$718.00 plus $0.50 per $1,000 of assets in excess of $500,000
Over $750,000	$843.00 plus $0.25 per $1,000 of assets in excess of $750,000

14351. On or before the 30th day of November of each year the commissioner shall notify each credit union by mail of the amount assessed and levied against it and that amount shall be paid on or before the 31st day of December of that year. If payment is not made to the commissioner by that time, the certificate then in effect authorizing such credit union to act as a credit union may by order be summarily suspended or revoked by the commissioner 10 days after the giving of notice by the commissioner that such amount is due and unpaid. If, after such an order is made, a request for hearing is filed in writing and a hearing is not held within 60 days thereafter, the order is rescinded as of its effective date.

14352. If the commissioner determines that the charges and assessments set forth in this division for any year are in excess of the amount necessary, or are insufficient, to meet the expenses of administration of this division, including examinations and supervision, for that year, the assessments and charges for the following year shall be adjusted on a pro rata basis in accordance with the percentage of such excess or insufficiency as related to the actual charges and assessments for the year for which such excess or insufficiency occurred, in order to recover the actual costs of administration.

14353. If an examination is made or services performed, the credit union examined or to which services are rendered shall pay to the commissioner the actual cost thereof, including the actual amount of salary or other compensation paid to the persons making such examination or rendering special services and overhead costs in connection therewith as fixed by the commissioner. If recovery of such costs cannot be made from the credit union, such costs may be added to the assessment provided for in Section 14350.

14354. All fees charged and collected under this division shall be paid at least once each week, accompanied by a detailed statement thereof, into the treasury of the state to the credit of the General Fund.

CHAPTER 4. MANAGEMENT AND OPERATIONS

Article 1. General

14400. The capital of a credit union consists of the payments made by members on shares.

14401. A credit union may borrow money from any source in an aggregate amount not to exceed 50 percent of the paid-in and unimpaired capital and surplus of such credit union. For the purposes of this section, certificates for funds shall be deemed borrowed money.

14402. Every credit union may purchase and hold, either individually or jointly with other credit unions or affiliated organizations, a lot and building to be employed principally for the transaction of business, and to provide for future expansion of the facilities of such organizations. Any excess space which is not occupied by the organizations purhasing and holding the building may be leased to the public. The lot and building may be sold, if all the holders of the property join in its sale.

14403. Every credit union may purchase and hold, either individually or jointly with other credit unions or affiliated organizations, furniture, fixtures, vaults, and other personal property necessary to carry on its business, and to equip or furnish any space in any building purchased or held individually or jointly with other credit unions or affiliated organizations under authorization of Section 14402, whether occupied by the credit union or leased to the public. The personal property may be sold, if all the holders of the property join in its sale.

14404. No credit union shall invest more than one-fifth of its paid-in and unimpaired capital and surplus in the investments and property authorized by Sections 14402, 14403, 14650 and 14651.

14405. Every credit union may:

(a) Become a member of any organization or organizations composed of credit unions, credit associations, or chambers of commerce

(b) Pay such dues and assessments as may be levied upon it by any

organization of which it is a member.

14406. The capital funds, undivided profits and guaranty fund of any credit union may be deposited in any of the following:

(a) Commercial banks or trust companies, incorporated under the laws of this state.

(b) National banks located in this state.

(c) Shares or certificates for funds received or any form of evidence of interest or indebtedness issued by any credit union in this state, organized under the provisions of this division or the statutes of the United States relating to credit unions.

(d) Accounts with, investment certificates or withdrawable shares of, any savings and loan association doing business in this state and which is an insured institution as defined by Title IV of the National Housing Act; provided that the total sum invested by any credit union in any one savings and loan association pursuant to this section shall not exceed the greater of one-fourth of 1 percent of such savings and loan association's total withdrawable accounts or the maximum amount of insurance on a single savings and loan account then provided by the Federal Savings and Loan Insurance Corporation of the United States under the provisions of subdivision (b) of Section 401 (subdivision (b) of 12 U.S.C. 1724) and subdivision (a) of Section 405 (subdivision (a) of 12 U.S.C. 1728) of Title IV of the National Housing Act.

14407. (a) Whenever the losses of any credit union resulting from a depreciation in the value of its securities or otherwise exceed its undivided earnings and reserve fund so that the estimated value of its assets is less than the total amount due its shareholders, the credit union may, by a three-fourths vote of the entire membership at a meeting called to consider the matter, order a reduction of the liability to each of its shareholders, so as to divide the loss equitably among such shareholders. If thereafter the credit union shall realize from such assets a greater amount than was fixed in the order of reduction, such excess shall be divided among the shareholders whose assets were reduced, but to the extent of such reduction only

(b) The commissioner may approve a reduction in the liability on shares approved by less than three-fourths of the entire membership as provided in subdivision (a) if he finds, upon the written and verified application filed by the board of directors, that (1) notice of the meeting called to consider the question was mailed to each member entitled to vote upon such question, (2) such notice disclosed the purpose of the meeting and properly informed the membership that approval of such reduction in liability might be sought pursuant to this subdivision, and (3) that a majority of the votes cast upon the question were in favor of such reduction in liability.

14408. No credit union shall make any gift or donation unless such gift or donation is in the best interests of the credit union, first approved by a resolution of the board of directors, and approved by a vote of the majority of the members of the credit union present at

any regular or special meeting of the shareholders for which notice of such intended gift or donation has been given.

14409. Every credit union shall:

(a) Obtain adequate surety bond coverage for the treasurer and any assistant treasurer conditioned upon the honest performance of his trust. The minimum principal amount of such bond shall be based on the gross assets of the credit union, according to the following schedule:

Gross assets	Amount of bond
0 to $5,000	$1,000
5,001 to 10,000	2,000
10,001 to 20,000	4,000
20,001 to 30,000	5,000
30,001 to 40,000	8,000
40,001 to 50,000	10,000
50,001 to 75,000	15,000
75,001 to 100,000	20,000
100,001 to 150,000	30,000
150,001 to 200,000	40,000
200,001 to 300,000	50,000
300,001 to 400,000.	60,000
400,001 to 500,000	70,000
500,001 to 750,000	85,000
750,001 to 1,000,000	100,000
1,000,001 to 50,000,000	100,000 plus 50,000 for each additional million or fraction thereof of assets over 1,000,000
50,000,001 to 150,000,000	$2,500,000 plus 25,000 for each additional million or fraction thereof of assets over 50,000,000
Over 150,000,000	5,000,000

(b) Obtain adequate fidelity bond coverage for each officer and employee having control of or access to funds or securities owned by or pledged with a credit union commensurate with risks involved.

14410. No member of the board of directors, supervisory committee, or credit committee shall receive any compensation for his services as such. A director or committee member may be reimbursed for actual expenses incurred in the performance of his duties.

Article 2. Directors

14450. The credit union shall be directed by a board consisting of an odd number of directors, at least five in number, to be elected at the annual meeting of the shareholders by and from the members. Every director shall be a member of the credit union in his own right.

14451. Directors may be elected for a term of three years or less. If directors are elected for terms in excess of one year their terms of office shall be staggered so that insofar as possible an equal number of such terms shall expire each year.

14452. The office of any director shall be declared vacant if such director is absent from three consecutive regular meetings of the board of directors unless excused therefrom.

14453. The board of directors of every credit union shall have the general management of the affairs, funds and records of the corporation. The board, with the written approval of the commissioner, may appoint an executive committee of no fewer than three directors, to serve at its pleasure, to act for it in the purchase and sale of securities, the investment and withdrawal of funds, in borrowing funds, and in making loans to other credit unions in accordance with the law and regulations.

14454. The directors shall hold an annual meeting within 10 days after the annual meeting of shareholders for the purpose of electing the officers of the credit union as prescribed in Sections 14500 and 14501 and in Section 312 of the General Corporation Law.

14456 Unless the bylaws expressly reserve any or all of the following duties to the shareholders, it shall be a special duty of the directors.

(a) To act upon all applications for membership. The directors may delegate the power to approve applications for new membership to the chairman of a membership committee or to an executive committee.

(b) To expel members for any of the following causes:

(1) Conviction of a criminal offense involving moral turpitude.

(2) Failure to carry out contracts, agreements or obligations with the credit union

(3) Refusal to comply with the provisions of this division or of the bylaws.

Any member who shall have been expelled by the board of directors shall have the right to appeal therefrom to the members, in which event, after hearing, the order of suspension may be revoked by a two-thirds vote of the members present at a special meeting to consider the matter.

(c) To determine from time to time the interest rate on loans and to authorize the payment of interest refunds to borrowing members

(d) To fix the maximum number of shares which may be held by, and the maximum amount which may be lent to, any one member.

(e) To declare dividends on shares in the manner and form provided in the bylaws and to determine the interest rate or rates

which will be paid on certificates for funds.

(f) To recommend amendments to the bylaws.

(g) To fill vacancies in the board of directors or credit committee, and to temporarily fill vacancies caused by the suspension of any member of the board of directors, or any or all members of the credit committee, pending a meeting of the shareholders to determine whether to affirm such suspension and vacate the office, or to reinstate such member or members.

(h) To direct the deposit or investment of funds, except loans to members, and to perform such other duties as the bylaws may prescribe.

(i) To designate alternate members of the credit committee who shall serve in the absence or inability of the regular members to perform their duties.

Article 3. Officers

14500. The officers of every credit union shall include a chairman or president, one or more vice chairmen or vice presidents, a secretary and a treasurer.

14501. If the bylaws so provide, the directors may elect the same person as secretary and treasurer.

14502. The powers, duties and compensation of the officers of any credit union are as prescribed in the bylaws.

Article 4. Supervisory Committee

14550. Every credit union shall have a supervisory committee of at least three persons, each of whom shall be a member of the credit union.

14551. The supervisory committee may:

(a) Suspend at any time by unanimous vote, at a meeting called for that purpose, the credit committee, or any member thereof, or any member of the board of directors, or any officer.

(b) By a majority vote call a meeting of the shareholders to consider any violation of this division or the bylaws, or any practices of the credit union which, in the opinion of the committee, are unsafe or unauthorized

(c) Inspect the securities, cash and accounts of the credit union and supervise the acts of its board of directors, officers and credit committee.

(d) Fill vacancies in the supervisory committee until the next annual meeting of the shareholders.

(e) Declare vacant any office of a member of the supervisory committee if such member is absent from three consecutive regular meetings of the supervisory committee unless excused therefrom or is completely inactive as a member of the supervisory committee for a consecutive 12 months' period

14552. The supervisory committee shall, within seven days after

suspension of any or all members of the credit committee, or any member of the board of directors, or any other officer, cause notice of a special meeting to be given to the shareholders to take such action regarding the suspension as the members deem necessary.

14553. The supervisory committee shall at least once each year make or cause to be made an audit of the books and records and an examination of the business and affairs of the credit union. The supervisory committee shall make a full report of the assets and liabilities, receipts and disbursements of the credit union to the board of directors. Such reports shall be read at the annual meeting of shareholders and filed with the records of the credit union.

14554. No member of the supervisory committee shall serve as a member of the credit committee or board of directors or as an employee of the credit union.

14555. The commissioner may, after investigation and finding that the supervisory committee is not performing in conformance with this article, declare all offices of the supervisory committee of a credit union vacant and shall direct the board of directors of the credit union to call a special meeting of the shareholders for the purpose of electing a new supervisory committee to serve until the next regular annual meeting.

Article 5. Credit Committee and Loan Officers

14600. Every credit union shall have a credit committee of at least three persons, each of whom shall be a member of the credit union. The bylaws of the credit union shall provide that either the members of the credit committee shall be elected by the members of the credit union at their annual meeting or they shall be appointed by the board of directors. The bylaws of the credit union shall provide for the terms of office, which shall not exceed three years, and which may be staggered.

14601 No member of the credit committee shall serve as a member of the supervisory committee.

14602. No credit union shall make any loan or extension of credit without the written approval of a majority of the members of the credit committee or of a loan officer appointed as provided in this section. The credit committee may, with the approval of the board of directors, appoint one or more loan officers who shall be authorized to approve loan applications within the limits set by the credit committee, but in no event to exceed the sum of one thousand dollars ($1,000) plus the unpledged shares of the borrower for any one loan if the paid-in and unimpaired capital and surplus of the credit union are less than five hundred thousand dollars ($500,000). Loan officers of credit unions with paid-in and unimpaired capital and surplus of five hundred thousand dollars ($500,000) or more may approve loan applications within the limits set by the credit committee, but in no event to exceed the sum of five thousand dollars ($5,000) plus the unpledged shares of the borrower for any

one loan. Loan officers of credit unions with paid-in and unimpaired capital and surplus of one million dollars ($1,000,000) or more may approve loan applications within the limits set by the credit committee, but in no event in excess of the sum of ten thousand dollars ($10,000) plus the unpledged shares of the borrower for any one loan. Such loan officer must be a member of the credit union and may, but need not be, a member of the credit committee or an officer or director of the credit union. Such loan officers shall not also have the power to approve membership applications or to approve any extension agreement of any delinquent loan or the refinancing of any delinquent loan except as prescribed in regulations promulgated by the commissioner. The credit committee shall be provided with a record of each loan approved or not approved by any loan officer within seven days of such approval or disapproval.

14603 The credit committee or a loan officer may approve in advance, upon their own motion or upon the application of any member, the extension of credit to any member and loans may be granted to such member within the limit of such extension of credit; however, a loan officer may not approve the extension of credit to any member in an amount greater than the unsecured loan limit of each borrower allowed by Section 15100. Where an extension of credit has been approved, applications for loans need not be approved by the credit committee or loan officer as long as the aggregate amount of such loan or loans does not exceed the limit of such extension of credit. The credit committee or loan officer shall review, from time to time, all extensions of credit approved by them and any extension of credit approved for any member shall expire if such member becomes ineligible for a loan or becomes more than 90 days delinquent in his obligations to the credit union.

14604. Any applicant for a loan, loans, or an extension of credit may appeal from the decision of the credit committee or loan officer to the board of directors.

Article 6. Investments

14650. Subject to the limitations of Sections 14402, 14403, and 14404, any credit union or credit unions may purchase, acquire and hold outstanding shares of a corporation engaged exclusively in holding property of the character described in Section 14402 and which property is or is to be used for the purposes set forth in Section 14402 The purchase or acquisition of stock of any such corporation shall be approved by two-thirds of all the directors of such credit union or credit unions

14651. Every credit union may invest in the shares of stock of a corporation organized solely for the purpose of providing services to credit unions, providing such corporation is formed by an organization composed of credit unions described in subdivision (a) of Section 14405 Every credit union may invest in the securities of any corporation which provides services to credit unions provided

such investment is approved by the commissioner. Such investment shall not exceed, in the aggregate, 5 percent of its paid-in and unimpaired capital and surplus.

14652 Every credit union may invest in securities authorized in Sections 1352 to 1366, inclusive, and in Section 1372 of the Banking Law

14653. With the written approval of the commissioner, credit unions may invest in trusts organized solely for the purpose of investing in United States government securities and United States government agency securities; provided such trust is formed by an organization composed of credit unions described in subdivision (a) of Section 14405 or an organization of credit union associations.

14654 Credit unions may purchase from the vendor of any personal property, conditional sale contracts covering the sale of such property to its members. The credit union may hold and retain any such conditional sale contract as an investment

14655 A credit union may purchase from the owner thereof a promissory note upon which a member is primary obligor provided the credit union could have made a loan to such member in the amount and upon the terms and conditions provided in such note under the provisions of this division.

14656 A credit union may, in accordance with rules and regulations prescribed by the commissioner, purchase from any liquidating credit union notes made by individual members of such liquidating credit union, at such prices and under such terms as may be agreed upon by the board of directors of the purchasing credit union and the board of directors, or liquidating agent, of the liquidating credit union.

Article 7. Reserves

14700. Every credit union shall create and maintain a guaranty fund as follows

(a) All entrance fees remaining after the payment of organization expenses shall be set aside to such fund

(b) At the close of each accounting period, 10 percent of the gross income of the corporation shall be transferred to such fund until the fund equals or exceeds 20 percent of the credit union's gross assets When the fund falls below 20 percent of the credit union's gross assets, it shall be replenished by contributions of 10 percent of the gross income of the corporation or in such lesser amounts as may be needed to maintain a level of 20 percent of gross assets, except that any credit union participating in a program of share insurance approved by the commissioner may, in lieu of compliance with this section, maintain such guaranty fund as may be specified by the commissioner.

(c) Any sums recovered on items previously charged to it shall be credited to such fund.

14701 Losses incurred by a credit union may be charged to its

guaranty fund.

14702. In addition to the guaranty fund, special reserves shall be established when required by regulation or when found necessary by the board of directors of the credit union or by the commissioner.

Article 8. Penalties

14750. Any officer, director, member of a committee of a credit union, or loan officer appointed pursuant to Section 14602 who knowingly permits a loan to be made or participates in a loan to a nonmember of the corporation, is guilty of a misdemeanor.

14751. Any officer, director, member of a committee, or loan officer appointed pursuant to Section 14602 who violates Section 14750 is primarily liable to the corporation for the amount of the loan. The illegality of the loan is no defense in an action by the corporation to recover the amount of the loan.

Chapter 5. Members

14800. Every credit union may admit to membership those persons qualified for membership upon payment of an entrance fee or the purchase of a share in the credit union.

14801. Every credit union may expel members as provided in Section 14456 of this division.

14802. Each member shall keep the credit union informed of his current address. In the event a member fails to do this, a charge may be made to the member's share account for the actual cost of necessary locator service incurred in determining such an address; provided, however, that such charge shall not exceed five dollars ($5). Such charge shall be made only for amounts paid to a person or concern normally engaged in providing such service and shall be made against the account or accounts of any one member no more than once in any 12-month period.

14803. No credit union shall pay any commission or compensation for securing members.

14804. The members of a credit union shall hold an annual meeting for the election of directors and a supervisory committee upon such notice and, if provided for in its bylaws, the election of a credit committee at such time and place as the bylaws provide.

14805. Special meetings may be held upon order of the board of directors and shall be held upon the written request of 10 members or 3 percent of the membership, whichever is greater. Notice of special meetings shall be given to all members specifying the date, time, place, and purpose of such meeting.

14806. In credit unions formed on or after September 15, 1945, no member shall have more than one vote irrespective of the number of shares held by him.

14807. Any member may withdraw from the credit union at any time. A withdrawing member shall give 60 days' notice of intention

to withdraw shares and 30 days' notice of intention to withdraw certificates unless a longer period of notice is required by the commissioner.

14808. All amounts paid on shares or on certificates of an expelled or withdrawn member, with any dividends or interest credited thereto to the date of withdrawal or expulsion, shall be paid to such members as funds become available, and after deducting all amounts due from the member to the credit union. Withdrawing or expelled members have no further rights in the credit union, but are not by expulsion or withdrawal released from any liability to the credit union or its creditors.

14809. Members who leave the field of membership may be permitted to retain their membership in the credit union unless otherwise provided in the credit union's bylaws.

14810. The bylaws may provide that any action or specifically designated actions which may be taken at a meeting of the shareholders may be taken without a meeting by submitting the matter to all members who would be entitled to vote upon such action at a meeting, for their written vote. Any such bylaw shall require that each matter submitted to the members for their written vote shall be certified by the president and secretary as to the manner by which the matter was submitted and the result of the voting.

No member shall vote by proxy upon any matter referred to all members for their written vote pursuant to this section, and the powers of any previously issued or outstanding valid proxy are suspended as to any such action.

CHAPTER 6. SHARE ACCOUNTS AND CERTIFICATES FOR FUNDS

Article 1. General

14850 The Corporate Securities Law relating to the necessity of qualification of the sale of securities does not apply to the sale and issue of membership shares, certificates for funds, and other securities, by credit unions organized under this division.

14851. Every credit union may issue shares to any qualified member and issue such shares in joint tenancy to the member and any person designated by such member. If the shares are issued in joint tenancy with a member and any other person not a member, there shall be printed on the certificate or other evidence of shares, the words "Transferable only to qualified members."

14852. Every credit union may charge a reasonable fee for the transfer of its shares.

14853 A credit union may issue shares or investment certificates to a minor of any age or maintain any other account authorized for credit union members for a minor, and receive payments thereon by or for such minor. Such minor is entitled to withdraw, transfer, or pledge any shares or certificates or other moneys owned by him and

to receive from the credit union all dividends, interest, or other money due thereon in the same manner and subject to the same conditions as an adult. The receipt or acquittance of a minor whose parent or guardian has consented to the account, whether before or after any transaction therein, constitutes a valid release and discharge of the credit union for the payment of dividends, interest, or other money due to such minors.

14854. Shares or certificates for funds owned in joint tenancy and all dividends and interest thereon may be paid to any of the joint tenants during their lifetime or to the survivor or any one of the survivors of them after the death of one or more of the joint tenants. By written instructions of all joint tenants given to the credit union, the joint tenants may require the signatures of more than one of such persons during their lifetimes or of more than one of the survivors after the death of any one of them on any notice of withdrawal, request for withdrawal, check endorsement or receipt, in which case the credit union shall pay withdrawals, dividends and interest only in accordance with such instructions, but no such instructions shall limit the right of the sole survivor or of all of the survivors to receive withdrawal payments, dividends and interest. Payment as provided in this section and the receipt or acquittance by any joint tenant is a valid and sufficient release and discharge of the depository credit union for all payments made on account of shares or certificates for funds owned in joint tenancy prior to the receipt by such credit union of notice in writing from any one of them not to make payments in accordance with the terms of such shares or certificates for funds or of such written instructions. After receipt of such notice a credit union may refuse, without liability, to pay withdrawals, dividends, or interest pending a determination of the rights of the parties.

14855. Every credit union may receive money and accumulate funds to be loaned and execute certificates for funds for the money received. The certificates for funds shall specify the date, amount, rate of interest, and when the principal and interest are payable.

14856. Every credit union may impress a lien upon the shares and dividends of any member to the extent of any loans made to him and for any dues or charges payable by him.

14857. Every credit union may cancel the shares of any member who withdraws or is expelled, and apply the value of the shares to the liquidation of the member's indebtedness to the credit union.

14858. Every credit union shall apply for and obtain insurance as provided for by Title II of the Federal Credit Union Act (Title 12 U.S.C., Sec. 1781 and following), or alternatively, a form of comparable insurance acceptable to the commissioner, for the purpose of insuring its members' share accounts, by January 1, 1980. In seeking and retaining such insurance, a credit union may do all things and assume and discharge all obligations required of it when not in conflict with the laws of this state. Credit unions who have not obtained insurance by January 1, 1980, shall commence with orderly

liquidation or merger proceedings, subject to the provisions of this division.

14859. No credit union shall pay any commission or compensation for the sale of its shares.

14860. No credit union shall issue shares or accept funds in trust, except in the name of the trustee, as such, for a specified beneficiary whose residence shall be disclosed to the credit union by the trustee.

14861 No credit union shall issue shares to anyone not qualified for membership under its bylaws, except shares issued in joint tenancy as provided in Section 14851.

14862. The board of directors may classify the share accounts of the credit union relative to the rights, restrictions, and dividend rates as prescribed in regulations which shall be promulgated by the commissioner.

14863. (a) A credit union shall not impose any charge on a member or depositor holding a periodic certificate for funds for the failure of such member or depositor to invest, or for the late investment of, any agreed periodic installment investment in such a periodic certificate for funds. A credit union shall pay interest on periodic certificates for funds at the same rate of interest per annum as is paid on certificates for funds as to which a member or depositor has not agreed to make periodic installment investments

(b) As used in this section "periodic certificate for funds" means a certificate for funds under which a member or depositor undertakes to make periodic investments of a specified amount into one account, except, however, a periodic certificate for funds shall not mean an impound account established for the purpose of payment of taxes or other expenses and obligations in connection with a loan secured by real property.

14864. The shares and certificates for funds received of members of any credit union and all the accumulation on such shares and certificates are exempt from sale on execution and proceedings supplementary thereto, to the amount of one thousand five hundred dollars ($1,500).

The procedure set forth in Section 690.50 of the Code of Civil Procedure shall be followed in claiming the exemption from execution pursuant to this section

Article 2. Dividends

14900. The board of directors of any credit union may declare dividends at such intervals and for such periods as the bylaws shall provide

14901 The rates of dividends and terms of payment may be established in advance by action of the board of directors.

14902. The directors of any credit union may, for the dividend period, declare dividends from its undivided profits as provided by law, but no credit union shall credit or pay any dividends to its shareholders until it has transferred to its guaranty fund such part of

its gross income as is required by Section 14700.

14903. To determine the undivided profits, the credit union may credit the profit and loss account with the earnings from all sources during the dividend period. The credit union shall then deduct the following amounts for the dividend period:

(a) All expenses paid or incurred of whatever nature in the management of its affairs, the collection of its debts or the transaction of its business.

(b) The interest paid, or accrued and unpaid, on debts owing by it.

(c) All losses sustained by it in excess of its guaranty fund.

14904. The credit balance of the profit and loss account as determined pursuant to Section 14903 constitutes the undivided profit of the credit union at the close of such period.

14905. Shares which are fully paid by the first day of any calendar month of any period for which dividends are declared, are entitled to a proportionate part of the dividends calculated from the first day of that month.

14906. The bylaws of any credit union may provide that shares which are fully paid by the 10th day of any calendar month of any period for which dividends are declared are entitled to a proportionate part of the dividend calculated from the first day of that month. The bylaws of any credit union may provide that shares are entitled to dividends irrespective of the fact that any part or all the money paid upon such shares has been withdrawn during any portion of any dividend period. The bylaws of any credit union may provide that shares are entitled to a proportionate part of dividends calculated from the date the shares are fully paid to the date the shares have been withdrawn during any period for which dividends are declared.

14907. Amounts paid or credited by a credit union to its members or depositors on or before the 30th day after the close of its income year shall be deemed for all purposes as paid or credited by the credit union upon the last day of the income year. This section is applicable only to credit unions as entities and does not apply to the members or depositors thereof.

CHAPTER 7. LOANS

Article 1. General

14950. (a) Every credit union may make loans to its members upon such terms and conditions as the bylaws provide and as the credit committee approves.

(b) With the specific approval of the board of directors, a credit union may accept notes receivable from nonmembers as consideration for the sale of assets owned by the credit union through bona fide transactions. Transactions subject to this subdivision shall not be deemed to be loans to nonmembers subject to the provisions

of Section 14750.

14951 Applications for loans shall be in writing and shall state the purpose for which the loan is desired and the security offered, except loans made pursuant to an extension of credit as provided in Section 14603.

14952. No credit union shall make a loan to a member under 18 years of age that will result in such member being obligated to the credit union in excess of one thousand dollars ($1,000) unless such loan is secured in the manner provided for in subdivision (b) or (c) of Section 14955.

14953. (a) Any loan in excess of five thousand dollars ($5,000) shall be secured either (1) by real or personal property to the extent that the loan exceeds five thousand dollars ($5,000), or (2) in the manner provided in Section 14955 of this article.

(b) If the security offered is an endorsed note as provided in subdivision (a) of Section 14955, a signed and dated financial statement shall be taken from each person who endorses the note and the sufficiency of the financial responsibility of every such endorser shall be verified by a majority of the credit committee. Loans secured by the signatures of a borrower and endorser or endorsers shall not exceed the amount that may be loaned to the borrower without security pursuant to Section 15100 of this article, plus an equivalent amount for each endorser, plus the amount of shares or certificates for funds pledged to secure the obligation.

14954. Comakers other than the borrower are endorsers for the purposes of this chapter.

14955. "Security" includes, but is not limited to, the following:

(a) A note endorsed by any member of the credit union or by any other person.

(b) Any obligation wherein the payment of interest and principal is guaranteed by any municipal government, state government, the government of the United States, or by any instrumentality of the United States.

(c) The amounts which a member has invested in the credit union, either in the form of shares or in funds received. If the amount invested by a member is equal to the loan made to that member, he shall not be required to give further security.

14956. A credit union may make simultaneously to any member different classes of loans, either secured or unsecured.

14957 Whenever the directors or the credit committee deem any loan unsafe they may require additional security to be given by the borrower, and if such security is not furnished as required, they may declare the loan due and take action to collect the same.

Article 2. Maximum Charges and Fees

15000 No credit union shall charge more than 15 percent per annum simple interest on the unpaid balance, for any loan, including all charges incident to the making of the loan. Charges incident to

the making of a loan, as used in this section, do not include the cost of any insurance or any cost of acknowledgment, certification, registration, recordation or filing, independent appraisals, separate escrows, and other fees actually paid by a credit union to third parties in connection with a loan. A charge for special services applied to a share account is not a charge incident to the making of a loan when an overdraft from the share account results in a loan advance, provided that the same charge is applied to the share account whether or not an overdraft occurs.

15001. Every credit union may assess charges to members for failure to meet punctually obligations to such credit union. No credit union shall impose late charges in case of failure of members to make payments when due, in excess of 3 percent of the payment due with a minimum charge of not less than five cents ($0.05). A late charge may be made only once for each delinquent payment and may not exceed five dollars ($5).

15002. A service charge not to exceed twenty-five cents ($0.25) may be made for any loan of fifty dollars ($50) or less which is repaid before the end of the first full month.

Article 3. Loans to Directors, Officers and Committee Members

15050. No credit union shall:

(a) Make loans to any director, officer, member of the credit committee, or member of the supervisory committee directly or indirectly unless the loan complies with all lawful requirements of this division with respect to loans to other borrowers and is not on terms more favorable than those extended to other borrowers.

(b) Make loans to any director, officer, member of the credit committee, or member of the supervisory committee, directly or indirectly, not fully secured by shares or certificates for funds unless all of the following requirements are satisfied:

(1) Upon the making of the loan, the aggregate amount of loans outstanding, except loans fully secured by shares, to directors, officers, members of the credit committee and their alternates, or members of the supervisory committee will not exceed 10 percent of the unimpaired capital and surplus of the credit union.

(2) The loan, except any portion fully secured by shares, does not exceed 1 percent of the unimpaired capital and surplus of the credit union, or the maximum obligation to the credit union prescribed by Section 15101, whichever is less.

(3) The loan is approved by the credit committee and by the board of directors.

(4) The borrower takes no part in the consideration of his application and does not attend any committee or board meeting while his application is under consideration.

(5) The names of members of the credit committee and board of directors who voted to authorize or ratify the loan shall be entered in their respective minutes.

(c) Permit any director, officer, member of the credit committee, or member of the supervisory committee to become surety for any loan or advance made by the credit union.

For the purpose of this section "loan" includes any extension of credit in which the board of directors of the credit union fixes an aggregate amount of credit which may be extended during a given period not in excess of 12 months.

15051. The board of directors shall declare the office of any director, officer, or committee member vacant if such person fails to reduce any indebtedness to the credit union for which he is liable in a timely manner according to the terms of the obligation.

Article 4. Limitations

15100. No credit union shall make any loan in excess of one thousand dollars ($1,000) without security, except that credit unions with paid-in or unimpaired capital and surplus in excess of one hundred thousand dollars ($100,000) may make a loan, without security, of 1 percent of paid-in and unimpaired capital and surplus or two thousand five hundred dollars ($2,500), whichever is less, provided, that credit unions with paid-in and unimpaired capital and surplus in excess of two hundred fifty thousand dollars ($250,000) may make a loan, without security, of two thousand five hundred dollars ($2,500) plus one-fourth of 1 percent of paid-in and unimpaired capital and surplus, or five thousand dollars ($5,000), whichever is less.

15101. No credit union shall make a loan which will result in any member being obligated to the credit union in excess of three thousand dollars ($3,000) or 10 percent of its paid-in and unimpaired capital and surplus, whichever is greater, but not to exceed ten thousand dollars ($10,000) plus the then unpledged shares, except that credit unions with assets of one million dollars ($1,000,000) or more may make loans to members resulting in the member being obligated to the credit union up to, but not exceeding, the amounts indicated in the following schedule:

Paid-in and unimpaired capital and surplus	Maximum obligation to credit union per member
$1,000,000 but less than $2,000,000	$12,000 plus the amount secured by shares of the credit union or certificates for funds.
$2,000,000 but less than $3,000,000	$15,000 plus the amount secured by shares of the credit union or certificates for funds.

$3,000,000 or more	⅔ of 1% of the paid-in and unimpaired capital and surplus of the credit union plus the amount secured by shares of the credit union or certificates for funds, not to exceed a maximum total loan of $100,000 per member or such greater amount as the commissioner, in his discretion, may permit.

15102 Notwithstanding the provisions of Section 15101, no credit union shall make loans to any one family whereby total liability of the family to the credit union would be greater than double the amount permitted by Section 15101. "Family" as used in this article shall mean persons related by blood or marriage and residing in the same household.

15103. If a loan is made for educational purposes and such loan would cause the aggregate of loans to any one family to exceed the limitations imposed by Section 15102, such educational loan shall not be included in computing the aggregate of loans pursuant to Section 15102, provided (1) that such educational loan is secured in accordance with subdivision (b) or (c) of Section 14955 and (2) that the aggregate amount of such educational loan exempted by this subdivision from Section 15102 shall not exceed ten thousand dollars ($10,000).

CHAPTER 8. DISCLOSURE OF CREDIT UNION ACCOUNT CHARGES

15150. As used in this chapter:

(a) "Account" means a withdrawable share account which is established by one or more natural persons, or an unincorporated association of natural persons, pursuant to which the depositor may from time to time make deposits and effect withdrawals and as to which the address shown on the records of the credit union is within the United States or its territories.

(b) "Depositor" means a person who is identified on the signature card for an account, or in the absence of a signature card, a person who has an interest in an account which is reflected on the records of the credit union for that account to whom statements of account or other notices are normally given, or the agent of such person.

(c) "Charges" means those charges which a credit union may, from time to time, impose on an account in the normal course of business in the operation of the account, and does not include:

(1) Charges which may be imposed for extraordinary services furnished at the specific request of the depositor.

(2) Charges or amounts required to be disclosed to the depositor

pursuant to the Truth in Lending Act (15 U.S.C. 1601, et seq.) and Regulation Z (12 C.F.R. 226.1, et seq.), as amended.

15151. A credit union shall maintain a current written schedule or schedules containing (1) the amount or, if no amount can be stated, the method of determining the amount of each charge which the credit union may impose on an account; (2) provisions in the bylaws relating to the frequency and conditions under which dividends will be paid, including any provision for nonpayment of dividends on deposits made after the beginning of the dividend payment period or withdrawn before the end of such period; and (3) the effective date thereof. The schedule or schedules shall be available for inspection by the credit union members or prospective members at each branch office in California at which such accounts are maintained and written materials setting forth the information contained in such schedule shall be displayed and be available to the credit union members or prospective members in an area of the credit union which is open to the credit union members or prospective members. The schedule or schedules and written materials need not contain information relating to an account for an unincorporated association of natural persons.

15152. (a) Except as hereafter provided, prior to the time of accepting the initial share deposit, a credit union shall furnish a written statement or statements to the depositor, which the depositor may retain, setting forth the information described in Section 15151.

If the depositor is not physically present at a branch office of the credit union at the time initial deposit is accepted and the written statement has not been furnished previously, the credit union shall deliver the written statement to the depositor personally, or mail or deliver it to the depositor at the address shown on the records of the credit union for that account, not later than 10 days after the date of the initial deposit

(b) Except as provided in subdivision (c), before any charge which has been disclosed in a statement furnished to a depositor is increased for that account, or any charge which has not been disclosed in a statement furnished to a depositor is imposed on that account, or any charge is imposed on an account if a statement has not been furnished as required by subdivision (a), the credit union shall deliver to the depositor personally, or mail or deliver to the depositor at the address shown on the records of the credit union for that account, a written statement or statements disclosing the increased charge or new charge in the manner provided in subdivision (a), or the written statement or statements required by subdivision (a), not less than 15 days prior to the date on which the charge is to be increased or first imposed unless such charge or change therein is required by law or regulation.

(c) With respect to an account established prior to July 1, 1977, unless previously furnished, a credit union shall deliver to its depositors personally, or mail or deliver to its depositors at the

address shown on the records of the credit union not later than the date of the notice of the next succeeding meeting of members as set forth in the bylaws of the credit union pursuant to Section 14103 a current written statement or statements disclosing the information described in Section 15151 which is in effect at that time.

(d) If there is more than one depositor with respect to an account, the credit union need furnish the information required by this section to only one of them.

(e) An unincorporated association of natural persons may execute a written waiver of the requirements of this section when establishing an account which provides for specially negotiated arrangements with respect to the charges, interest rate, and method or frequency of computing and paying interest applicable to such account.

15153. (a) A credit union which imposes a charge or an increase thereof on an account in violation of Section 15152 is liable to the depositor of that account in an amount equal to the sum of all charges or the increases therein imposed on that account in violation of that section.

(b) A credit union shall not be liable for a violation of Section 15152 if the credit union shows by a preponderance of the evidence that the violation was not intentional and resulted from a bona fide error, that the credit union maintains reasonable procedures to avoid such error, and that such error was corrected by furnishing the written statement or statements in the manner provided in Section 15152 within 60 days from the date on which the violation occurred, provided that the credit union credits to the depositor's account the amounts described in subdivision (a) not later than 20 days from the date on which the violation was discovered.

(c) Notwithstanding any other provision of law but subject to the power of the court to transfer actions or proceedings under Title 4 (commencing with Section 392) of Part 2 of the Code of Civil Procedure, the proper court for the trial of an action under this chapter is the court in the county in which the branch office of the credit union is located at which the account is maintained as to which a violation of this chapter is alleged to have occurred.

(d) Reasonable attorney's fees may be awarded by the court to the prevailing party in an action under this section which is brought by an aggrieved depositor.

(e) An action to enforce a liability established by subdivision (a) shall be commenced within one year from the date on which the violation of Section 15152 occurs.

(f) A credit union shall not be liable for any failure to comply with the provisions of this article to the extent that any of such provisions are inconsistent with federal statutes or regulations.

(g) The remedies and defenses provided in this section are cumulative to, in addition to, and not exclusive of, any other remedies or defenses which a depositor or a credit union may have in an action or proceeding arising out of the same facts but not

brought pursuant to this article. If a credit union complies with the provisions of subdivision (c), any duties imposed by this chapter shall not result in a cause of action which did not exist prior to the operative date of this chapter.

15154. A credit union shall inform a depositor of the applicable period for the escheat of the account to the state and the circumstances under which escheat may occur pursuant to subdivision (a) of Section 1513 of the Code of Civil Procedure at the time of furnishing the written statement described in subdivision (a) of Section 15152, and the information described in this section may be included in the written statement. The failure to provide information pursuant to this section shall not constitute a violation of Section 15152.

CHAPTER 9. MERGER, DISSOLUTION AND CONVERSION

Article 1. Merger

15200 Any credit union may, with the approval of the commissioner, and in accordance with such rules as the commissioner makes, merge with another credit union of like community interest in membership, or with a central credit union, under the charter of such other credit union.

15201. (a) The merger shall be made pursuant to any plan agreed upon by the majority of the board of directors of each credit union joining in the merger, and approved by the affirmative vote of at least a majority of the members of each such credit union, in person or by proxy, at meetings of the members called for that purpose or by written consent of a majority of the members of each credit union.

(b) The commissioner may approve a merger according to the plan agreed upon by the majority of the board of directors of each credit union if approved by less than a majority of the entire membership as provided in this section if he finds, upon the written and verified application filed by the board of directors, that (1) notice of the meeting called to consider the merger was mailed to each member entitled to vote upon the question, (2) such notice disclosed the purpose of the meeting and properly informed the membership that approval of the merger might be sought pursuant to this section and (3) a majority of the votes cast upon the question were in favor of the merger.

15202. After the agreement by the directors and approval by the members of each credit union of the plan of merger, a majority of the board of directors of each credit union shall execute a certificate, which shall be verified by their oath and shall set forth all of the following:

(a) Time and place of the meeting of the board of directors at which the plan was agreed upon, and a copy of the resolution or other action by which the plan was agreed upon.

(b) The vote in favor of adoption of the plan.

(c) The time and place of the meeting of the members at which the plan agreed upon was approved or if the voting was conducted by mail in lieu of a meeting pursuant to Section 14810, the date the results of the written votes were certified by the president and secretary.

(d) A statement of the mailing of notice of the time, place, and purpose of the meeting of the members or if the voting was conducted by mail in lieu of a meeting pursuant to Section 14810, a statement as to the mailing of a notice of the proposed merger to all members for their approval, and a ballot to all members.

(e) The vote by which the plan was approved by the members.

(f) The plan of merger agreed upon, and the written approval thereof, by the commissioner.

15203. The certificate of merger shall be filed in the office of the Secretary of State, and copies, certified by him, shall be filed in the office of the commissioner.

15204. (a) Upon any merger effectuated as provided in this article, all property, property rights, and interests of the merged credit union shall vest in the surviving credit union, without deed, endorsement or other instruments of transfer, and all debts, obligations and liabilities of the merged credit union are assumed by the surviving credit union under whose charter the merger has been effected. Thereafter the charter of the merged credit union is void, and the existence of the merged credit union as a legal entity separate from the surviving credit union terminates.

(b) Whenever a credit union having any real property in this state merges with another credit union and vests such real property in the surviving credit union, the filing for record in the office of the county recorder of any county in this state in which any of the real property of such disappearing credit union is located of a copy of the certificate of dissolution certified by the Secretary of State shall evidence record ownership in the surviving credit union of all interest of such disappearing credit union in and to the real property located in that county.

Article 2. Dissolution

15250. (a) Whenever the members of the board of directors by a three-fourths majority vote recommend the dissolution of any credit union, the members of the credit union, at any meeting specially called to consider the subject, may elect to dissolve the credit union, by the vote or written consent of a majority of members.

(b) The commissioner may approve a dissolution according to the recommendation of a three-fourths majority vote by the board of directors of any credit union if approved by less than a majority of the entire membership as provided in this section if he finds, upon the written and verified application filed by the board of directors,

that (1) notice of the meeting called to consider the dissolution was mailed to each member entitled to vote upon the question, (2) such notice disclosed the purpose of the meeting and properly informed the membership that approval of the dissolution might be sought pursuant to this section, and (3) a majority of the votes cast upon the question were in favor of the dissolution.

(c) Whenever the members of the board of directors vote to recommend the dissolution of any credit union, the credit union shall not make any loans, withdrawal of shares, or withdrawal of certificates for funds until such time that the members either approve or disapprove the recommendation of the board of directors.

15251. If the dissolution of the credit union is voted the board of directors of the credit union shall elect a committee of three members or may by resolution appoint a liquidating agent to liquidate the assets of the credit union.

15252. Promptly thereafter the president or vice president and secretary or assistant secretary shall sign and verify a certificate stating that the credit union has elected to wind up and dissolve and showing by what vote or consent such election was made. The certificate shall be filed in the office of the Secretary of State, and copies of the certificate certified by the Secretary of State shall be filed with the commissioner.

15253. After a vote to dissolve a credit union no business may be carried on by the credit union except in the proper course of liquidation.

15254. The committee or the liquidating agent in charge of liquidation may sue in the name and on behalf of the credit union, and may sell or otherwise dispose of the assets of the credit union, in whole or in part, at public or private sale.

15255. After determining that all known debts and liabilities of the credit union have been paid or adequately provided for, the committee or the liquidating agent in charge of liquidation shall distribute all the remaining assets of the credit union among the members or shareholders. Each share is entitled to its proportionate amount of the assets according to the amount paid on that share.

15256. For the purpose of taxation pursuant to the Bank and Corporation Franchise Tax Law, the corporate existence of any credit union is terminated at the time of the filing of a certificate of election to dissolve with the Secretary of State.

15257. When a credit union has completely wound up, all of its known debts and liabilities actually paid or adequately provided for or paid as far as its assets permit, and its known assets distributed, a majority of the committee or the liquidating agent in charge of liquidation shall sign and acknowledge a certificate stating that the credit union has been completely wound up, its known assets distributed, any tax or penalty due under the Bank and Corporation Franchise Tax Law paid, and its other known debts and liabilities actually paid or adequately provided for or paid as far as its assets

permit and that the credit union is dissolved.

15258 The certificate of dissolution shall be filed in the office of the Secretary of State and copies, certified by him, shall be filed in the office of the commissioner.

15259. At any time during the liquidation process, the committee or the liquidating agent in charge of liquidation may be relieved of their duties at the discretion of the commissioner and the commissioner shall thereafter act as the liquidating agent or appoint a liquidating agent to complete the dissolution of the credit union.

15260. Where the commissioner finds that on the date of filing with the Secretary of State of the certificate of election to wind up and dissolve, the credit union does not have sufficient assets to return to its shareholders their investment in full, the credit union shall not be liable for the costs of administration assessed under Article 4 (commencing with Section 14350) of Chapter 3.

Article 3. Conversion Into Federal Credit Union

15300 A credit union may convert itself into a federal credit union by following the procedure contained in this article.

15301. Upon recommendation of the board of directors the members of any credit union may by an affirmative majority vote of such members resolve to convert such credit union into a federal credit union.

15302. Within 10 days after the meeting at which the members determine to convert into a federal credit union, the credit union shall file in the office of the commissioner a certificate verified by the affidavit of the board of directors of such credit union. The certificate shall contain a copy of the minutes of the meeting and a statement that the members have approved the determination to convert such credit union into a federal credit union. A like certificate shall be filed in the office of the Secretary of State.

15303 A certified copy of the certificate required by Section 15302 filed in the office of the Secretary of State is presumptive evidence of the holding of the meeting and the action taken thereat.

15304. After the meeting of the members, the credit union shall take such action as is necessary to make it a federal credit union, and within 10 days after receipt of the federal charter, the credit union shall file in the office of the commissioner and in the office of the Secretary of State, a copy of the charter issued to such credit union by the National Credit Union Administration or a certificate showing the organization of such credit union as a federal credit union certified by or on behalf of the National Credit Union Administration. Upon the filing of such instrument in the office of the Secretary of State the credit union ceases to be a state credit union and is a federal credit union.

15305 At the time the conversion into a federal credit union becomes effective, the credit union ceases to be supervised by this state and all of the property of the credit union, including all of its

right, title, and interest in and to all property of every kind and character immediately, by operation of law and without any conveyance, or transfer and without any further act or deed, is vested in the credit union under its new name and style as a federal credit union and under its new jurisdiction.

15306. The converted federal credit union shall have, hold, and enjoy the property mentioned in Section 15305 in its own right as fully and to the same extent as the property was possessed, held, and enjoyed by it as a state credit union and the federal credit union shall continue responsible for all of the obligations of the state credit union to the same extent as though the conversion had not taken place. The federal credit union shall be merely a continuation of the state credit union under a new name and new jurisdiction and such revision of its corporate structure as is considered necessary for its proper operation under the new jurisdiction.

Article 4. Conversion of Federal Credit Union

15350. Upon recommendation of its board of directors, any federal credit union may convert itself into a credit union under the laws of this state by an affirmative majority vote of the members of such federal credit union.

15351. The officers and directors of the federal credit union shall be the officers and directors of the credit union after conversion takes effect, to hold office until their successors are elected and qualified.

15352. The commissioner may conduct a joint audit of the federal credit union with federal auditors. Upon completion of such audit, he shall issue a certificate to the National Credit Union Administration showing the results of such audit. The commissioner may also certify that the transfer of the assets and liabilities from the federal credit union to a credit union subject to the laws of this state has been effected in compliance with the applicable laws of this state. The costs of the audit mentioned in this section shall constitute a charge against the credit union.

15353 Copies of the minutes of the proceedings of the meeting of the members in which they voted to convert into a state credit union, verified by the affidavit of the board of directors of the credit union, shall be filed within 10 days after the meeting in the office of the commissioner, and, in duplicate, with the National Credit Union Administration.

15354. The verified copies of the minutes of the meeting, when filed as required by Section 15353, are presumptive evidence of the holding of, and the action taken at, the meeting.

15355. After a meeting as provided in Section 15350, the federal credit union shall take or cause to be taken such action in the manner prescribed and authorized by this division as shall make it a credit union of this state. The directors shall file the documents and take such proceedings as are required by this division in the case of the

original incorporation of a credit union.

15356. The directors of a credit union converted from a federal credit union may insert in the articles of incorporation the following statement: "This credit union is incorporated by conversion from a federal credit union."

15357. Within 10 days after the filing of the articles of incorporation with the Secretary of State, there shall be filed, with the National Credit Union Administration, two copies of the articles of incorporation, certified by the Secretary of State.

15358. Upon the filing of the articles of incorporation with the Secretary of State, the credit union ceases to be a federal credit union and is a credit union under the laws of this state. All of the property of such credit union, including all of its right, title, and interest in and to all property of every kind and character immediately, by operation of law and without any conveyance or transfer, and without any further act or deed, is vested in the credit union under its new name and style as a credit union and under its new jurisdiction.

15359. The converted credit union shall have, hold, and enjoy the property mentioned in Section 15358 in its own right as fully and to the same extent as the property was possessed, held, and enjoyed by it as a federal credit union and the converted credit union continues responsible for all of the obligations of the federal credit union to the same extent as though conversion had not taken place. The converted credit union is merely a continuation of the federal credit union under a new name and new jurisdiction and such revision of its corporate structure as is considered necessary for its proper operation under the new jurisdiction.

CHAPTER 10. CENTRAL CREDIT UNIONS

Article 1. Definitions

15400. "Central credit union" means a credit union whose membership includes, but is not limited to, other credit unions, members of credit unions, credit union employees, employees of organizations serving credit unions, and the families of such members

Article 2 General

15450. Central credit unions may be organized and operated under this division Each such credit union shall use the word "central" in its official name.

15451. (a) A central credit union may, with the approval of the commissioner and under such regulations as he shall prescribe, admit to membership groups of employees of a common employer, of at least 25 in number and whose place of employment is located within 25 miles of the principal office of the central credit union, or is

located within the boundaries of a greater or lesser geographic area prescribed by the commissioner, upon application made by the employer and approval of the board of directors of the central credit union.

(b) Whenever the employee group exceeds 500 in number, such employees may organize a separate credit union, and thereafter the employees will no longer be eligible for membership in the central credit union. The central credit union, upon a plan approved by the commissioner, shall transfer the member accounts of such employees to any credit union formed by them.

CHAPTER 113

An act to amend Section 12403.7 of the Penal Code, relating to tear gas

[Approved by Governor June 15, 1979. Filed with Secretary of State June 15, 1979.]

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

SECTION 1. Section 12403.7 of the Penal Code is amended to read:

12403.7. (a) Notwithstanding any other provision of law, any person may purchase, possess or use tear gas and tear gas weapons for the projection or release of tear gas if such tear gas and tear gas weapons are approved by the Department of Justice and are used solely for self-defense purposes, subject to the following requirements:

(1) No person convicted of a felony under the laws of the United States, of the State of California, or any other state, government, or country shall purchase, possess, or use tear gas or tear gas weapons.

(2) No person who is addicted to any narcotic drug shall purchase, possess, or use tear gas or tear gas weapons.

(3) No person shall sell or furnish any tear gas or tear gas weapon to a minor

(4) (i) No person shall purchase, possess or use any tear gas weapon which expels a projectile, or which expels the tear gas by any method other than an aerosol spray, or which is of a type, or size of container, other than authorized by regulation of the Department of Justice.

(ii) The department, with the cooperation of the State Department of Health Services, shall develop standards and promulgate regulations regarding the type of tear gas and tear gas weapons which may lawfully be purchased, possessed, and used pursuant to this section

(iii) The regulations of the department shall include a requirement that every tear gas container and tear gas weapon

which may be lawfully purchased, possessed, and used pursuant to this section have a label which states: "WARNING: The use of this substance or device for any purpose other than self-defense is a felony under California law. The contents are dangerous—use with care."

(5) (i) No person shall purchase, possess, or use any tear gas or any tear gas weapon who has not completed a course certified by the Department of Justice in the use of tear gas and tear gas weapons pursuant to which a card is issued identifying the person who has completed such a course. Such a course shall be taken in any training institution approved by the Department of Justice to offer tear gas training. Such a training institution is authorized to charge a fee covering the actual cost of such training.

(ii) The Department of Justice, in cooperation with the Commission on Peace Officer Standards and Training, shall develop standards for a course in the use of tear gas and tear gas weapons.

(6) No person shall purchase, possess or use any tear gas or tear gas weapon if such person has not been issued a permit by the police chief or sheriff having jurisdiction over the person's place of legal residence. The police chief or sheriff shall issue a permit to any person who has completed the course of training specified in paragraph (5), and who meets the following criteria:

(i) Is not a minor.

(ii) Has not been convicted of a felony.

(iii) Is not addicted to any narcotic drug.

(iv) Has not been convicted of any crime involving assault.

(v) Has not been convicted of misuse of tear gas under paragraph (8).

(7) If an application for a permit is denied, the police chief or sheriff denying such permit shall inform the applicant in writing of the reason for such denial.

The police chief or sheriff may charge a fee covering the actual cost of processing the application which shall also include the fee charged by the Department of Justice for noncriminal fingerprint card processing. The valid permit shall be carried on the person when carrying tear gas or tear gas weapons and shall be presented for examination to the vendor from whom any tear gas or tear gas weapons are purchased. The sale of tear gas or tear gas weapons by a vendor to a person who fails to present an identifying permit is a violation of Section 12420.

(8) Any person who has a valid permit, who uses tear gas or tear gas weapons except in self-defense or as authorized for training purposes by the department is guilty of a public offense and is punishable by imprisonment in a state prison for 16 months, or two or three years or in a county jail not to exceed one year or by fine not to exceed one thousand dollars ($1,000) or by both such fine and imprisonment.

(9) No person shall purchase, possess, or use any tear gas or tear gas weapon pursuant to this section prior to July 1, 1977.

(b) Such permit shall be valid for a period of seven years unless revoked because the person no longer meets the criteria specified under paragraph (6), and shall be nontransferable.

Applications and permits shall be uniform throughout the state on forms prescribed by the Department of Justice.

The Department of Justice may adopt and promulgate such regulations concerning the purchase and disposal of self-defense tear gas weapons, the standards for tear gas training courses, and the approval of facilities at which such training shall occur as are necessary to insure the safe use and possession of such tear gas weapons by permit holders.

(c) Any person who successfully completes training under this section for which the course and training facility must be approved by the Department of Justice is entitled to receive a certificate of completion issued by the Department of Justice. A fee shall be charged by the Department of Justice for the certificate. The fee shall be no more than is necessary to reimburse the Department of Justice for the costs of approving the courses, the facilities, maintaining control of the quality of the courses, and issuing the certificate of completion. The Department of Justice may provide by regulations the manner in which the fee is collected and paid.

CHAPTER 114

An act making an appropriation for parks and recreation, and in this connection amending and supplementing the Budget Act of 1978 by adding Sections 2.8H and 2.9H thereto, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 15, 1979 Filed with Secretary of State June 15, 1979]

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

SECTION 1. Section 2.8H is added to the Budget Act of 1978, to read:

STATE BEACH, PARK, RECREATIONAL AND HISTORICAL FACILITIES BOND ACT OF 1974 PROGRAM

Sec. 2.8H. The following sums of money, or so much thereof as may be necessary, unless otherwise provided herein, are hereby appropriated for expenditure during the 1978–79, 1979–80, and 1980–81 fiscal years. Appropriations for studies, planning, and working drawings shall be available for expenditure only during the 1978–79 fiscal year All such appropriations shall be paid out of the State Beach, Park, Recreational, and Historical Facilities Fund of 1974

LOCAL ASSISTANCE

RESOURCES

508H—For grants to counties, cities, cities and counties, and districts, as defined in Section 5096.84, pursuant to subdivision (a) of Section 5096.85, of the Public Resources Code, Department of Parks and Recreation, payable from the State Beach, Park, Recreational, and Historical Facilities Fund of 1974 697,107

Unless otherwise provided herein, funds appropriated for each of the local grant projects in this item are for acquisition, development, or both. Schedule:

Projects in Alameda County	
(1) City of Berkeley, San Pablo Baseball Diamond	85,000
Projects in Colusa County	
(2) City of Colusa, Colusa Historical Grammar School	5,000
Projects in Contra Costa County	
(3) City of El Cerrito, El Cerrito Swim Center	14,200
Projects in Del Norte County	
(4) City of Crescent City, Petersen Park	8,216
Projects in El Dorado County	
(5) County of El Dorado, Shingle Springs Plaza Park	13,000
Projects in Kern County	
(6) North Bakersfield Recreation and Park District, Greenacres Park	21,648
Projects in Los Angeles County	
(7) City of Culver City, Culver City Park	119,086
(8) City of Los Angeles, Sun Valley Recreation Center	19,510
(9) City of Los Angeles, Fehlhaber-Houk Park	110,000
(9.5) City of San Dimas, Family Swim	

Center	22,196
Projects in Marin County	
(10) City of Mill Valley, Bay Front Park	9,756
Projects in Mendocino County	
(11) County of Mendocino, Low Gap Regional Park	4,800
Projects in Modoc County	
(12) County of Modoc, Modoc County Museum	18,900
Projects in Riverside County	
(13) County of Riverside, Mayflower Park	50,000
(14) County of Riverside, Lake Cahuilla	42,500
(15) County of Riverside, Lake Skinner Recreation Area	62,295
Projects in San Mateo County	
(16) City of San Mateo, Los Prados Park	51,000
(17) City of San Mateo, Mariners Island	25,000
Projects in Trinity County	
(18) County of Trinity, Hayfork Community Park	4,000
(19) County of Trinity, Lowden Park	6,000
(20) County of Trinity, Barlow Group Site	4,000
(21) County of Trinity, Odd Fellows Hall	1,000

provided, that none of the funds which are appropriated by this item for the projects set forth herein shall be available for expenditure unless and until such projects are submitted to, and reviewed and approved by, the Secretary of the Resources Agency pursuant to Section 5096.89 of the Public Resources Code.

Reversions

509H —The unencumbered balance of the appropriation made by the following items shall revert to

the unappropriated balance of the State Beach, Park, Recreational, and Historical Facilities Fund of 1974.

(a) Item 412A(28) Budget Act of 1974 as added by Chapter 1522, Statutes of 1974, City of El Cerrito, Wildcat Canyon Trail, acquisition, development, or both.

(b) Item 412A(64) Budget Act of 1974 as added by Chapter 1522, Statutes of 1974, City of Culver City, Ron Smith Field, acquisition, development or both.

(c) Item 412A(78) Budget Act of 1974 as added by Chapter 1522, Statutes of 1974, City of Los Angeles, La Tuna Canyon, acquisition, development or both.

(cc) Item 412A (125) Budget Act of 1974, as added by Chapter 1522, Statutes of 1974, City of San Dimas, Freeway Park, acquisition, development, or both.

(d) Item 412A(146) Budget Act of 1974 as added by Chapter 1522, Statutes of 1974, County of Mendocino, Redwood Valley Park, acquisition, development, or both.

(e) Item 412A(272) Budget Act of 1974 as added by Chapter 1522, Statutes of 1974, City of San Mateo, Coyote Point Park, acquisition, development or both.

(f) Item 390(1) Budget Act of 1975, City of Berkeley, Columbus Park.

(g) Item 390(37.3) Budget Act of 1975, City of El Cerrito, Cerrito Vista Park.

(h) Item 390(42) Budget Act of 1975, City of Crescent City, Preston Island Park.

(i) Item 390(137) Budget Act of 1975, City of Mill Valley, Boyle Park.

(j) Item 390(147) Budget Act of 1975, County of Modoc, Cressler-

Bonner Trading Post.

(k) Item 390(196) Budget Act of 1975, County of Riverside, Box Springs Mountain.

(*l*) Item 390(280) Budget Act of 1975, City of San Mateo, Bayfront Marina Lagoon.

(m) Item 414(24) Budget Act of 1976, County of El Dorado, Mother Lode Lions Club Park.

(n) Item 414(46) Budget Act of 1976, North Bakersfield Recreation and Park District, Fruitvale Norris Park.

(o) Item 414(98) Budget Act of 1976, County of Modoc, Davis Creek Village Green.

(p) Item 414(138) Budget Act of 1976, County of Riverside, Kabian Park.

(q) Item 438(4.3) Budget Act of 1977, City of Colusa, Colusa I00F Building.

(r) Item 438(65) Budget Act of 1977, County of Riverside, Fish Traps Archaeological Site.

(s) Item 438(67) Budget Act of 1977, County of Riverside, McIntyre Backwater.

(t) Item 508(65.1) Budget Act of 1978, County of Trinity, Lowden Park.

SEC. 2. Section 2.9H is added to the Budget Act of 1978, to read:

NEJEDLY-HART STATE, URBAN, AND COASTAL PARK BOND ACT PROGRAM

Sec. 2.9H. The following sums of money, or so much thereof as may be necessary, are hereby appropriated for expenditure during the 1978–79, 1979–80, and 1980–81 fiscal years, unless otherwise provided herein, for the programs contemplated by Section 5096.124 of the Public Resources Code, except that appropriations for studies, planning, and working drawings shall be available for expenditure only during the 1978–79 fiscal year. All such appropriations shall be paid out of the State, Urban, and Coastal Park Fund.

LOCAL ASSISTANCE

RESOURCES

518H—For grants to counties, cities, and districts, as defined in Section 5096.123, pursuant to subdivision (a) of Section 5096.124, of the Public Resources Code, Department of Parks and Recreation, payable from the State, Urban, and Coastal Park Fund 2,855,571
Unless otherwise provided herein, funds appropriated for each of the local grant projects in this item are for acquisition, development, or restoration, or any combination thereof.
Schedule:

	Projects in Alameda County	
(1)	East Bay Regional Park District, Point Pinole	50,000
(2)	East Bay Regional Park District, Arrowhead Marsh	74,864
	Projects in Del Norte County	
(3)	City of Crescent City, Petersen Park.....	40,000
	Projects in Kern County	
(5)	Westside Recreation and Park District, East Kern Street Community Park	35,297
	Projects in Lassen County	
(6)	City of Susanville, Memorial Park.....	25,000
	Projects in Los Angeles County	
(7)	City of Culver City, Culver City Park.....	119,582
(8)	City of Hawthorne, Holly Park	14,800
(9)	County of Los Angeles, Charmlee County Park.....	174,000
(10)	City of Paramount, Banana Park	96,069
(11)	City of Pomona, Ganesha Park	20,775
(14)	City of Pomona, Washington Park.....	107,000
(15)	City of Rosemead, Rosemead Park.....	12,100
(16)	City of Rosemead, Zepopan and Garvey Park	17,900

(17) County of Los Angeles, Bouquet Canyon	150,000
(18) City of San Dimas, Family Swim Center	55,535
(19) County of Los Angeles, Dockweiler Beach	88,800
Projects in Marin County	
(20) County of Marin, McInnis Park	27,595
(21) City of Mill Valley, Bay Front Park	34,327
Projects in Monterey County	
(22) County of Monterey, Laguna Seca Recreation Area	143,490
Projects in Orange County	
(23) City of Fountain Valley, Fountain Valley Recreation and Cultural Center	146,854
(24) City of Santa Ana, El Salvador Park	60,000
(25) City of Santa Ana, Memorial Park	45,000
Projects in San Joaquin County	
(26) County of San Joaquin, Oak Grove Regional Park acquisition	15,000
Projects in San Mateo County	
(27) Midpeninsula Regional Open-Space District, Monte Bello Open-Space Preserve	63,002
(28) City of Redwood City, Community Park Pool	191,273
Projects in Santa Clara County	
(29) County of Santa Clara, Sunnyvale Baylands Park	970,000
(30) Town of Los Gatos, Oak Meadow Park	50,808
Projects in Ventura County	
(31) County of Ventura, Camarillo Grove	26,500

provided, that none of the funds which are appropriated in this item for the projects set forth herein shall be available for encumbrance unless and

until such projects are submitted to, and reviewed and approved by, the Director of Parks and Recreation pursuant to Section 5096.130 of the Public Resources Code. The director may not approve any such project unless the applicant for the project is proposed to be included, or is already included, in the priority plan required by subdivision (c) of Section 5096.127 and unless the project meets the requirements of Section 5096.124, as it relates to local assistance grants, Section 5096.130, and any other provision of the Nejedly-Hart State, Urban, and Coastal Park Bond Act of 1976 (commencing with Section 5096.111 of the Public Resources Code).

Reversions

519H —The unencumbered balance of the appropriation made by the following items shall revert to the unappropriated balance of the State, Urban, and Coastal Park Fund.

(a) Item 443.8(14) Budget Act of 1977, Livermore Recreation and Park District and City of Livermore, Oak Knoll.

(b) Item 443.8(15) Budget Act of 1977, Livermore Recreation and Park District and City of Livermore, Pleasure Island.

(c) Item 443.8(45) Budget Act of 1977, East Bay Regional Park District, Briones Regional Park.

(d) Item 443.8(93) Budget Act of 1977, City of Susanville, Riverside Park.

(e) Item 443.8(112) Budget Act of 1977, City of Culver City, Culver City Park improvement.

(f) Item 443.8(118) Budget Act of 1977, City of Hawthorne, Hawthorne Youth Camp.

(g) Item 443.8(119) Budget Act of 1977, City of Hawthorne, Holly Glen Park.

(h) Item 443.8(162) Budget Act of 1977, County of Los Angeles, Dockweiler Beach.

(hh) Item 443.8(166) Budget Act of

1977, County of Los Angeles, Lopez Dam Recreation Area.

(i) Item 443 8(170) Budget Act of 1977, County of Los Angeles, Point Dume.

(j) Item 443.8(183) Budget Act of 1977, City of Paramount, Progress Park

(k) Item 443.8(187) Budget Act of 1977, City of Rosemead, Garvey Park.

(*l*) Item 443.8(188) Budget Act of 1977, City of Rosemead, Rosemead Garvey Baseball Facilities.

(*ll*) Item 443.8(191) Budget Act of 1977, City of San Dimas, Freeway Park.

(m) Item 443.8(331) Budget Act of 1977, County of San Joaquin, South County Regional Park.

(n) Item 443.8G(11) Budget Act of 1977, as added by Chapter 878, Statutes of 1977, City of Mill Valley, Boyle Park.

(o) Item 518(23) Budget Act of 1978, City of Crescent City, Beachfront Park.

(p) Item 518(37.4) Budget Act of 1978, City of Fresno, Roeding Park.

(q) Item 518(71) Budget Act of 1978, City of Pomona, Kennedy Park.

(s) Item 518(79) Budget Act of 1978, County of Marin, Bolinas Lagoon Interpretive Area.

(t) Item 518(113) Budget Act of 1978, County of Monterey, Manzanita Regional Park.

(u) Item 518(124) Budget Act of 1978, City of Fountain Valley, Southern California Edison Park

(v) Item 518(149) Budget Act of 1978, City of Santa Ana, La Bonita Park.

(w) Item 518(214) Budget Act of 1978, City of Redwood City,

Canyon Park.
(x) Item 518(256) Budget Act of 1978, County of Ventura, 1782 Aqueduct.

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:

Extreme increases in costs of land and construction have made available funding inadequate to accomplish the projects reverted by this act, and no other funding is available or will become available. The projects for which appropriations are made in this act are the best alternative projects, and funding will not remain sufficient for them unless appropriated on an urgent basis. It is thus necessary that this act take effect immediately.

CHAPTER 115

An act to amend Section 31551 of the Government Code, relating to County Employees Retirement Law of 1937, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 15, 1979 Filed with Secretary of State June 15, 1979.]

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

SECTION 1. Section 31551 of the Government Code is amended to read:

31551. The persons expressly declared to be ineligible to membership by this article shall not become members of the retirement association, and, except as expressly excluded, the persons enumerated in this article shall become members of the association.

Persons employed as participants in a program of, and whose wages are paid in whole or in part by federal funds in accordance with, the Comprehensive Employment and Training Act of 1973 (Public Law 93-203), as amended, are excluded from membership. This exclusion shall not apply to active fire suppression personnel who are safety members pursuant to Sections 31469.3 and 31470.4.

SEC. 2. This act shall become operative July 1, 1979.

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 federal funds available for emergency job assistance may be used to create the greatest number of jobs, this act must take

effect immediately.

CHAPTER 116

An act to amend Section 10176.2 of the Insurance Code, relating to disability insurance.

[Approved by Governor June 15, 1979. Filed with Secretary of State June 15, 1979.]

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

SECTION 1. Section 10176.2 of the Insurance Code is amended to read:

10176.2. As an alternative to the exclusion permitted by Section 10176, a disability insurance policy may provide that services of a licensed physical therapist, licensed pursuant to Section 2630 of the Business and Professions Code, will be paid only if rendered pursuant to a method of treatment prescribed by a person holding a certificate issued pursuant to Section 2135 of the Business and Professions Code.

CHAPTER 117

An act to add Sections 3087 and 3088 to the Penal Code, relating to prisoners.

[Approved by Governor June 15, 1979. Filed with Secretary of State June 15, 1979.]

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

SECTION 1. Section 3087 is added to the Penal Code, to read:

3087. No prisoner shall be paroled without supervision.

SEC. 2. Section 3088 is added to the Penal Code, to read:

3088. A prisoner who is released on parole shall be supervised by a parole officer of the county board of parole commissioners.

SEC. 3. The addition of Section 3087 to the Penal Code made at the 1979–1980 Regular Session of the Legislature does not constitute a change in, but is declaratory of, existing law.

CHAPTER 118

An act to amend Section 1260 of the Civil Code, relating to homesteads.

[Approved by Governor June 15, 1979 Filed with Secretary of State June 15, 1979]

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

SECTION 1. Section 1260 of the Civil Code is amended to read:

1260. Homesteads may be selected and claimed:

1. By any head of a family, of not exceeding forty thousand dollars ($40,000) in actual cash value, over and above all liens and encumbrances on the property at the time of any levy of execution thereon.

2. By any person 65 years of age or older, of not exceeding forty thousand dollars ($40,000) in actual cash value, over and above all liens and encumbrances on the property at the time of any levy of execution thereon.

3. By any other person, of not exceeding twenty-five thousand dollars ($25,000) in actual cash value, over and above all liens and encumbrances.

Any declaration of homestead which has been filed prior to the operative date of any amendment to this section which increases the value of property which may be selected and claimed as a homestead shall be deemed to be amended on such date by increasing the value of any property selected and claimed to the value permitted by this section on such date to the extent that such increase does not impair or defeat the right of any creditor to execute upon the property which existed prior to such date.

SEC. 2. It was the intent of the Legislature in enacting Chapter 993 of the Statutes of 1978 to increase the dollar value of property which may be selected and claimed as a homestead, and to provide that any declaration of homestead which had already been filed shall be deemed amended to reflect the increased value which may be claimed to the extent that such increase does not impair or defeat the right of any creditor to execute upon the property which existed prior to the operative date of Chapter 993 of the Statutes of 1978.

CHAPTER 119

An act to amend Section 2 of Chapter 292 of the Statutes of 1978 as amended by Chapter 332 of the Statutes of 1978, relating to financial support for public schools, and declaring the urgency thereof, to take effect immediately

[Approved by Governor June 15, 1979. Filed with Secretary of State June 15, 1979.]

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

SECTION 1. Section 2 of Chapter 292 of the Statutes of 1978, as amended by Section 2 of Chapter 332 of the Statutes of 1978, is amended to read:

Sec. 2. (a) The county superintendent of schools shall determine for each school district in the county the sum of the following items:

(1) Using the average daily attendance of pupils during the 1978–79 school year, exclusive of summer school programs, plus the actual average daily attendance for summer programs in the 1977–78 school year, the school district's total revenue limit for the 1978–79 fiscal year pursuant to Sections 42212, 42238, 42239, 42241, 42241.3, 42241.7, 42243.5, 42243.6, the 1977–78 levied portion of 42244 or an authorized levy pursuant to Section 42244 which was not authorized to be levied prior to the 1978–79 fiscal year, 42245, 42950, and 46605 of the Education Code.

(2) Using the 1977–78 school year adult average daily attendance, the school district's total adult revenue limit for the 1978–79 school year pursuant to Sections 42241.7, 42243.6, 42244, 42245, 43001, and 46605 of the Education Code.

(3) The amount of property taxes levied in 1977–78 pursuant to Sections 4147, 8329, 16196, 16214, 42200, 46617, 49502, 52317, and 56811 of the Education Code and 5302.5 of the Streets and Highways Code.

(b) The county superintendent shall compute a factor for each school district as follows: Divide the sum of the amounts determined in paragraphs (1) and (3) of subdivision (a) by the total of the regular average daily attendance for the 1978–79 school year, exclusive of summer programs, plus the 1977–78 summer school average daily attendance. The resulting amount shall then be divided by one thousand two hundred forty-one dollars ($1,241) for elementary school districts, one thousand four hundred twenty-seven dollars ($1,427) for high school districts, and one thousand three hundred twenty-two dollars ($1,322) for unified school districts. The resulting quotient is the adjustment factor of the school district.

For school districts with an average daily attendance of less than 10,000 which maintain necessary small schools, exclusive of continuation high schools and special education schools, and which received funds in the 1977–78 fiscal year pursuant to Section 41701 or 41703, or subdivision (a) of Section 41711, the county superintendent shall use such district's average foundation program per unit of average daily attendance for the 1978–79 fiscal year in lieu of the divisor in the factor calculated pursuant to this subdivision.

(c) If the factor of a school district, as computed pursuant to subdivision (b), is 1.1 or less, the amount determined for the district pursuant to subdivision (a) shall be reduced by 9 percent.

(d) If the factor for a school district, as computed pursuant to subdivision (b), is 1.5 or more, the amount determined for the district pursuant to subdivision (a) shall be reduced by 15 percent.

(e) (1) If the factor for a school district, as computed pursuant to subdivision (b), is more than 1.1 but less than 1.5, the county superintendent of schools shall compute a percentage as follows:

He or she shall subtract 1.1 from the factor, divide the remainder by 0.4, multiply the quotient by 6 percent, and add the product to 9 percent.

(2) The amount determined for the district pursuant to subdivision (a) shall be reduced by the percentage computed pursuant to paragraph (1) of this subdivision.

(f) In lieu of the foundation program aid computed pursuant to the Education Code, for the 1978–79 fiscal year, the Superintendent of Public Instruction shall apportion to each school district the difference between its 1978–79 property tax revenue computed pursuant to Section 26912 of the Government Code and the amount determined pursuant to subdivision (a) of this section, as reduced pursuant to subdivisions (c), (d), and (e) of this section.

In no event shall more than four billion two hundred five million seven hundred thousand dollars ($4,205,700,000) be apportioned pursuant to this section.

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

The calculations required by Section 2 of Chapter 292 of the Statutes of 1978, as amended by Section 2 of Chapter 332 of the Statutes of 1978, failed to recognize existing statutory provisions designed to address the unique fiscal needs of small school districts with the result that educational programs for students in such districts were disproportionately reduced In order to prevent this unwanted result at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 120

An act to amend Sections 20140, 20560, 20561, 20564.5, 20569, 20569.1, 20983.5, 20983.6, 22016, and 22818 of, and to add Sections 20651.1, 21263.71, 21263 81, and 22009.02 to, and to repeal Section 22016.5 of, the Government Code, relating to retirement of public employees, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 15, 1979 Filed with Secretary of State June 15, 1979]

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

SECTION 1. Section 20140 of the Government Code is amended to read:

20140. In addition to any other reports that it may be required to make by law, the board shall annually file a separate report with the Governor and each house of the Legislature on all matters under the jurisdiction of the board, including benefits, programs, practices, procedures, trends and developments in the field of retirement. Such report shall be filed the first working day of the calendar year.

SEC. 2. Section 20560 of the Government Code is amended to read:

20560. If the contract has been in effect for at least five years and was approved by an ordinance or resolution adopted by the governing body of the contracting agency, the governing body may terminate it by the adoption of a resolution giving notice of intention to terminate, and by the adoption, not less than one year thereafter by the affirmative vote of two-thirds of the members of the governing body, of an ordinance or resolution terminating the contract. Termination shall be effective on the last day of the fiscal year during which the ordinance or resolution terminating the contract is received by the board in its Sacramento office.

SEC. 3. Section 20561 of the Government Code is amended to read:

20561. If the contract has been in effect for at least five years and was approved by an ordinance adopted by a majority vote of the electorate termination by the contracting agency may be effected not less than one year after authority has been granted by ordinance adopted by a majority vote of the electorate of the contracting agency voting thereon. Termination shall be effective on the last day of the fiscal year during which the ordinance or resolution terminating the contract is received by the board in its Sacramento office.

SEC. 4. Section 20564.5 of the Government Code is amended to read:

20564.5. For purposes of Sections 20563 and 20564 in the case of a contracting agency which is an employer for purposes of Chapter 6 (commencing with Section 20740) of this part, the contracting agency shall cease to be an employer on the day preceding the effective date of termination, and all accumulated contributions held by this system and made by or credited to the contracting agency shall be determined in accordance with Section 20759.

SEC. 5. Section 20569 of the Government Code is amended to read:

20569. Notwithstanding any other provision of this article the board may enter into an agreement with the governing body of a contracting agency whose contract has been in effect for at least five years and the board of supervisors of a county maintaining a retirement system established under the County Employees'

Retirement Law of 1937 for termination of the contracting agency's participation in this system and inclusion of its employees in such county system. The agreement shall contain such provisions as the board finds necessary to protect the interests of the system for determination of the amount, time, manner of transfer of cash or the securities or both to be transferred to such county system as representing the value of the interests in the retirement fund of the contracting agency and its employees by reason of accumulated contributions credited to such agency and its employees; provided that the amount transferred shall not exceed the amount of such accumulated contributions. Any amount representing the difference between the value of the interests in the retirement fund of the contracting agency and its employees, and the accumulated contributions credited to such agency and its employees shall be credited to the reserve under Section 20203 All liability of this system with respect to members and retired persons under such contract shall cease and shall become the liability of such county system as of the date of termination specified in the agreement. Liability of the county system shall be for payment of benefits in accordance with provisions of the County Employees' Retirement Law of 1937 applicable to it except that allowances of persons retired on termination date and their beneficiaries and of beneficiaries of deceased members or retired persons who are receiving allowances on such date, shall be continued in at least the amount provided under the agency's contract as it was on that date. Such termination shall not affect the contribution rate of any member in any other employment under the system on the date of termination or any retirement allowance or other benefit based on service to another employer being paid on such termination date. Any member who becomes a member of a county system upon such contract termination shall be subject to provisions of this part and of the County Employees' Retirement Law of 1937 extending rights to a member or subjecting him to limitations because of membership in another retirement system to the same extent that he would have been had he been a member of the county system during his membership in this system under the terminated contract. Upon execution of such agreement, a contracting agency which is an employer under Chapter 6 (commencing with Section 20740) of this part shall cease to have such status, and the accumulated contributions of the contracting agency shall be determined and thereafter held as provided in Section 20759.

SEC. 6. Section 20569.1 of the Government Code is amended to read:

20569.1 The board may enter into an agreement in accordance with Section 20569 for termination of a contract which has been in effect for at least five years with respect to local firemen if the firefighting function of the contracting agency and local firemen have been transferred to a district which participates in a retirement system established under the County Employees' Retirement Law of

1937. The contract shall continue with respect to all employees of the contracting agency other than local firemen

SEC 7. Section 20651.1 is added to the Government Code, to read:

20651.1. A member who ceases to be entitled to credit in this system for future service because of Section 20330 shall be considered permanently separated from state service with respect to his right to withdraw contributions.

SEC. 8. Section 20983.5 of the Government Code is amended to read:

20983.5 Every state member, other than a patrol or state safety member, and every local miscellaneous member who is employed by a school district or by a county superintendent of schools, and who has attained age 70, shall have the right to delay retirement and to continue in employment upon certification of the member's eligibility to continue in employment by the department or agency head or other appropriate supervisor pursuant to rules and regulations adopted by the State Personnel Board, the respective county superintendent of schools, or their designees, the Regents of the University of California, or the Trustees of the State Universities or Colleges with respect to employees under their respective jurisdictions. Such rules and regulations shall also provide for an appeal in cases when eligibility is denied. The appeal shall be directly to the entity or its designated representative. Certificates of eligibility may be limited for a time period of one or more years, and may be renewed from time to time upon expiration.

"Eligibility," for purposes of this section, shall mean job performance of standard or above.

The board shall identify all members who are approaching age 70 and shall notify the member and his employer of the member's option to continue in employment under this section. Upon receipt of the initial certificate of eligibility by the board from the employer, a member shall be continued in membership and shall be entitled to all of the rights and subject to all of the liabilities arising from such membership, including the obligation to pay contributions and the right to receive additional service credit.

All subsequent certifications and processing shall be the responsibility of the department or agency head and the board shall have no further responsibility.

Notwithstanding any other provisions of law, a member who continues in membership pursuant to this section shall thereafter be retired for service only upon his voluntary application for retirement, and the effective date of such retirement shall be the date following the last date for which salary is payable or any subsequent date specified by the member.

A member who continues or has continued in employment under this section may thereafter retire for service with less than five years' of service.

SEC. 9 Section 20983.6 of the Government Code is amended to

read:

20983.6. Every local member who has attained age 70, other than a local safety member, shall have the right to continue in employment upon certification of the member's competence in the member's position by the department or agency head or other appropriate supervisor pursuant to rules and regulations adopted by each respective governing body. In such case, the effective date of retirement shall be delayed until the day following the last day for which salary is payable. The member shall be subject to the same rights and liabilities as all other members and employer and member contributions shall continue until retirement or until death before retirement.

A member who continues or has continued in employment under this section may thereafter retire for service with less than five years' state service.

This section shall not apply to 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 effective date of this section, by express provision in such contract making the contracting agency subject to the provisions of this section.

SEC. 10. Section 21263.71 is added to the Government Code, to read:

21263.71. The monthly allowance provided by Section 21263 shall be paid on account of patrol and state safety members retired for nonindustrial disability with effective dates of retirement prior to April 1, 1972, and who did not at retirement elect optional settlement 2 or 3 or an optional settlement involving life contingency under optional settlement 4. Upon receipt of a written application by the board, the benefits provided by this section shall also be payable to eligible survivors of retired members who are not receiving a monthly allowance on account of service as a patrol or state safety member; provided, that the retired member was alive and receiving a monthly allowance on June 30, 1974. Such benefits shall be subject to the same eligibility and termination provisions which apply to members at retirement and shall be paid only for the period of time commencing on the first of the month following receipt by the board of the application for such benefits.

SEC 11. Section 21263.81 is added to the Government Code, to read:

21263.81. The retirement allowance payable to a patrol or state safety member retired for nonindustrial disability retirement with an effective date of retirement prior to April 1, 1972, and who elected optional settlement 2 or 3 or an optional settlement involving life contingency under optional settlement 4 shall be increased by 15 percent. The percentage shall be applied to the allowance payable on January 1, 1980, and the allowance as so increased shall be paid for time on and after that date until April 1, 1980. The base allowance

for adjustments due on April 1, 1980, and subsequent annual adjustments under Article 1.5 (commencing with Section 21220) of this chapter shall be the allowance as so increased. The allowance payable to the beneficiary or beneficiaries of a member described in this section shall be increased by the same percentage and in the same manner as the increase provided for the payment to the member. In no event shall an increase be payable on account of a member whose disability retirement allowance already includes a continuance allowance as prescribed under Section 21263 or 21263.1 prior to its repeal in 1972.

SEC. 12. Section 22009.02 is added to the Government Code, to read:

22009.02. "Public agency" also includes a county superintendent of schools whose office the board has determined to be fiscally independent. As to such office, the county board of education is the legislative or governing body for purposes of this part.

SEC. 13. Section 22016 of the Government Code is amended to read:

22016. For the purposes of this part, persons employed by a county superintendent of schools and whose salaries are paid from the county school service fund are county employees, except that in any county where it has been determined by the board that the office of the county superintendent of schools is a separate public agency, in which case such persons are employees of the county superintendent of schools. The cost of any elections and the employer's contribution for such employees under this part are proper charges against the county school service fund and such contribution shall be requisitioned and paid to the state as provided in Section 22550.5 of this code.

This section does not constitute a change in, but is declaratory of, preexisting law and all action heretofore taken by a county board of supervisors for coverage under the federal system of employees of the county superintendent of schools whose salaries are paid from the county school service fund, in accordance with state and federal law, is hereby ratified, confirmed and validated.

SEC. 14. Section 22016.5 of the Government Code is repealed.

SEC. 15. Section 22818 of the Government Code is amended to read:

22818. Notwithstanding any other provision of this chapter, an employee who is receiving full-time service credit pursuant to Section 20815 may continue enrollment in a health benefits plan.

SEC. 16. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The Board of Administration of the Public Employees' Retirement System is required to file a report annually with the Governor and Legislature. In order that this report will not be required to be submitted earlier than it is actually needed, it is necessary that this

act become effective immediately.

CHAPTER 121

An act to amend the headings of Chapter 6 (commencing with Section 980) and Article 3.1 (commencing with Section 987.50) of Chapter 6 of Division 4 and to amend Sections 987.60, 987.65, 987.67, 987.71, 987.87, and 987.93 of the Military and Veterans Code, relating to veterans' farm and home purchases, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 15, 1979. Filed with Secretary of State June 15, 1979.]

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

SECTION 1. The heading of Chapter 6 (commencing with Section 980) of Division 4 of the Military and Veterans Code is amended to read:

CHAPTER 6 STATE BENEFITS FOR VETERANS

SEC. 2. The heading of Article 3.1 (commencing with Section 987.50) of Chapter 6 of Division 4 of the Military and Veterans Code is amended to read:

Article 3.1. Veterans' Farm and Home Purchase Act of 1974

SEC. 3. Section 987.60 of the Military and Veterans Code is amended to read:

987.60. The department may acquire such farm or home from the owner thereof or may contract with a veteran for the construction of a dwelling house and other improvements for a farm or home, upon the terms agreed if:

(a) The department is satisfied of the desirability of the property submitted.

(b) The veteran has agreed with the department that he or members of his immediate family will actually reside on the property within 60 days from the date of purchase by the department, or if the residence on the property is not complete on the date of purchase, within 60 days after the residence is completed and will continue to reside on the property until all payments due the department have been paid or the farm or home is sold, except where the occupancy requirement is waived pursuant to Section 987.62.

(c) Where the department is to contract with a veteran for the construction of a dwelling house and other buildings, or for the purchase of a mobilehome:

(1) The veteran is the owner in fee of the real property on which

the dwelling house and other buildings are to be constructed, or is the owner in fee of the real property or the owner of an undivided interest in common in a portion of a parcel of real property on which a mobilehome is to be situate, and agrees to convey that property to the department without cost.

(2) The veteran has paid a reasonable fee set by the department to cover the cost of such preliminary service of the department as may be necessary to process the application

(3) The veteran has filed with the department adequate plans and specifications for the improvements to be constructed upon said real property, together with a contract, executed by a contractor licensed by the State of California for the construction of said improvements in accordance with said plans and specifications within eight months after the acquisition of said real property by the department, and a bond executed by the contractor providing for compliance with the terms of said contract and for the payment of materialmen and labor furnishing material or labor on the job, executed by a surety company, authorized to do business in the State of California.

(4) The plans, specifications, contract and bond are approved by the department.

(5) The veteran has placed in escrow, all sums of money to be advanced by him where the cost is in excess of the maximum that may be expended by the department.

As used in this section "immediate family" includes only the following:

Spouse, dependent children, either natural or adoptive; and the parents if they are dependent upon the veteran for 50 percent or more of their support.

SEC. 4. Section 987.65 of the Military and Veterans Code is amended to read:

987 65. The purchase price of a home to the department or the sum to be expended by the department pursuant to a contract for the construction of a dwelling house and other improvements shall not exceed the sum of forty-three thousand dollars ($43,000), except that the purchase price of a mobilehome, as defined in subdivision (k) of Section 987.53, to the department shall not exceed thirty thousand dollars ($30,000), and a veteran purchasing the home may advance, subject to the provisions of Section 987.64, the difference between the total price or cost of the home and the sum of the purchase price of the home to the department and any amount the department is required under Section 987.69 of this code to add to the purchase price of the home in fixing the selling price thereof to the veteran. Any amount of the purchase price to the department may be provided by funds from participation contracts or revenue bonds. The purchase price of a farm to the department shall not exceed one hundred twenty thousand dollars ($120,000), and a veteran purchasing the farm may advance the difference between the total price of the farm or cost of the dwelling and improvements to be constructed on a farm under a contract and the sum of such purchase

price to the department or contract price to the department and any amount which the department is required under Section 987.69 of this code to add to such purchase or contract price to the department in fixing the selling price of the farm to the veteran.

SEC. 4.5. Section 987.65 of the Military and Veterans Code is amended to read:

987.65. The purchase price of a home to the department or the sum to be expended by the department pursuant to a contract for the construction of a dwelling house and other improvements shall not exceed the sum of fifty-five thousand dollars ($55,000), except that the purchase price of a mobilehome, as defined in subdivision (k) of Section 987.53, to the department shall not exceed thirty thousand dollars ($30,000), and a veteran purchasing the home may advance, subject to the provisions of Section 987.64, the difference between the total price or cost of the home and the sum of the purchase price of the home to the department and any amount the department is required under Section 987.69 of this code to add to the purchase price of the home in fixing the selling price thereof to the veteran. Any amount of the purchase price to the department may be provided by funds from participation contracts or revenue bonds. The purchase price of a farm to the department shall not exceed one hundred twenty thousand dollars ($120,000), and a veteran purchasing the farm may advance the difference between the total price of the farm or cost of the dwelling and improvements to be constructed on a farm under a contract and the sum of such purchase price to the department or contract price to the department and any amount which the department is required under Section 987.69 of this code to add to such purchase or contract price to the department in fixing the selling price of the farm to the veteran.

SEC. 5. Section 987.67 of the Military and Veterans Code is amended to read:

987.67. Before the purchase of any property by the department there shall be filed with the department (1) an appraisement of the market value of the property by an employee or an authorized agent of the department or (2) an appraisement of the market value of the property by either the Federal Housing Administration or the Veteran's Administration, and in addition there may be filed with the department an appraisement of the market value of the property by an authorized appraiser of a banking corporation formed under the laws of this state or of a national banking association having a place of business in this state. Each appraisement shall be certified by the maker thereof. The certification shall state that it is made in good faith, and that the valuation is honestly determined and represents the bona fide opinion of the maker.

SEC. 6. Section 987.71 of the Military and Veterans Code is amended to read:

987.71. The purchaser shall make an initial payment of at least 5 percent of the selling price of the property Purchasers of homes where the purchase price is equal to or less than thirty-five thousand

dollars ($35,000) shall make an initial payment of at least 3 percent of the selling price of the property. The department may waive the initial payment in any case where the value of the property as determined by the department appraisal shall equal the amount to be paid by the department plus at least 5 percent where the purchase price is greater than thirty-five thousand dollars ($35,000). In the case of homes where the purchase price is equal to or less than thirty-five thousand dollars ($35,000), the department may waive the initial payment where the value of the property as determined by the department appraisal equals the amount to be paid by the department plus at least 3 percent. The balance of the purchase price may be amortized over a period fixed by the department, not exceeding 40 years for farms or homes, but not exceeding 25 years for mobilehomes, together with interest thereon at the rate as determined by the department pursuant to Section 987.87 for such amortization purposes. The department may, in order to allow the veteran to purchase the home selected without incurring excessive monthly payments, at the time of initial purchase postpone the commencement of payment of the principal balance for not to exceed five years, provided that the veteran's current income meets the standards for purchase on such terms and that the department determines, in accordance with previously established criteria for such determinations, that the veteran's income can reasonably be expected to increase sufficiently within the five-year period to make the transition to fully amortized principal and interest payments; and provided, that the total term of the contract of purchase does not exceed 40 years. The purchaser on any installment date may pay any or all installments still remaining unpaid. In any individual case the department may for good cause postpone from time to time upon terms as the department deems proper, the payment of the whole or any part of any installment of the purchase price or interest thereon. Each installment shall include an amount sufficient to pay the principal and interest on the participation contract to which the interest of the department is subject, and such amount as may be required by any covenant or provision contained in any resolution of issuance.

SEC. 7. Section 987.87 of the Military and Veterans Code is amended to read:

987.87. (a) The department shall establish the actual interest rate to be paid. To this end the department, by a two-thirds vote of California Veterans Board members and with the approval of the Veterans' Finance Committee of 1943, is empowered to establish a uniform rate of interest payable upon the amount remaining unpaid under any veteran's purchase contract executed on or after September 26, 1974. The California Veterans Board and the Veterans' Finance Committee shall periodically, at least once each year, make a finding as to the rate of interest to be charged, determined by a floating rate based upon the actual cost of general obligation bond sales, plus a certain percent for administrative costs

to be determined annually by the board and committee, taking into consideration the current value of money and the solvency of the Veterans' Farm and Home Building Fund of 1943, the interest paid on participation contracts to which the interest of the department is subject. The California Veterans Board and the Veterans Finance Committee may raise or lower the effective rate of interest payable under such contracts for any given period as many times and as frequently as it deems to be for the best interests of the department, as well as the contract holders, if in so doing its action is made applicable alike to any and all contracts executed after the effective date of this section, and 90 days' advance notice be given of the time when the new rate of interest is to become effective.

(b) The total amount of any installment payment shall be raised or lowered to reflect a change in the effective rate of interest. However, the department shall, upon request of the purchaser, instead increase or decrease the period fixed by the department for amortization of the purchase price without changing the amount of the installment payment. The department shall provide the purchaser with full information as to the repayment options available to him under this subdivision and, upon request of the purchaser, the financial consequences of each such option. The actual interest rate to be paid on the amount remaining unpaid under any veteran's purchase contract shall be a rate of interest which, when combined with the interest paid on the unpaid balance of a participation contract to which the department's interest is subject equals the effective rate of interest.

SEC. 8. Section 987.93 of the Military and Veterans Code is amended to read:

987 93. (a) The Department of Veterans Affairs shall submit to the Legislature on June 30, 1976, a report concerning the utilization of veterans farm and home loan funds by lower income veterans and the feasibility of utilizing federal home mortgage programs and mortgage subsidy programs to make veterans farm and home loan funds available to lower income veterans.

(b) On January 1 of each year, the Department of Veterans Affairs shall submit to the Legislature a report on the utilization of veterans farm and home loan funds by lower income veterans, including an annual summary of the amounts and loan-to-value ratios of loans offered to lower income veterans, the number of lower income veterans who are rejected because of insufficient income, or who declined loan offers because of inability to afford downpayments, and of the utilization of lower initial monthly payments and longer term financing to make financing available to lower income veterans. The report shall incorporate the reports required by Section 5 of Chapter 1477 of the Statutes of 1974.

SEC. 9 It is the intent of the Legislature, if this bill and Assembly Bill No. 45 are both chaptered and become effective on or before January 1, 1980, both bills amend Section 987.65 of the Military and Veterans Code, and this bill is chaptered after Assembly Bill No. 45,

that Section 987.65 of the Military and Veterans Code, as amended by Section 3 of Assembly Bill No. 45, be further amended on the effective date of this act in the form set forth in Section 4.5 of this act to incorporate the changes in Section 987.65 proposed by this bill. Therefore, if this bill and Assembly Bill No. 45 are both chaptered and become effective on or before January 1, 1980, and Assembly Bill No. 45 is chaptered before this bill and amends Section 987.65, Section 4.5 of this act shall become operative on the effective date of this act and Section 4 of this act shall not become operative.

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:

Under present economic conditions, housing costs are rising faster than incomes so that many veterans will be unable to afford satisfactory housing. In order to make the benefits of deferred amortization financing available to veterans as soon as possible, it is necessary that this act become effective immediately.

CHAPTER 122

An act to amend Section 31597 of, and to add Section 31597.1 to, the Government Code, relating to the County Employees Retirement Law of 1937.

[Approved by Governor June 19, 1979 Filed with Secretary of State June 20, 1979]

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

SECTION 1. Section 31597 of the Government Code is amended to read·

31597. Before April 30th of each year the county treasurer shall file in the office of the county auditor and with the board of supervisors a sworn statement which shall exhibit the financial condition of the retirement system at the close of the preceding December 31st and its financial transactions for the year ending on that day

SEC. 2. Section 31597.1 is added to the Government Code, to read:

31597.1. Before October 31 of each year, the county treasurer shall file in the office of the county auditor and with the board of supervisors a sworn statement which shall exhibit the financial condition of the retirement system at the close of the preceding June 30th and its financial transactions for the fiscal year ending that day.

This section shall not be operative in any county until such time as the board of supervisors shall, by resolution adopted by a majority vote, make the provisions of this section applicable in such county.

After the filing of the first fiscal year accounting under this section, the provisions of Section 31597 shall not apply in such county.

CHAPTER 123

An act to amend Section 88205.5 of the Education Code, relating to holidays.

[Approved by Governor June 19, 1979. Filed with Secretary of State June 20, 1979.]

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

SECTION 1. Section 88205.5 of the Education Code is amended to read:

88205.5. Notwithstanding any other provision of law, if the governing board of a community college district does not designate September 9 known as "Admission Day" as a paid holiday for classified employees pursuant to Section 79022, the district shall provide a substitute holiday for such employee. Such substitute holiday shall be provided as specified in Section 88205.

This section shall apply to districts that have adopted the merit system in the same manner and effect as if it were a part of Article 3 (commencing with Section 88060) of this chapter.

CHAPTER 124

An act to amend Section 4011 of the Penal Code, relating to prisoners.

[Approved by Governor June 19, 1979. Filed with Secretary of State June 20, 1979.]

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

SECTION 1. Section 4011 of the Penal Code is amended to read:

4011. (a) When it is made to appear to any judge by affidavit of the sheriff or other official in charge of county correctional facilities or district attorney and oral testimony that a prisoner confined in any city or county jail within the jurisdiction of the court requires medical or surgical treatment necessitating hospitalization, which treatment cannot be furnished or supplied at such city or county jail, the court in its discretion may order the removal of such person or persons from such city or county jail to the county hospital in such county; provided, if there is no county hospital in such county, then to any hospital designated by such court; and it shall be the duty of the sheriff or other official in charge of county correctional facilities

to maintain the necessary guards, who may be private security guards, for the safekeeping of such prisoner, the expense of which shall be a charge against the county.

(b) The cost of such medical services and such hospital care and treatment shall be charged against the county subject to subdivisions (c) and (d), in the case of a prisoner in or taken from the county jail, or against the city in the case of a prisoner in or taken from the city jail, and the city or county may recover the same by appropriate action from the person so served or cared for, or any person or agency responsible for his care and maintenance. If the prisoner is in the county jail under contract with a city or under some other arrangement with the city to keep the city prisoner in the county jail, then the city shall be charged, subject to subdivisions (c) and (d), for the prisoner's care and maintenance with the same right of recovery against any responsible person or any other agency.

(c) When such prisoner is poor and indigent the cost of such medical services and such hospital care and treatment shall, in the case of persons removed from the city jail be paid out of the general fund of such city, and in the case of persons removed from the county jail to a hospital other than a county hospital, such cost shall be paid out of the general fund of such county or city and county. In the case of city jail prisoners removed to the county hospital, the cost of such hospital care and treatment to be paid by the city to the county, shall be the rate per day fixed by the board of supervisors of such county. Such board of supervisors may, but need not, fix different rates for different classes of patients, or for different wards, and any and all such rates may be changed by such board of supervisors at any time, but shall at all times approximate as nearly as may be, the average actual cost to the county of such hospital care and treatment either in such wards or for such classes of patients or otherwise.

(d) In the event such prisoner is financially able to pay for his care, support and maintenance, the medical superintendent of such hospital other than a county hospital may, with the approval of such judge, enter into a special agreement with such person, or with his relatives or friends, for his care, support, maintenance, and other hospital expenses.

Any prisoner may decline such care or treatment and provide other care and treatment for himself at his own expense.

CHAPTER 125

An act to add Section 6381.5 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

[Approved by Governor June 19, 1979 Filed with Secretary of State June 20, 1979]

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

SECTION 1. Section 6381.5 is added to the Revenue and Taxation Code, to read:

6381.5. There are exempted from the sales taxes imposed by this part the gross receipts from the lease of tangible personal property to the United States or an agency or instrumentality thereof, a sale to which would have been exempt from sales tax prior to January 1, 1979, if the lease is pursuant to a contract for a fixed price in existence on September 26, 1978, which did not expressly provide for reimbursement to the lessor of any sales tax liability imposed on the lessor. This exemption shall not apply for any period of time for which the lessor has the unconditional right to terminate the lease upon notice, whether or not the right is exercised.

SEC. 1.5. Notwithstanding any other provision of law, no interest shall be paid on any refunds made as a result of this act.

SEC. 2. The Legislature, in adopting Chapter 1211 of the Statutes of 1978, intended to make it clear that for both state and federal tax purposes, the incidence of the California sales tax is upon the retailer for the privilege of selling tangible personal property at retail and is not upon the purchaser. However, the Legislature did not intend to impose a tax on lessors who had existing contracts for the lease of tangible personal property the receipts from which were exempt prior to January 1, 1979, and who were bound without a contractual right of reimbursement of any sales tax levied on them. It is the intent of the Legislature to make it clear that no sales tax liability exists with respect to such leases.

SEC. 3. (a) Notwithstanding Section 2230 of the Revenue and Taxation Code, no appropriation is made by this act and the state shall not reimburse any local agency for any sales and use tax revenues lost by it under this act.

(b) (1) Notwithstanding Section 2230 of the Revenue and Taxation Code, counties and cities may not make claims for sales and use tax revenue losses to the three-man State Board of Control pursuant to Sections 905.2 and 945.4 of the Government Code, and claims to the five-man State Board of Control pursuant to Article 3.5 (commencing with Section 2250) of Chapter 3 of Part 4 of Division 1 of the Revenue and Taxation Code are only authorized for costs mandated by the state under Section 2231, and not for sales and use tax revenue losses under Section 2230, of such code.

(2) Therefore, notwithstanding Section 2230 of the Revenue and Taxation Code, counties and cities shall not present any claim to the Legislature alleging that the reimbursement requirements of such section have not been complied with, as the Legislature has considered and rejected such claims at the time of the enactment of this act.

(c) Notwithstanding Section 2230.5 or 2246 of the Revenue and Taxation Code, the Department of Finance shall not review this act to determine costs or revenue losses and shall not report on this act

nor make recommendations to the Legislature on this act concerning reimbursements to local agencies or school districts.

(d) There shall be no reimbursement, review, or appropriation made by this act as revenue losses suffered by local agencies as a result of this act are revenues which local agencies would receive only as a consequence of the enactment of Chapter 1211 of the Statutes of 1978. This bill would eliminate those new sources of revenues created by Chapter 1211 of the Statutes of 1978 and reimbursement under such circumstances is unnecessary.

SEC. 4. This act shall be operative on and after January 1, 1979.

SEC. 5. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect.

CHAPTER 126

An act to add Section 731.1 to the Public Resources Code, relating to forestry, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 19, 1979 Filed with Secretary of State June 20, 1979]

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

SECTION 1. Section 731 1 is added to the Public Resources Code, to read:

731.1. The Legislature declares that some individuals appointed as members of the State Board of Forestry must be chosen from backgrounds in the forest products and range livestock industries in order to represent and further the interests of those industries and that such representation and furtherance serves the general public interest, as specified in Section 731. Accordingly, the Legislature finds that, for purposes of persons who hold such office, the forest products and the range livestock industries are tantamount to and constitute the public generally within the meaning of Section 87103 of the Government Code in those decisions affecting the forest products or range livestock industries, unless the results of their actions taken as board members have a material financial effect on them distinguishable from their effect on other members of their respective industries generally.

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 for the efficient functioning of the State Board of Forestry, it is necessary that this act take effect immediately.

CHAPTER 127

An act to amend Section 1714.1 of the Civil Code, and to amend Sections 48909 and 76039 of the Education Code, relating to parental liability.

[Approved by Governor June 19, 1979. Filed with Secretary of State June 20, 1979]

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

SECTION 1. Section 1714.1 of the Civil Code is amended to read:

1714.1. (a) Any act of willful misconduct of a minor which results in injury or death to another person or in any injury to the property of another shall be imputed to the parent or guardian having custody or control of the minor for all purposes of civil damages, and such parent or guardian having custody or control shall be jointly and severally liable with such minor for any damages resulting from such willful misconduct.

The joint and several liability of the parent or guardian having custody or control of a minor under subdivision (a) of this section shall not exceed five thousand dollars ($5,000) for each tort of the minor, and in the case of injury to a person, such imputed liability shall be further limited to medical, dental and hospital expenses incurred by such injured person, not to exceed five thousand dollars ($5,000). The liability imposed by this section is in addition to any liability now imposed by law.

(b) Any act of willful misconduct of a minor which results in the defacement of property of another with paint or a similar substance shall be imputed to the parent or guardian having custody or control of the minor for all purposes of civil damages, including court costs, and attorney's fees, to the prevailing party, and such parent or guardian having custody or control shall be jointly and severally liable with such minor for any damages resulting from such willful misconduct, not to exceed five thousand dollars ($5,000) for each tort of the minor.

SEC. 2. Section 48909 of the Education Code is amended to read:

48909. The parent or guardian having custody or control of any minor whose willful misconduct results in injury or death to any student or any person employed by or performing volunteer services for a school district or who willfully cuts, defaces, or otherwise injures in any way any property, real or personal, belonging to a school district shall be liable for all such damages so caused by the minor. The liability of the parent or the guardian having custody or control shall not exceed five thousand dollars ($5,000). The parent or guardian shall also be liable for the amount of any reward not exceeding five thousand dollars ($5,000) paid pursuant to Section 53069.5 of the Government Code. The parent or guardian of a minor shall be liable to a school district for all property belonging to the

school district loaned to the minor and not returned upon demand of an employee of the district authorized to make the demand.

SEC. 3. Section 76039 of the Education Code is amended to read:

76039. Any minor whose willful misconduct results in injury or death to any student or any person employed by or performing volunteer services for a community college district or who willfully cuts, defaces, or otherwise injures in any way any property, real or personal, belonging to a community college district is liable to suspension or expulsion, and the parent or the guardian having custody or control of an unemancipated minor shall be liable for all damages so caused by the minor. The liability of the parent or guardian having custody or control shall not exceed five thousand dollars ($5,000). The parent or guardian shall also be liable for the amount of any reward not exceeding five thousand dollars ($5,000) paid pursuant to Section 53069.5 of the Government Code. The parent or guardian of a minor shall be liable to a community college district for all property belonging to the community college district loaned to the minor and not returned upon demand of an employee of the district authorized to make the demand.

CHAPTER 128

An act to amend Section 23435 of the Business and Professions Code, relating to alcoholic beverages.

[Approved by Governor June 19, 1979. Filed with Secretary of State June 20, 1979.]

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

SECTION 1. Section 23435 of the Business and Professions Code is amended to read:

23435. On and after January 1, 1980, no new club license shall be issued for any club, organization, or association which does not have at least 100 members and which has not been in existence for at least one year.

CHAPTER 129

An act to amend Section 527 of the Code of Civil Procedure, relating to temporary restraining orders.

[Approved by Governor June 19, 1979 Filed with Secretary of State June 20, 1979]

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

SECTION 1. Section 527 of the Code of Civil Procedure is amended to read:

527. (a) An injunction may be granted at any time before judgment upon a verified complaint, or upon affidavits if the complaint in the one case, or the affidavits in the other, show satisfactorily that sufficient grounds exist therefor. A copy of the complaint or of the affidavits, upon which the injunction was granted, must, if not previously served, be served therewith.

No preliminary injunction shall be granted without notice to the opposite party; nor shall any temporary restraining order be granted without notice to the opposite party, unless it shall appear from facts shown by affidavit or by the verified complaint that great or irreparable injury would result to the applicant before the matter can be heard on notice and, except when applying for an order under Section 4357 or 4359 of the Civil Code, the applicant or the applicant's attorney certifies to the court under oath (i) that within a reasonable time prior to the application he informed the opposing party or his attorney at what time and where the application would be made; (ii) that he in good faith attempted to inform the opposing party and his attorney but was unable to so inform the opposing party or his attorney, specifying the efforts made to contact them; or (iii) that for reasons specified he should not be required to so inform the opposing party or his attorney. In case a temporary restraining order shall be granted without notice, in the contingency above specified, the matter shall be made returnable on an order requiring cause to be shown why the injunction should not be granted, on the earliest day that the business of the court will admit of, but not later than 15 days or, if good cause appears to the court, 20 days from the date of such order. When the matter first comes up for hearing the party who obtained the temporary restraining order must be ready to proceed and must have served upon the opposite party at least two days prior to such hearing, a copy of the complaint and of all affidavits to be used in such application and a copy of his points and authorities in support of such application; if he be not ready, or if he shall fail to serve a copy of his complaint, affidavits and points and authorities, as herein required, the court shall dissolve the temporary restraining order. The defendant, however, shall be entitled, as of course, to one continuance for a reasonable period, if he desires it, to enable him to meet the application for the preliminary injunction. The defendant may, in response to such order to show cause, present affidavits relating to the granting of the preliminary injunction, and if such affidavits are served on the applicant at least two days prior to the hearing, the applicant shall not be entitled to any continuance on account thereof. On the day upon which such order is made returnable, such hearing shall take precedence of all other matters on the calendar of said day, except older matters of the same character, and matters to which special precedence may be given by

law. When the cause is at issue it shall be set for trial at the earliest possible date and shall take precedence of all other cases, except older matters of the same character, and matters to which special precedence may be given by law.

(b) A temporary restraining order may be granted with or without notice to restrain any person upon an affidavit which, to the satisfaction of a court, shows reasonable proof of a past act or acts of actual violence resulting in physical injury for the purpose of preventing a recurrence of actual domestic violence and assuring a period of separation of the parties involved. A temporary restraining order may be granted pursuant to this subdivision to any person who, prior to or at the time such order is granted, was actually residing with the person or persons at whom such order is directed, and, in the case of a marital relationship, notwithstanding that a petition for legal separation or annulment or dissolution of marriage has not been filed.

A temporary restraining order granted pursuant to this subdivision shall remain in effect, in the discretion of the court, not to exceed 90 days, unless otherwise terminated by the court.

In case a temporary restraining order is granted without notice, the matter shall be made returnable on an order requiring cause to be shown why the order should not be dissolved, on the earliest day that the business of the court will permit, but not later than 15 days or, if good cause appears to the court, 20 days from the date the temporary restraining order is granted.

Any willful disobedience of any temporary restraining order granted pursuant to this subdivision shall be a misdemeanor.

The county clerk shall transmit a copy of each temporary restraining order, or extension, modification or termination thereof, granted pursuant to this subdivision, by the close of the business day on which such order was granted, to the local law enforcement agency with jurisdiction over the residence of the party which obtained the restraining order or the residence at which the recurrence of actual domestic violence is the subject of the temporary restraining order, if requested by an attorney of record or a person who acted in propria persona and approved by the court. Each appropriate law enforcement agency may make available, through an existing system for verification, information as to the existence and current status of any temporary restraining order issued pursuant to this subdivision to any law enforcement officer responding to the scene of reported domestic violence.

CHAPTER 130

An act to amend Section 1141.16 of the Code of Civil Procedure, relating to arbitration.

[Approved by Governor June 19, 1979. Filed with Secretary of State June 20, 1979]

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

SECTION 1. Section 1141.16 of the Code of Civil Procedure is amended to read:

1141.16. (a) The determination of the amount in controversy, under subdivision (a) or (b) of Section 1141.11 and Section 1141.12, shall be made by the court and the case submitted to arbitration at any conference at which all parties are present or represented by counsel. Such conference shall be held no sooner than nine months after the case has been placed on the civil active list and no later than 90 days before trial, whichever occurs first. At that time the court shall make a determination whether any prayer for equitable relief is frivolous or insubstantial, which decision shall not be appealable. The date of such conference may be postponed upon motion of any party for good cause shown. No determination pursuant to this section shall be made if all parties stipulate in writing that the amount in controversy exceeds fifteen thousand dollars ($15,000).

(b) The determination and any stipulation of the amount in controversy shall be without prejudice to any finding on the value of the case by an arbitrator or in a subsequent trial de novo. The determination shall be based on the total amount of damages, and the judge shall not consider questions of liability or comparative negligence or other defenses.

(c) The case shall be submitted to arbitration at an earlier time upon the written request of all plaintiffs, subject to a motion by a defendant for good cause shown to delay the arbitration hearing.

CHAPTER 131

An act to add Section 26508 to the Government Code, relating to district attorneys.

[Approved by Governor June 19, 1979 Filed with Secretary of State June 20, 1979.]

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

SECTION 1. Section 26508 is added to the Government Code, to read:

26508 A district attorney, with the concurrence of the district

attorney of another county and the boards of supervisors of both affected counties, may provide to the district attorney of such other county legal or investigative services, or both, pertaining to the prosecution of a civil cause of action in the other county by the district attorney of that county. The county provided with such services shall compensate the county providing the services at a rate which is mutually agreeable to the counties as parties to the agreement.

CHAPTER 132

An act to add Section 29008 to the Vehicle Code, relating to vehicles.

[Approved by Governor June 19, 1979 Filed with Secretary of State June 20, 1979]

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

SECTION 1. Section 29008 is added to the Vehicle Code, to read:

29008. The requirements of Section 29004 and 29005 shall not apply to trailers or dollies used to support booms attached to truck cranes if the following conditions are met:

(a) The trailer or dolly is connected to the boom by a pin, coupling device or fifth wheel assembly.

(b) The trailer is secured to the boom with a chain, cable, or equivalent device of sufficient strength to control the trailer or dolly in case of failure of the connection consisting of a pin, coupling device or fifth wheel assembly.

CHAPTER 133

An act to amend Section 75596 of, and to repeal Sections 75597 and 75599 of, the Water Code, relating to water conservation districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 19, 1979 Filed with Secretary of State June 20, 1979]

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

SECTION 1. Section 75596 of the Water Code is amended to read:

75596. Any ground water charge levied pursuant to this part shall be in addition to any general tax or assessment levied within the district or a zone or zones thereof, provided, that in any fiscal year, the sums raised by any ground water charge levied by the district in

any zone or zones, shall not produce funds for district purposes that would exceed such amount as is deemed necessary by the district board to be used in furtherance of district purposes in the replenishment, augmentation, and the protection of water supplies for users within the district or a zone or zones thereof.

SEC. 2. Section 75597 of the Water Code is repealed.

SEC. 3. Section 75599 of the Water Code is repealed.

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

In order to permit water conservation districts to levy a ground water charge to provide funds necessary for the replenishment, augmentation, and protection of water supplies for users within the district at the earliest possible time, it is necessary that this act go into immediate effect.

CHAPTER 134

An act to amend Section 1744.3 of, and to add Section 1744.4 to, the Code of Civil Procedure, relating to conciliation courts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 19, 1979 Filed with Secretary of State June 20, 1979]

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

SECTION 1. Section 1744.3 of the Code of Civil Procedure is amended to read:

1744.3 In each county having a population of at least 365,000 but not over 400,000, as determined by Section 28020 of the Government Code as it reads at the time of the adoption of this section, the board of supervisors may provide for and thereupon the superior court may appoint a supervising counselor and such staff and office assistants as required to assist the court in disposing of its business and carrying out its functions.

The persons so appointed shall have the power to do each of the following:

(a) Hold conciliation conferences with parties to, and hearings in, proceedings under this chapter, and make recommendations concerning such proceedings to the judges of the conciliation court.

(b) Make investigations, reports and recommendations as provided in Section 281 of the Welfare and Institutions Code with the authority given the probation officer in such code.

(c) Act as domestic relation cases investigators.

(d) Make recommendations relating to preage marriages.

(e) Provide such supervision in connection with the exercise of its

jurisdiction as the judges may direct.

(f) Cause such reports to be made, such statistics to be compiled and such records to be kept as the judges may direct.

(g) Hold such hearings in all conciliation court cases as may be required by the judges of the conciliation court, and make all investigations as may be required by the court, and in general perform all such duties as may be required by the court to carry out the intent of this chapter.

The classification and salaries of persons appointed under this section shall be determined by the board of supervisors. Except the conciliation counselor who shall be exempt, all persons authorized by this section shall be subject to the county civil service provisions and all persons, including the conciliation counselor, shall be entitled to all benefits, privileges and other provisions affecting the employment of county employees.

SEC. 2. Section 1744.4 is added to the Code of Civil Procedure, to read:

1744.4. In addition to the powers enumerated in Section 1744.2, in each county having a population of at least 1,300,000 but not more than 1,400,000, as determined by Section 28020 of the Government Code as it reads at the time of the adoption of this section, the counselor of conciliation shall have the power to do each of the following:

(a) Act as a domestic relation cases investigator.

(b) Make investigations, reports, and recommendations as provided in Section 281 of the Welfare and Institutions Code with the authority given the probation officer in such code.

(c) Upon order of the judge of the superior court, charge a fee for child custody investigations directed pursuant to Section 4602 of the Civil 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 maintain the existing level of services provided by the conciliation court in San Diego County it is necessary that this bill take effect immediately.

CHAPTER 135

An act relating to regional centers for persons with developmental disabilities, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 21, 1979 Filed with Secretary of State June 22, 1979]

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

SECTION 1. In addition to any other funds appropriated for such purposes, there is hereby appropriated from the General Fund to the State Department of Developmental Services for allocation to regional centers for persons with developmental disabilities the sum of one million five hundred thousand dollars ($1,500,000), provided however:

(a) Such funds shall be expended for services by regional centers under Chapter 5 (commencing with Section 4620) of Division 4.5 of the Welfare and Institutions Code to meet the needs of existing clients and clients on waiting lists for services as prescribed in each individual's program plan and not for administrative costs.

(b) The State Department of Developmental Services shall within five days after the effective date of this act enter into a supplemental contract with each regional center under which the regional center will continue to provide services under Chapter 5 (commencing with Section 4620) of Division 4.5 of the Welfare and Institutions Code for which the department will allocate a specified amount of the appropriation contained in this section for the remainder of the 1978–79 fiscal year.

(c) The unencumbered balance shall revert to the General Fund on December 31, 1979.

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 that regional center services to developmentally disabled persons are not curtailed or terminated due to lack of funds it is necessary that this act take effect immediately.

CHAPTER 136

An act to amend Sections 8553 and 8554 of the Food and Agricultural Code, relating to pest control.

[Approved by Governor June 22, 1979. Filed with Secretary of State June 22, 1979.]

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

SECTION 1. Section 8553 of the Food and Agricultural Code is amended to read:

8553. A district may pay limited compensation to the owner of any citrus tree infected with citrus tristeza virus which is removed by the district or by the owner within 60 days after written notice of such infection to the owner by the district, and prior to March 1, 1990. Such limited compensation shall not exceed the following payment

schedule with the age of the tree being conclusively established as of the time written notice of such infection is first given to the owner.

The schedule of payments is as follows:

Age of trees	*Maximum payment*
1 year	$ 5 per tree
2 years	7.50 per tree
3 years	10 per tree
4 years	14 per tree
5 years	17.50 per tree
6 years	20.75 per tree
7 years or older	25 per tree

For the purposes of this section, the holder of the record title of the real property on which the trees are located shall be considered to be the owner of the citrus trees to whom written notice of infection is given.

The written notice referred to above shall be a written or printed document labeled "Notice of Infection," addressed to the owner and informing the owner of the existence of such infected trees, their location, and that they should be removed forthwith

For the purposes of determining the age of infected citrus trees under this section, trees shall be considered one year old as of the January 1st succeeding the calendar year in which they are planted, and shall be deemed one year older on the January 1st of each succeeding year.

SEC. 2. Section 8554 of the Food and Agricultural Code is amended to read:

8554. In order to expedite the elimination of the source of citrus tristeza virus, if it appears to the board that the cost of testing, indexing, or retesting trees to determine infection may exceed the cost of removal, plus the payment of limited compensation, a district may, with the consent of the owner, remove and pay limited compensation pursuant to Section 8553 for trees which have not been determined to be infected with citrus tristeza virus.

CHAPTER 137

An act to amend Section 13107 of the Health and Safety Code, relating to the State Fire Marshal.

[Approved by Governor June 22, 1979 Filed with Secretary of State June 22, 1979]

The people of the State of California do enact as follows

SECTION 1. Section 13107 of the Health and Safety Code is amended to read:

13107. (a) The State Fire Marshal shall investigate every explosion or fire occurring in any state institution, state-owned building, or any building which is determined, pursuant to regulations adopted by the State Fire Marshal, to be state occupied, and every explosion or fire occurring in those areas of the state not under the jurisdiction of a legally organized fire department or fire protection district or other public entity, including, but not limited to, the state, which provides fire protection in which there is suspicion that the crime of arson or attempted arson has been committed.

(b) Upon request of the chief fire official of a legally organized fire department or fire protection district, or the governing body thereof, or upon request of the chief of a police department or the sheriff regarding a fire which occurs in an area where there is no operating arson investigation unit, the State Fire Marshal shall, within the limitation of resources and manpower established for such purposes, investigate any explosion or fire occurring within the jurisdiction of such requesting official in which there is suspicion that the crime of arson or attempted arson has been committed.

(c) The State Fire Marshal shall cooperate in the establishment of a program for training fire department personnel in arson investigation and detection.

(d) In order to carry out his responsibilities and duties pursuant to this section, the State Fire Marshal shall establish an arson investigation unit within his office, which shall be staffed with necessary personnel to perform the function for which the unit is established.

(e) If there is reason to believe that any fire or explosion investigated by the State Fire Marshal resulted from a crime or that a crime has been committed in connection with it, the State Fire Marshal shall report that fact in writing to the district attorney of the county in which the fire or explosion occurred.

CHAPTER 138

An act to amend Section 19549 5 of the Business and Professions Code, relating to horseracing.

[Approved by Governor June 22, 1979 Filed with Secretary of State June 22, 1979]

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

SECTION 1. Section 19549 5 of the Business and Professions Code is amended to read

19549 5 The board may annually allocate within the state a

maximum of 20 weeks of Appaloosa racing at the California Exposition and State Fair or a county or district agricultural association fair. Such racing shall be conducted by a person other than a fair.

CHAPTER 139

An act to amend Sections 607f and 4203 of the Civil Code, and to amend Sections 26840, 26840.1, 26849.1, 26852, 26855, 26855.1, 26855.2, 26855.3, and 26861 of the Government Code, relating to county clerks.

[Approved by Governor June 22, 1979 Filed with Secretary of State June 22, 1979]

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

SECTION 1. Section 607f of the Civil Code is amended to read

607f. Any such corporation incorporated for the purpose of the prevention of cruelty to animals may by resolution of its board of directors or trustees duly entered on its minutes appoint any number of its members, who shall be citizens of the State of California, as humane officers. Each appointment of humane officer shall be by separate resolution. Such resolution shall state the full name and place of residence and the business or occupation of the person so appointed and the fact that he is a citizen of the State of California and shall also designate the number of the badge to be allotted to such officer.

The society shall recommend any such appointee to the judge of the superior court in and for the county or city and county in which the appointee resides, and shall deliver to the judge a copy of the resolution appointing such person, duly certified to be correct by the president and secretary of such corporation and attested by its seal, together with the fingerprints of such appointee taken on standard 8 x 8-inch cards.

The judge shall send a copy of the resolution, together with the fingerprints of the appointee, to the Department of Justice, which shall thereupon submit to the judge, in writing, a report of the record in its possession, if any, of the appointee. If the Department of Justice has no record of the appointee, it shall so report to the judge in writing.

Upon receipt of the report the judge shall review the matter of the appointee's qualifications and fitness to act as a humane officer and, if he reaffirms such appointment, shall so state on a court order confirming the appointment. Said appointee shall thereupon file a certified copy of the reviewed court order in the office of the county clerk of said county or city and county and shall at the same time take and subscribe the oath of office prescribed for constables or other

peace officers.

The county clerk shall thereupon immediately enter in a book to be kept in his office and designated "Record of Humane Officers" the name of such officer, the number of his badge, the name of the judge appointing him and the date of such filing. At the time of such filing the county clerk shall collect from such officer a fee of five dollars ($5), which shall be in full for all services to be performed by the county clerk under the provisions of this section.

All such appointments of humane officers shall automatically expire within three years from the date on which the said certified copy of the court order was filed with the county clerk. Officers whose appointments are about to expire may only be reappointed in the same manner as hereinbefore provided for new appointments.

The corporation appointing such officer may revoke such appointment at any time by filing in the office of the county clerk in which the appointment of such officer is recorded a copy of such revocation in writing under the letterhead of such corporation and duly certified by its executive officer. Upon such filing the county clerk shall enter the fact of such revocation and the date of the filing thereof opposite the name of such officer in such record of humane officers.

Such humane officers after qualifying as above provided, shall have power at all places within the state lawfully to interfere to prevent the perpetration of any act of cruelty upon any dumb animal and may use such force as may be necessary to prevent the same and to that end may summon to their aid any bystander. They may make arrests for the violation of any penal law of this state relating to or affecting animals in the same manner as a constable or other peace officer. Except as otherwise provided by this section, a humane officer shall serve only in the county in which he is appointed. A humane officer may serve in a county other than that in which he is appointed only if he first informs the sheriff of the county that he intends to serve in such county. A humane officer is authorized to carry weapons while engaged in his duties as a humane officer, upon satisfactory completion of training, as approved by the Commission on Peace Officer Standards and Training, in the use of weapons.

Every humane officer must when making such arrest exhibit and expose a suitable badge to be adopted by the corporation under this title of which he is a member which shall bear its name and a number Any person resisting a humane officer in the performance of his duty as provided in this section, shall be guilty of a misdemeanor. Any person who has not been appointed and qualified as a humane officer as provided in this section, or whose appointment has been revoked as provided in this section, or whose appointment, having expired, has not been renewed as provided in this section, who shall represent himself to be or shall attempt to act as such officer shall be guilty of a misdemeanor

The provisions of this section added by amendments at the 1971 Regular Session shall apply only to humane officers appointed or

reappointed after the effective date of such amendments.

SEC. 2. Section 4203 of the Civil Code is amended to read:

4203. Upon the loss or destruction of a certificate of registry of marriage subsequent to the marriage ceremony but before filing with the county recorder in order to comply with Section 4202, the person solemnizing the marriage shall obtain a duplicate certificate of registry of marriage by filing an affidavit setting forth the facts with the county clerk of the county in which the license was issued.

The fee for issuing such duplicate license and certificate is five dollars ($5).

SEC. 3. Section 26840 of the Government Code is amended to read:

26840. The fee for issuing a marriage license is ten dollars ($10), to be collected at the time it is issued. One dollar ($1) of this fee shall be paid to the county recorder, one dollar ($1) of this fee shall be paid to the county clerk, and one dollar ($1) of this fee shall be paid to the State Registrar of Vital Statistics and seven dollars ($7) of this fee shall be disposed of pursuant to the provisions of Section 54 of Chapter 120, Statutes of 1966, First Extraordinary Session. In counties where the salary of the county recorder is the sole compensation allowed by law, this fee shall be paid to the county treasurer who shall credit one dollar ($1) to the county recorder and shall pay one dollar ($1) to the State Registrar of Vital Statistics. The fee provided by this section is in full for all services of the clerk and recorder in connection with the issuance of a marriage license and the filing of a certificate of registry of marriage.

SEC. 4. Section 26840.1 of the Government Code is amended to read:

26840.1. The fee for filing a marriage certificate pursuant to Section 4213 of the Civil Code is ten dollars ($10), to be collected by the county clerk at the time of filing.

SEC. 5. Section 26849.1 of the Government Code is amended to read:

26849 1. The fee for filing the bond of a notary public is seven dollars ($7).

SEC. 6. Section 26852 of the Government Code is amended to read:

26852. The fee for each certificate to the official capacity of any public official is two dollars ($2).

SEC. 7. Section 26855 of the Government Code is amended to read.

26855. The fee for taking acknowledgment of any deed or other instrument, including the certificate, is two dollars ($2) for each signature.

SEC. 8. Section 26855.1 of the Government Code is amended to read.

26855 1. The fee for filing a power of attorney for an admitted surety insurer is three dollars ($3), or, if more than one name is designated, two dollars ($2) for each name.

SEC. 9. Section 26855.2 of the Government Code is amended to read:

26855 2 The fee for filing a financial statement of an admitted surety insurer is three dollars ($3), but nothing in this section shall be construed to require an admitted surety insurer to file such a statement.

SEC. 10. Section 26855.3 of the Government Code is amended to read.

26855.3. The fee for issuing a certificate pursuant to the third requirement of the second paragraph of Section 1057a of the Code of Civil Procedure is three dollars ($3).

SEC. 11. Section 26861 of the Government Code is amended to read.

26861. A fee of fifteen dollars ($15) may be charged for performing a marriage ceremony pursuant to Section 4205.1 of the Civil Code, which shall be paid into the county treasury.

CHAPTER 140

An act to amend Section 53040 of the Water Code, relating to reclamation districts, and declaring the urgency thereof, to take effect immediately

[Approved by Governor June 22, 1979 Filed with Secretary of State June 22, 1979]

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

SECTION 1. Section 53040 of the Water Code is amended to read:

53040 When the board has filed an operation and maintenance assessment roll in the office of the county treasurer, and has directed an assessment levied against that roll to be paid in annual installments, it may issue and sell, or otherwise dispose of, time warrants based upon, and in anticipation of, the collection of such assessment levy, to pay the expenses for the payment of which the assessment was levied on a cash basis, or for the purpose of paying any outstanding warrants payable from such assessment levy. The period over which annual installments of the assessment shall be paid shall not exceed five years or the maturity of time warrants issued pursuant to Section 53042 5.

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 insure that urgently needed drainage facilities may be constructed by reclamation districts prior to the next rainy season, it is necessary that this act go into immediate effect

CHAPTER 141

An act to amend Section 4002 of the Penal Code, relating to prisoners.

[Approved by Governor June 22, 1979 Filed with Secretary of State June 22, 1979]

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

SECTION 1. Section 4002 of the Penal Code is amended to read.

4002 Persons committed on criminal process and detained for trial, persons convicted and under sentence, and persons committed upon civil process, must not be kept or put in the same room, nor shall male and female prisoners (except husband and wife) sleep, dress or undress, bathe, or perform eliminatory functions in the same room However, persons committed on criminal process and detained for trial may be kept or put in the same room with persons convicted and under sentence for the purpose of participating in supervised activities. Nothing in the section shall be construed to impose any requirement upon a county to confine male and female prisoners in the same or an adjoining facility or impose any duty upon a county to establish or maintain programs which involve the joint participation of male and female prisoners

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CHAPTER 142

An act making an appropriation for reimbursement to local taxing authorities, and in this connection augmenting Item 404 of the Budget Act of 1978 (Chapter 359 of the Statutes of 1978), and declaring the urgency thereof, to take effect immediately

[Approved by Governor June 22, 1979 Filed with Secretary of State June 22, 1979]

The people of the State of California do enact as follows

SECTION 1 The sum of ten million six hundred thousand dollars ($10,600,000) is hereby appropriated from the General Fund to the State Controller in augmentation of Item 404 of the Budget Act of 1978 (Ch 359, Stats 1978) for reimbursement to local taxing authorities in accordance with the provisions of Item 404

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 that deficiencies in appropriations made in the 1978–79 fiscal year may be promptly rectified, it is necessary that this act take

effect immediately.

CHAPTER 143

An act to amend Sections 1798.3, 1798.24, 1798.61, and 1798.75 of the Civil Code, relating to public records, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 22, 1979. Filed with Secretary of State June 22, 1979.]

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

SECTION 1. Section 1798.3 of the Civil Code is amended to read:

1798.3. As used in this chapter:

(a) The term "confidential information" means any of the following:

(1) Any information in any record maintained by an agency or component thereof which performs as its principal function any activity pertaining to the enforcement of criminal laws, including efforts of the Department of Justice to prevent, control, or reduce crime or to apprehend criminals if the information is (i) compiled for the purpose of identifying individual criminal offenders and alleged offenders and consists only of identifying data and notations of arrests, the nature and disposition of criminal charges, sentencing, confinement, release, and parole and probation status; or (ii) compiled for the purpose of a criminal investigation of suspected criminal activities, including reports of informants and investigators, and associated with an identifiable individual; or (iii) contained in any record which could identify an individual and which is compiled at any stage of the process of enforcement of the criminal laws, from the arrest or indictment stage through release from supervision and including the process of extradition or the exercise of executive clemency.

(2) Information consisting solely of written testing or examination material, or scoring keys used solely to determine individual qualifications for appointment or promotion in public service, or used to administer a licensing examination, or academic examination, the disclosure of which would compromise the objectivity or fairness of the testing or examination process.

(3) Information containing medical, psychiatric or psychological material, if the holder of the record determines that disclosure of the information would be medically or psychologically detrimental to the individual. Such information shall, upon written authorization, be disclosed to a physician, psychiatrist or other licensed medical or psychological personnel designated by the data subject.

(4) Information, other than that maintained by an agency or component thereof which performs as its principal function any

activity pertaining to the enforcement of criminal law, including the Department of Justice, consisting solely of investigative materials maintained by an agency for the purpose of investigating a specific violation of state law, but only so long as an investigation is in progress and such investigative information has not been maintained for a period longer than is necessary to complete a criminal, civil, or administrative prosecution or initiate other remedial action. An agency may keep the source or sources of information used for an investigation under this section confidential so long as it determines that confidentiality is necessary to protect its law enforcement activities

(5) Records consisting of information used solely for the purpose of verifying and paying government health care service claims made pursuant to Division 9 (commencing with Section 10000) of the Welfare and Institutions Code.

(6) Any information which is required by statute to be withheld from the individual to whom it pertains

(b) The term "personal information" means any information in any record about an individual that is maintained by an agency, including, but not limited to, his or her education, financial transactions, medical or employment history. It does not mean information found to be confidential or nonpersonal under subdivision (a) or (c) of Section 1798 3

(c) The term "nonpersonal information" means all of the following

(1) Information consisting only of names, addresses, telephone numbers and other limited factual data, which could not, in any reasonable way (i) reflect or convey anything detrimental, disparaging, or threatening to an individual's reputation, rights, benefits, privileges, or qualifications or (ii) be used by an agency to make a determination that would affect an individual's rights, benefits, privileges, or qualifications

(2) An agency telephone book or directory which is used exclusively for telephone and directory information.

(3) Any card catalog of any library, or the contents of any book listed within such card catalog.

(4) Any mailing list which is used exclusively for the purpose of mailing agency information.

(5) Records required by law to be maintained and used solely as a system of statistical records, but only if such records are maintained for statistical research or reporting purposes only and are not used in whole or in part in making any determination about an identifiable individual.

(6) Records to which an individual has the right of examination pursuant to Article 5 (commencing with Section 11120) of Chapter 1 of Title 1 of Part 4 of the Penal Code.

(d) The term "agency" means every state office, officer, department, division, bureau, board, commission, or other state agency, except that the term agency shall not include:

(1) The California Legislature

(2) Any agency established under Article VI of the California Constitution.

(3) The State Compensation Insurance Fund, except as to any records which contain personal information about the employees of the State Compensation Insurance Fund.

(e) The term "disclose" means to disclose, release, transfer, disseminate, or otherwise communicate all or any part of any record orally, in writing, or by electronic or any other means to any person or entity.

(f) The term "individual" means a natural person acting in the person's individual and private capacity as opposed to public employment or business proprietorship.

(g) The term "maintain" includes maintain, acquire, use, or disclose.

(h) The term "person" means any natural person, corporation, partnership, firm, or association.

(i) The term "record" means any file or grouping of information about an individual that is maintained by an agency, including, but not limited to, his or her education, financial transactions, medical or employment history and that contains his or her name, identifying number, symbol, or other identifying particular assigned to the individual, including, but not limited to, a finger or voice print or photograph and is maintained by reference to such an identifying particular.

(j) The term "system of records" means one or more records, which pertain to one or more individuals, which is maintained by any agency, from which information is retrieved by the name of an individual or by some identifying number, symbol or other identifying particular assigned to the individual.

(k) The term "governmental entity," except as used in Section 1798.26, means any branch of the federal government or of the local government.

(*l*) The term "commercial purpose" means any purpose which has financial gain as a major objective. It does not include the gathering or dissemination of newsworthy facts by a publisher or broadcaster.

SEC 2. Section 1798.24 of the Civil Code is amended to read:

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

(a) Pursuant to an unsolicited written request, or an oral request which is accompanied by adequate indication of identity, by the individual to whom the record pertains.

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

(c) To the duly appointed guardian or conservator of the individual or a person representing the individual provided that it

can be proven with reasonable certainty through the possession of agency forms, documents or correspondence that such person is the authorized representative of the individual to whom the information pertains.

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

(e) To a person, or to another agency where the transfer is necessary for the transferee agency to perform its constitutional or statutory duties, and such use is compatible with a purpose for which the information was collected and such use or transfer is listed in the notice provided pursuant to Section 1798 9

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

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

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

(i) Pursuant to a determination by the agency which maintains the information that compelling circumstances exist which affect the health or safety of an individual, if upon such disclosure notification is transmitted to the individual to whom the information pertains at his or her last known address. Disclosure shall not be made if it is in conflict with other state or federal law.

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

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

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

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

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

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

(p) To another person or governmental organization to the extent

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

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

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

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

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

The provisions of this article shall not be applied or construed to authorize the disclosure of any personal or confidential information to the individual to whom the information pertains.

SEC. 3. *Section 1798.61 of the Civil Code is amended to read:*

1798.61. (a) Nothing in this chapter shall prohibit the release of only names and addresses of persons possessing licenses to engage in professional occupations.

(b) Nothing in this chapter shall prohibit the release of only names and addresses of persons applying for licenses to engage in professional occupations for the sole purpose of providing such persons with informational materials relating to available professional educational materials or courses.

SEC. 4. *Section 1798.75 of the Civil Code is amended to read:*

1798.75. This chapter shall not be deemed to supersede Chapter 3 5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code, except as to the provisions of Sections 1798.60 and 1798.70

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:

Administrative interpretations have differed in implementing

certain portions of the Information Practices Act of 1977 In order for the act to be properly administered, and to avoid current ambiguities in compliance by the various agencies and the possibilities of litigation arising therefrom, it is necessary that this act take effect immediately.

CHAPTER 144

An act to amend Section 69534 of, and to add Sections 69534.1, 69534.2, 69534.3, 69534.4, 69534.6, and 69534.7 to, the Education Code, relating to student aid, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 25, 1979. Filed with Secretary of State June 26, 1979.]

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

SECTION 1. Section 69534 of the Education Code is amended to read:

69534. The commission, in consultation with postsecondary institutions, shall make available a single, common student financial aid application form and a single, common financial statement. The form shall be utilized for the Cal Grant program, all other programs funded by the state or a public institution of postsecondary education, and all federal programs administered by a public institution of postsecondary education. Supplemental forms may be utilized if such forms are essential to accomplishing the objectives of individual programs, as determined by the commission. All supplemental forms utilized by public postsecondary educational institutions must be approved by the commission, and such forms shall be identical for programs with similar objectives, as determined by the commission. Public postsecondary institutions may decide whether or not to use the single common application form and the single common financial statement for funds provided by private donors

SEC. 2. Section 69534.2 is added to the Education Code, to read:

69534.2. The technical advisory committee defined in Section 69534.3 shall develop and recommend specifications for the services of a sole processor. The committee shall then recommend to the commission a prospective sole processor, using at least the following criteria in evaluating processors:

(a) The quality and timeliness of the services offered by the organization.

(b) The compatability of the processor's need analysis system with federal and national standards for need analysis.

(c) The cost of the processing and services to the students, postsecondary educational institutions, and the Student Aid

Commission.

(d) Interstate applicability of the data.

(e) The degree to which the services rendered by the organization will improve the effectiveness of the programs and services of the Student Aid Commission and postsecondary educational institutions.

(f) The ability of the processor to accommodate the workload attendant to California's student aid application processing schedule and volume.

SEC. 3 Section 69534 3 is added to the Education Code, to read·

69534.3 (a) The technical advisory committee shall be composed of all the following:

(1) Five students, one from each of the entities specified in paragraphs (3) to (7), inclusive, shall be selected by the Director of the California Postsecondary Education Commission.

(2) Two high school counselors, selected by the Superintendent of Public Instruction.

(3) Two representatives of the California Community Colleges, selected by the Chancellor of the Community Colleges.

(4) Two representatives of the California State University and Colleges, selected by the Chancellor of the California State University and Colleges.

(5) Two representatives of the University of California, selected by the President of the University of California.

(6) Two representatives of independent colleges and universities, selected by the Director of the California Postsecondary Education Commission.

(7) Two representatives of private postsecondary education, selected by the Council on Private Postsecondary Education.

It is the intent of the Legislature that at least one of the representatives from each segment of postsecondary education be a practicing, campus-based student financial aid officer

(b) Committee members shall receive no remuneration, other than reimbursement for actual and necessary expenses allowed by the State Board of Control incurred in the performance of their duties on the committee

(c) Each committee member shall file annual financial disclosure statements required by the Fair Political Practices Commission

(d) The Student Aid Commission shall provide staff support to the technical advisory committee during its evaluation of forms and processors. No member of the Student Aid Commission shall serve as a voting member of the technical advisory committee.

SEC. 4 Section 69534.4 is added to the Education Code, to read

69534 4. Following receipt of the technical advisory committee's recommendation, the commission shall in a timely manner select the organization to provide financial need analysis and to act as sole processor.

Within 30 days of the final selection, the Student Aid Commission shall report to the educational policy committees of the Legislature

the name of the sole processor selected The commission shall set forth the reasons for the selection in sufficient detail to enable students, postsecondary educational institutions, and others to understand the nature of the selection criteria and the relative importance of each criterion. If the Student Aid Commission fails to appoint the processor recommended by the technical advisory committee, the commission shall provide an explanation to the Legislature and the technical advisory committee of the reasons and criteria utilized by the commission in arriving at their decision.

SEC. 5. Section 69534 6 is added to the Education Code, to read:

69534.6. A postsecondary educational institution shall be exempted from using the otherwise required services of a sole processor for a period not to exceed six years from the beginning of the 1979–80 processing year, where the institution can demonstrate to the commission that earlier use of the required services of the sole processor would impose economic hardship due to the loss of current investment in a student aid processing system which predates the effective date of this section. This exemption, however, shall not exempt the institution from the requirement to use the common application form and financial statements required under Section 69534.

SEC. 6. Section 69534.7 is added to the Education Code, to read:

69534.7. Nothing in this article shall prevent an individual public postsecondary institution from processing, with its own staff and fiscal resources, the single, common student form and statement specified in Section 69534 for student aid programs for which it has legal responsibility.

The Student Aid Commission shall be exempt from the requirement of using the sole processor whenever the use of such services would preclude timely response to a financial aid application of an individual student.

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

In order to provide a mechanism for advising students of financial aid at the necessary time, the selection of a single processor for the single common student financial aid application form mandated in California must commence at the earliest possible time, so it is necessary that the provisions of this act take effect immediately.

CHAPTER 145

An act to amend Sections 454, 456, 548, and 12022.7 of, to amend and renumber Sections 451a, 452 and 455 of, to add Sections 450, 451 and 452 to, and to repeal Sections 447a, 448a, 449a, 449b, 449c, 450a and 451b of, the Penal Code, relating to arson.

[Approved by Governor June 27, 1979 Filed with Secretary of State June 27, 1979]

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

SECTION 1. Section 447a of the Penal Code is repealed.

SEC. 2. Section 448a of the Penal Code is repealed.

SEC 3 Section 449a of the Penal Code is repealed.

SEC. 4 Section 449b of the Penal Code is repealed.

SEC. 5 Section 449c of the Penal Code is repealed.

SEC 6. Section 450 is added to the Penal Code, to read:

450. In this chapter, the following terms have the following meanings:

(a) "Structure" means any building, or commercial or public tent, bridge, tunnel, or powerplant.

(b) "Forest land" means any brush covered land, cut-over land, forest, grasslands, or woods.

(c) "Property" means real property or personal property, other than a structure or forest land.

(d) "Inhabited" means currently being used for dwelling purposes whether occupied or not "Inhabited structure" and "inhabited property" do not include the real property on which an inhabited structure or an inhabited property is located.

(e) "Maliciously" imports a wish to vex, defraud, annoy, or injure another person, or an intent to do a wrongful act, established either by proof or presumption of law.

(f) "Recklessly" means a person is aware of and consciously disregards a substantial and unjustifiable risk that his or her act will set fire to, burn, or cause to burn a structure, forest land, or property. The risk shall be of such nature and degree that disregard thereof constitutes a gross deviation from the standard of conduct that a reasonable person would observe in the situation. A person who creates such a risk but is unaware thereof solely by reason of voluntary intoxication also acts recklessly with respect thereto.

SEC. 7. Section 450a of the Penal Code is repealed.

SEC 8. Section 451 is added to the Penal Code, to read:

451. A person is guilty of arson when he willfully and maliciously sets fire to or burns or causes to be burned or who aids, counsels or procures the burning of, any structure, forest land or property.

(a) Arson that causes great bodily injury is a felony punishable by imprisonment in the state prison for five, seven or nine years.

(b) Arson that causes an inhabited structure or inhabited property to burn is a felony punishable by imprisonment in the state prison for three, five or seven years

(c) Arson of a structure or forest land is a felony punishable by imprisonment in the state prison for two, four or six years.

(d) Arson of property is a felony punishable by imprisonment in the state prison for 16 months, two, or three years. For purposes of this paragraph arson of property does not include one burning or

causing to be burned his own personal property unless there is an intent to defraud or there is injury to another person or another person's structure, forest land or property.

SEC. 9 Section 451a of the Penal Code is amended and renumbered to read:

455 Any person who willfully and maliciously attempts to set fire to or attempts to burn or to aid, counsel or procure the burning of any structure, forest land or property, or who commits any act preliminary thereto, or in furtherance thereof, is punishable by imprisonment in the state prison for 16 months, two or three years.

The placing or distributing of any flammable, explosive or combustible material or substance, or any device in or about any structure, forest land or property in an arrangement or preparation with intent to eventually willfully and maliciously set fire to or burn same, or to procure the setting fire to or burning of the same shall, for the purposes of this act constitute an attempt to burn such structure, forest land or property.

SEC. 10. Section 451b of the Penal Code is repealed.

SEC. 11. Section 452 is added to the Penal Code, to read.

452. A person is guilty of unlawfully causing a fire when he recklessly sets fire to or burns or causes to be burned, any structure, forest land or property.

(a) Unlawfully causing a fire that causes great bodily injury is a felony punishable by imprisonment in the state prison for two, four or six years, or by imprisonment in the county jail for not more than one year, or by a fine, or by both such imprisonment and fine

(b) Unlawfully causing a fire that causes an inhabited structure or inhabited property to burn is a felony punishable by imprisonment in the state prison for two, three or four years, or by imprisonment in the county jail for not more than one year, or by a fine, or by both such imprisonment and fine.

(c) Unlawfully causing a fire of a structure or forest land is a felony punishable by imprisonment in the state prison for 16 months, two or three years, or by imprisonment in the county jail for not more than six months, or by a fine, or by both such imprisonment and fine.

(d) Unlawfully causing a fire of property is a misdemeanor. For purposes of this paragraph, unlawfully causing a fire of property does not include one burning or causing to be burned his own personal property unless there is injury to another person or to another person's structure, forest land or property

SEC. 12. Section 452 of the Penal Code is amended and renumbered to read

453 (a) Every person who possesses any flammable, explosive or combustible material or substance, or any device in an arrangement or preparation, with intent to willfully and maliciously use such material, substance or device to set fire to or burn any structure, forest land or property, is punishable by imprisonment in the state prison, or in the county jail, not exceeding one year.

(b) Every person who possesses, manufactures or disposes of a

firebomb is guilty of a felony.

For the purposes of this subdivision, "disposes of" means to give, give away, loan, offer, offer for sale, sell, or transfer.

For the purposes of this subdivision, a "firebomb" is a breakable container containing a flammable liquid with a flashpoint of 150 degrees Fahrenheit or less, having a wick or similar device capable of being ignited, but no device commercially manufactured primarily for the purpose of illumination shall be deemed to be a firebomb for the purposes of this subdivision.

(c) Subdivisions (a) and (b) of this section shall not prohibit the authorized use or possession of any material, substance or device described therein by a member of the armed forces of the United States or by firemen, police officers, peace officers, or law enforcement officers authorized by the properly constituted authorities; nor shall those subdivisions prohibit the use or possession of any material, substance or device described therein when used solely for scientific research or educational purposes, or for disposal of brush under permit as provided for in Section 4494 of the Public Resources Code, or for any other lawful burning. Subdivision (b) of this section shall not prohibit the manufacture or disposal of a firebomb for the parties or purposes described in this subdivision.

SEC. 13. Section 454 of the Penal Code is amended to read:

454. Every person who violates any of the provisions of Section 451 or 452 during and within an area of a:

(a) State of insurrection pursuant to Section 143 of the Military and Veterans Code, or

(b) State of emergency pursuant to Section 8625 of the Government Code,

when proclaimed by the Governor is punishable by imprisonment in the state prison for three, five or seven years.

SEC. 14. Section 455 of the Penal Code is amended and renumbered to read:

457. Upon conviction of any person for a violation of any provision of this chapter, the court may order that such person, for the purpose of sentencing, submit to a psychiatric or psychological examination.

SEC. 15. Section 456 of the Penal Code is amended to read:

456. (a) Upon conviction for any felony violation of this chapter, in addition to the penalty prescribed, the court may impose a fine not to exceed fifty thousand dollars ($50,000) unless a greater amount is provided by law.

(b) When any person is convicted of a violation of any provision of this chapter and the reason he committed the violation was for pecuniary gain, in addition to the penalty prescribed and instead of the fine provided in subdivision (a), the court may impose a fine of twice the anticipated or actual gross gain.

SEC. 16. Section 548 of the Penal Code is amended to read:

548. Every person who willfully injures, destroys, secretes, abandons, or disposes of any property which at the time is insured

against loss or damage by theft, or embezzlement, or any casualty with intent to defraud or prejudice the insurer, whether the same be the property or in the possession of such person or any other person, is punishable by imprisonment in the state prison for two, three or four years.

For purposes of this section, "casualty" does not include fire.

SEC. 17. Section 12022.7 of the Penal Code is amended to read:

12022 7 Any person who, with the intent to inflict such injury, personally inflicts great bodily injury on any person other than an accomplice in the commission or attempted commission of a felony shall, in addition and consecutive to the punishment prescribed for the felony or attempted felony of which he has been convicted, be punished by an additional term of three years, unless infliction of great bodily injury is an element of the offense of which he is convicted.

As used in this section, great bodily injury means a significant or substantial physical injury.

This section shall not apply to murder or manslaughter or a violation of Section 451 or 452 The additional term provided in this section shall not be imposed unless the fact of great bodily injury is charged in the accusatory pleading and admitted or found to be true by the trier of fact.

CHAPTER 146

An act to amend Section 5201 of the Vehicle Code, relating to vehicles

[Approved by Governor June 27, 1979 Filed with Secretary of State June 27, 1979]

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

SECTION 1. Section 5201 of the Vehicle Code is amended to read;

5201 License plates shall at all times be securely fastened to the vehicle for which they are issued so as to prevent the plates from swinging and shall be mounted in a position to be clearly visible, and shall be maintained in a condition so as to be clearly legible. No covering shall be used on license plates. The rear license plate shall be mounted not less than 12 inches nor more than 60 inches from the ground, and the front license plate shall be mounted not more than 60 inches from the ground, except as follows

(a) The rear license plate on a tow car may be mounted on the left-hand side of the mast assembly at the rear of the cab of the vehicle, not less than 12 inches nor more than 90 inches from the ground

(b) The rear license plate on a tank vehicle hauling hazardous

waste, as defined in Section 25117 of the Health and Safety Code, or asphalt material may be mounted not less than 12 inches nor more than 90 inches from the ground.

CHAPTER 147

An act to amend Section 3097.1 of the Civil Code, relating to mechanics' liens.

[Approved by Governor June 27, 1979 Filed with Secretary of State June 27, 1979]

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

SECTION 1. Section 3097.1 of the Civil Code is amended to read:

3097.1. Proof that the preliminary 20-day notice required by Section 3097 was served in accordance with subdivision (f) of Section 3097 shall be made as follows:

(a) If served by mail, by the proof of service affidavit described in subdivision (c) of this section accompanied either by the return receipt of certified or registered mail, or by a photocopy of the record of delivery and receipt maintained by the post office, showing the date of delivery and to whom delivered, or, in the event of nondelivery, by the returned envelope itself.

(b) If served by personally delivering the notice to the person to be notified, or by leaving it at his address or place of business with some person in charge, by the proof of service affidavit described in subdivision (c).

(c) A "proof of service affidavit" is an affidavit of the person making the service, showing the time, place and manner of service and facts showing that such service was made in accordance with Section 3097. Such affidavit shall show the name and address of the person upon whom a copy of the preliminary 20-day notice was served, and, if appropriate, the title or capacity in which he was served.

CHAPTER 148

An act to amend Sections 35012 and 35150 of the Government Code, relating to cities.

[Approved by Governor June 27, 1979. Filed with Secretary of State June 27, 1979]

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

SECTION 1. Section 35012 of the Government Code is amended to read:

35012. Notwithstanding the provisions of Section 35011, upon approval of the commission a city may annex noncontiguous territory not exceeding 160 acres in area, which is located in the same county as that in which the city is situated, and which is owned by the city and is being used for municipal purposes at the time preliminary proceedings are initiated pursuant to Chapter 2 (commencing with Section 35100) of this part. If, after the completion of the annexation, the city sells such territory or any part thereof, all such territory which is no longer owned by the city shall cease to be a part of the city.

If territory is annexed pursuant to this section, the annexing city may not annex any territory not owned by it and not contiguous to it although such territory is contiguous to the territory annexed pursuant to this section.

Notwithstanding any other provision of this section to the contrary, a city which annexes territory pursuant to this section may annex additional territory which is owned by the United States government or the State of California and which is contiguous to such first annexed territory if the total acreage of the first annexed and the subsequently annexed territory together does not exceed 160 acres in area. If after the completion of such subsequent annexation, the city sells all or any part of such first annexed territory, the subsequently annexed territory shall cease to be part of the city if it is no longer contiguous to territory owned by the city.

If territory annexed to a city pursuant to this section becomes contiguous to such city, the limitations imposed by this section shall cease to apply.

SEC. 2 Section 35150 of the Government Code is amended to read:

35150. The commission shall have the powers and duties set forth in Chapter 6.6 (commencing with Section 54773) of Part 1, Division 2, Title 5, and such additional powers and duties as are specified in this part, including the following:

(a) To review and approve or disapprove with or without amendment, wholly, partially, or conditionally proposals for the incorporation of cities, for changes of organization of cities, and municipal reorganizations.

(b) With regard to a proposal for annexation or detachment of territory to, or from, a city, or with regard to a proposal for municipal reorganization which includes annexation or detachment, to determine whether territory proposed for annexation or detachment, as described in its resolution approving the annexation, detachment, or municipal reorganization, is inhabited or uninhabited. Such determination shall be based on the definitions of "inhabited territory" contained in Section 35038.

(c) With regard to a proposal for consolidation of two or more cities, to determine which city shall be the consolidated, successor city

(d) To adopt standards and procedures for the evaluation of plans for providing municipal services submitted pursuant to Section 35102

(e) To waive the restrictions of Section 35010, if it finds that the application of the restrictions would be detrimental to the orderly development of the community and that the area that would be enclosed as a result of incorporation or annexation is so located that it cannot reasonably be annexed to another city or incorporated as a new city.

(f) To approve the annexation after notice and hearing, and authorize the conducting authority to order annexation of the territory without an election if the commission finds that the territory contained in an annexation proposal:

(1) Does not exceed 100 acres in area and such area constitutes the entire island,

(2) (A) Is surrounded or substantially surrounded by the city to which annexation is proposed or by such city and a county boundary or the Pacific Ocean; or

(B) Is surrounded by a city and adjacent cities;

(3) Is substantially developed or developing;

(4) Is not prime agricultural land as defined in Section 35046; and

(5) Will benefit from such annexation or is receiving benefits from the annexing city.

The finding required pursuant to paragraph (3) of this subdivision shall be based upon one or more factors, including, but not limited to:

(i) The availability of public utility services

(ii) The presence of public improvements.

(iii) The presence of physical improvements upon the parcel or parcels within such area.

(g) To approve the annexation of unincorporated, noncontiguous territory not exceeding 160 acres in area, located in the same county as that in which the city is located, and which is owned by a city and used for municipal purposes; and to authorize the conducting authority to annex such territory without notice or hearing.

(h) Subject to the provisions of Section 35031, to designate in the resolution making determinations the conducting authority for proceedings

(i) When a municipal reorganization includes the annexation of inhabited territory to a city and the assessed value of land within such territory equals one-half or more of the assessed value of land within the city, or the number of registered voters residing within such territory equals one-half or more of the number of registered voters residing within the city, to determine as a condition of the reorganization that the reorganization shall also be subject to confirmation by the voters in an election to be called, held, and

conducted within the territory of the city to which annexation is proposed.

(j) With respect to the incorporation of a new city, to determine the number of inhabitants or the number of registered voters residing within the proposed city.

Except as otherwise provided in this part, such powers and duties shall be exercised in accordance with the provisions of Chapter 6.6 (commencing with Section 54773) of Part 1 of Division 2 of Title 5. To the extent of any inconsistency between Chapter 6.6 and this part, the provisions of this part shall control.

CHAPTER 149

An act to amend Section 8830 of, and to add Part 16 (commencing with Section 8880) to Division 10 of, the Streets and Highways Code, relating to the Improvement Bond Act of 1915, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 27, 1979 Filed with Secretary of State June 27, 1979]

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

SECTION 1. Section 8830 of the Streets and Highways Code is amended to read:

8830. (a) As a cumulative remedy, if any assessment or reassessment or installment thereof, or of any interest thereon, together with any penalties and other charges accruing under the taxation ordinance of the city are not paid when due, the legislative body may, not later than four years after the due date of the last installment of principal, order that the same be collected by an action brought in the superior court to foreclose the lien thereof.

(b) The legislative body may, by resolution adopted prior to issuance of bonds under this division, covenant for the benefit of bondholders to commence and diligently prosecute to completion any foreclosure action regarding delinquent installments of any assessments which secure the bonds that are to be issued. The resolution may specify a deadline for commencement of such foreclosure action and such other terms and conditions as the legislative body may determine to be reasonable regarding such foreclosure action.

SEC. 2 Part 16 (commencing with Section 8880) is added to Division 10 of the Streets and Highways Code, to read:

PART 16. SPECIAL SECURITY FUND

8880. In any proceedings leading to the issuance of bonds pursuant to this division, the legislative body may include, as an

incidental expense of the proceedings, an amount to create a special reserve fund for the bonds

The amount so provided shall not exceed 15 percent of the total amount of assessments to be levied under the proceedings.

8881 Where a special reserve fund is created for a bond issue, the assessment levied on any parcel for the payment of the bond issue shall be reduced upon the payment, in whole or in part, of the assessment pursuant to provisions for either (1) cash payments of assessments prior to the issuance of the bonds or (2) advance payment of assessments following the issuance of the bonds.

The proportional reduction on the assessment shall equal the ratio of the total amount initially provided for the special reserve fund to the total amount originally assessed in the proceedings for the bond issue.

8882. Upon receipt of the bond sale proceeds, the amount so provided for the special reserve fund pursuant to Section 8880 shall be transferred to the fund.

The special reserve fund shall be identified by the name of the proceedings under which the bonds are issued and shall constitute a trust fund for the benefit of the bondholders.

8883. During the term of the bonds, the money in the special reserve fund shall be available for transfer into the redemption fund for the bonds pursuant to Section 8808. The amount so advanced shall be reimbursed from the proceeds of redemption or sale of the parcel for which payment of delinquent installments was made from the special reserve fund.

8884. Whenever an assessment is paid off following the issuance of bonds, there shall be transferred, from the special reserve fund to the redemption fund, an amount equal to the reduction in the assessment determined pursuant to Section 8881.

8885. Whenever the balance in the special reserve fund is sufficient to retire all remaining outstanding bonds in the issue, whether by advance retirement or otherwise, collection of the principal and interest on the assessments shall be discontinued and the special reserve fund shall be liquidated in retirement of the bonds.

8886. Money in the special reserve fund may be temporarily invested in any authorized investments pursuant to Article 1 (commencing with Section 53600) of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code, provided that the maturities thereof shall not be later than the date on which the money may be required for the redemption fund.

Any income realized from such investments shall be credited to the special reserve fund, and any loss or expense resulting from such investment shall be charged to that fund.

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 improvement bonds to be issued under the Improvement Bond Act of 1915 be adequately secured so that they may be sold to finance the construction of urgently needed public improvements, it is necessary that this act take effect immediately.

CHAPTER 150

An act to amend Section 846 of the Civil Code, relating to landowner liability

[Approved by Governor June 27, 1979 Filed with Secretary of State June 27, 1979]

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

SECTION 1 Section 846 of the Civil Code is amended to read:

846. An owner of any estate in real property owes no duty of care to keep the premises safe for entry or use by others for any recreational purpose or to give any warning of hazardous conditions, uses of, structures, or activities on such premises to persons entering for such purpose, except as provided in this section.

A "recreational purpose," as used in this section, includes such activities as fishing, hunting, camping, water sports, hiking, spelunking, sport parachuting, riding, including animal riding, snowmobiling, and all other types of vehicular riding, rock collecting, sightseeing, picnicking, nature study, nature contacting, recreational gardening, gleaning, winter sports, and viewing or enjoying historical, archaeological, scenic, natural, or scientific sites

An owner of any estate in real property who gives permission to another for entry or use for the above purpose upon the premises does not thereby (a) extend any assurance that the premises are safe for such purpose, or (b) constitute the person to whom permission has been granted the legal status of an invitee or licensee to whom a duty of care is owed, or (c) assume responsibility for or incur liability for any injury to person or property caused by any act of such person to whom permission has been granted except as provided in this section

This section does not limit the liability which otherwise exists (a) for willful or malicious failure to guard or warn against a dangerous condition, use, structure or activity, or (b) for injury suffered in any case where permission to enter for the above purpose was granted for a consideration other than the consideration, if any, paid to said landowner by the state, or where consideration has been received from others for the same purpose, or (c) to any persons who are expressly invited rather than merely permitted to come upon the premises by the landowner

Nothing in this section creates a duty of care or ground of liability for injury to person or property

CHAPTER 151

An act to repeal the heading of Chapter 2 (commencing with Section 35) of Title 1 of Part 1 of, and to add Section 36 to, the Code of Civil Procedure, relating to the trial of actions.

[Approved by Governor June 27, 1979. Filed with Secretary of State June 27, 1979.]

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

SECTION 1. The heading of Chapter 2 (commencing with Section 35) of Title 1 of Part 1 of the Code of Civil Procedure is repealed.

SEC. 2. Section 36 is added to the Code of Civil Procedure, to read:

36. (a) A civil case shall be entitled to preference upon the motion of any party to such action who has reached the age of 70 years unless the court finds that the party does not have a substantial interest in the case as a whole.

(b) Unless the court otherwise orders, notice of a motion for preference shall be served with the memorandum to set or the at-issue memorandum by the party serving the memorandum, or 10 days after such service by any other party; or thereafter during the pendency of the action upon the application of a party who reaches the age of 70 years.

(c) In its discretion, the court may also grant a motion for preference served with the memorandum to set or the at-issue memorandum and accompanied by clear and convincing medical documentation which concludes that one of the parties suffers from an illness or condition raising substantial medical doubt of survival of that party beyond six months, and which satisfies the court that the interests of justice will be served by granting such preference.

(d) Notwithstanding any other provision of law, the court may in its discretion grant a motion for preference served with the memorandum to set or the at-issue memorandum and accompanied by a showing of cause which satisfies the court that the interests of justice will be served by granting such preference.

CHAPTER 152

An act to add Section 40006 to the Vehicle Code, relating to vehicles.

[Approved by Governor June 27, 1979. Filed with Secretary of State June 27, 1979.]

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

SECTION 1 Section 40006 is added to the Vehicle Code, to read:

40006. Whenever a disabled vehicle, being taken to a repair shop, garage, or other place of storage, is being towed upon a highway by a tow car and the vehicle is determined to be in violation of subdivision (a) of Section 4000, the violation shall be charged as prescribed in Section 40001

CHAPTER 153

An act to amend Section 36123 of the Food and Agricultural Code, relating to milk.

[Approved by Governor June 27, 1979 Filed with Secretary of State June 27, 1979]

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

SECTION 1 Section 36123 of the Food and Agricultural Code is amended to read·

36123. Whenever two of the last four consecutive bacteria counts, coliform determinations, or cooling temperatures taken on separate days exceed the limit of the standard for market milk or products of market milk, or both, the health authority or director shall send a notice thereof to the producer or distributor concerned. This notice shall be in effect for so long as two of the last four consecutive samples exceed the limit of the standard. An additional sample shall be taken within 14 days of the sending of such notice, but not before the lapse of three days. Immediate degrade of the market milk or product of market milk or exclusion of the market milk or product of market milk shall be instituted whenever the standard is violated by three of the last five bacteria counts, coliform determinations, or cooling temperatures, provided that no action hereunder shall be based upon a sample which is over 180 days old.

Violations of bacterial, coliform, and cooling temperature standards shall be followed promptly by inspection to determine and correct the cause This inspection shall be made immediately when the notice required by this section is sent

Samples may be taken from consecutive milking at the producer level and from consecutive lots of processed products and shall be so taken when requested by the producer or processor. Analysis of such samples shall commence within 36 hours from their taking

Reinstatement of the market milk or products of market milk shall be made when two consecutive samples taken within a seven-day period following notice of degrade again meet the standard. For the purpose of this section sampling for reinstatement and the new degrade series shall begin with the first sample taken after degrade

CHAPTER 154

An act to amend Sections 8392 and 8496 of the Fish and Game Code, relating to fish.

[Approved by Governor June 27, 1979 Filed with Secretary of State June 27, 1979.]

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

SECTION 1. Section 8392 of the Fish and Game Code is amended to read:

8392. (a) No California halibut which measures less than 22 inches in total length may be taken, possessed, or sold.

(b) Total length means the shortest distance between the top of the jaw or snout, whichever extends farthest while the mouth is closed, and the tip of the longest lobe of the tail, measured while the halibut is lying flat in natural repose, without resort to any force.

(c) The holder of a commercial fishing license may possess during one day for noncommercial use not more than a total of 30 pounds of California halibut of less than 22 inches in total length if taken incidentally in commercial fishing.

SEC. 2. Section 8496 of the Fish and Game Code is amended to read:

8496. Within the California halibut trawl grounds the following requirements shall apply to the use of trawl nets:

(a) Open season shall be June 16 through March 14.

(b) California halibut shall only be taken pursuant to Section 8392.

(c) Not more than 500 pounds of fish other than California halibut may be possessed, except that any amount of sharks, skates, or rays may be taken or possessed.

(d) It is unlawful to operate a trawl net in such a way as to damage or destroy other types of fishing gear which is buoyed or otherwise visibly marked.

(e) Sections 8833 and 8836 do not apply to trawl nets when used or possessed on such California halibut trawl grounds.

CHAPTER 155

An act to add Section 1810 to the Streets and Highways Code, relating to city streets.

[Approved by Governor June 27, 1979 Filed with Secretary of State June 27, 1979.]

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

SECTION 1. Section 1810 is added to the Streets and Highways Code, to read:

1810. A city may acquire, by purchase or eminent domain, property outside its boundaries in the unincorporated area of the county in which the city is located, if it is necessary to connect or widen the existing streets of the acquiring city and if the county consents to the acquisition.

The portion of the acquired property used to connect or widen a city street shall be deemed a city street for all purposes.

CHAPTER 156

An act to add Section 5782.65 to the Public Resources Code, relating to recreation and park districts.

[Approved by Governor June 27, 1979. Filed with Secretary of State June 27, 1979]

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

SECTION 1. Section 5782.65 is added to the Public Resources Code, to read:

5782.65. With the consent of the supervising authority, the district board may delegate to the purchasing agent of the supervising authority the responsibility to employ by contract, persons or entities to operate or provide recreational facilities and activities within the district. The district shall be responsible for and maintain control over recreational facilities and activities which are subject to such a contract. The aggregate amount of any contract entered into by such purchasing agent pursuant to this section shall not exceed twenty-five thousand dollars ($25,000).

CHAPTER 157

An act to amend Sections 16279.4 and 61600 of the Government Code, relating to special districts, and declaring the urgency thereof, to take effect immediately

[Approved by Governor June 27, 1979 Filed with Secretary of State June 27, 1979]

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

SECTION 1. Section 16279.4 of the Government Code, as added by Chapter 12 of the Statutes of 1979, is amended to read.

16279.4. Pursuant to a resolution adopted by its governing board, a county or city may distribute funds to any special district from any available county or city sources, including funds allocated to the county or city pursuant to Section 16272 of the Government Code or Section 35.5 of Chapter 332 of the Statutes of 1978. Notwithstanding any provision of Section 16272 of the Government Code, or Section 35.5 of Chapter 332 of the Statutes of 1978, a city or county may distribute funds allocated to the county or city pursuant to such sections to any community services district formed on March 1, 1979, which includes territory within its jurisdiction declared by the Governor to be a disaster area due to flooding in 1978

SEC. 2 Section 61600 of the Government Code is amended to read:

61600. A district formed under this law may exercise the powers hereinafter granted for such of the following purposes as have been designated in the petition for formation of such district and for such others of the following purposes as the district shall adopt as hereinafter provided:

(a) To supply the inhabitants of the district with water for domestic use, irrigation, sanitation, industrial use, fire protection, and recreation.

(b) The collection, treatment or disposal of sewage, waste and storm water of the district and its inhabitants.

(c) The collection or disposal of garbage or refuse matter.

(d) Protection against fire.

(e) Public recreation by means of parks, including but not limited to aquatic parks and recreational harbors, playgrounds, golf courses, swimming pools or recreation buildings

(f) Street lighting.

(g) Mosquito abatement.

(h) The equipment and maintenance of a police department or other police protection to protect and safeguard life and property.

(i) To acquire sites for, construct, and maintain library buildings, and to cooperate with other governmental agencies for library service.

(j) The opening, widening, extending, straightening, surfacing, and maintaining, in whole or part of any street in such district, subject to the consent of the governing body of the county or city in which said improvement is to be made

(k) The construction and improvement of bridges, culverts, curbs, gutters, drains, and works incidental to the purposes specified in subdivision (j), subject to the consent of the governing body of the county or city in which said improvement is to be made

(*l*) The conversion of existing overhead electric and communication facilities to underground locations, which facilities are owned and operated by either a "public agency" or a "public utility" as defined in Section 5896.2 of the Streets and Highways Code, and to take proceedings for and to finance the cost of such conversion in accordance with the provisions of Chapter 28

(commencing with Section 5896.1) of Part 3 of Division 7 of the Streets and Highways Code, subject to the consent of the public agency or public utility responsible for the owning, operation and maintenance of such facilities. Nothing herein contained shall be construed as giving a district formed under this law the power to install, own or operate such facilities as are described in this subdivision.

(m) To contract for ambulance service to serve the residents of the district as convenience requires, if a majority of the voters in the district, voting in an election thereon, approve.

(n) To provide and maintain public airports and landing places for aerial traffic.

SEC. 3. Notwithstanding Sections 54902, 54902.1 and 54903 of the Government Code, any community services district which is formed to provide street maintenance and repair services, the formation of which is completed by March 1, 1979, shall be effective for assessment and taxation purposes for the 1979–80 fiscal year if the statement and map or plat required by Sections 54900 and 54901 of the Government Code were filed with the State Board of Equalization and each assessor whose roll is used for the levy on or before March 14, 1979.

SEC 4. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act is in accordance with the request of a local governmental entity or entities which desired legislative authority to carry out the program specified in this act. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

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

The approval of Proposition 13 (Article XIII A of the California Constitution) by the voters of California at the June 6, 1978, Primary Election has prevented community services districts formed after June 30, 1978, and which did not levy a tax rate in fiscal year 1977–78, from providing emergency services brought about by flooding in 1978 in areas declared to be a disaster by the Governor. In order that a community services district may have the authority to create improvement districts and zones to finance the repair and maintenance of public works and facilities vital to the state's public health, safety, and welfare in fiscal year 1978–79, it is necessary that this act take effect immediately.

CHAPTER 158

An act to amend Sections 53601 and 53635 of the Government Code, relating to local agencies.

[Approved by Governor June 27, 1979 Filed with Secretary of State June 27, 1979]

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

SECTION 1. Section 53601 of the Government Code is amended to read·

53601. The legislative body of a local agency having money in a sinking fund of, or surplus money in, its treasury not required for the immediate necessities of the local agency may invest such portion of the money as it deems wise or expedient in:

(a) Bonds issued by it, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by it or by a department, board, agency, or authority thereof.

(b) United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

(c) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority thereof.

(d) Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority thereof.

(e) Obligations issued by banks for cooperatives, federal land banks, federal intermediate credit banks, federal home loan banks, the Federal Home Loan Bank Board, the Tennessee Valley Authority, or in obligations, participations, or other instruments of or issued by, or fully guaranteed as to principal and interest by, the Federal National Mortgage Association; or in obligations, participations, or other instruments of or issued by a federal agency or a United States government-sponsored enterprise.

(f) Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers acceptances, which are eligible for purchase by the Federal Reserve System. Purchases of bankers acceptances may not exceed 270 days' maturity or 30 percent of the agency's surplus money which may be invested pursuant to this section

The provisions of this subdivision shall not preclude a municipal utility district from investing any surplus money in its treasury in any manner authorized by the Municipal Utility District Act.

(g) Commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation. Eligible paper is further limited to issuing corporations that are organized and operating within the United States and having total assets in excess of five hundred million dollars ($500,000,000) and having an "A" or higher rating for the issuer's debentures, other than commercial paper, as provided for by Moody's Investors Service, Inc, or Standard and Poor's Corporation. Purchases of eligible commercial paper may not exceed 180 days, maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed 15 percent of the agency's surplus money which may be invested pursuant to this section

No investment in securities described in this subdivision shall be made by a local agency having a population of less than 100,000.

(h) Negotiable certificates of deposits issued by a nationally or state-chartered bank or a state or federal savings and loan association Purchases of negotiable certificates of deposit may not exceed 15 percent of the agency's surplus money which may be invested pursuant to this section. For purposes of this section, negotiable certificates of deposits do not come within the provisions of Article 2 (commencing with Section 53630) of Chapter 4 of Part 1 of Division 2 of Title 5

No investment in securities described in this subdivision shall be made by a local agency having a population of less than 100,000.

SEC. 2. Section 53635 of the Government Code is amended to read:

53635. As far as possible, all money belonging to, or in the custody of, a local agency, including money paid to the treasurer or other official to pay the principal, interest, or penalties of bonds, shall be deposited for safekeeping in state or national banks or state or federal savings and loan associations in the state selected by the treasurer or other official having the legal custody of the money, or may be invested in the following unless otherwise directed by the legislative body pursuant to Section 53601:

(a) Bonds issued by it, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by it or by a department, board, agency, or authority thereof.

(b) United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest

(c) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority thereof.

(d) Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out

of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority thereof.

(e) Obligations issued by banks for cooperatives, federal land banks, federal intermediate credit banks, federal home loan banks, the Federal Home Loan Bank, the Tennessee Valley Authority, or in obligations, participations, or other instruments of or issued by, or fully guaranteed as to principal and interest by, the Federal National Mortgage Association; or in obligations, participations, or other instruments of or issued by a federal agency or a United States government-sponsored enterprise.

(f) Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers acceptances, which are eligible for purchase by the Federal Reserve System. Purchases of bankers acceptances may not exceed 270 days' maturity or 30 percent of the agency's surplus funds which may be invested pursuant to this section.

The provisions of this subdivision shall not preclude a municipal utility district from investing any surplus money in its treasury in any manner authorized by the Municipal Utility District Act.

(g) Commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation. Eligible paper is further limited to issuing corportions that are organized and operating within the United States and having total assets in excess of five hundred million dollars ($500,000,000) and having an "A" or higher rating for the issuer's debentures, other than commercial paper, as provided for by Moody's Investors Service, Inc , or Standard and Poor's Corporation. Purchases of eligible commercial paper may not exceed 180 days' maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed 15 percent of the agency's surplus money which may be invested pursuant to this section.

No investment in securities described in this subdivision shall be made by a local agency having a population of less than 100,000.

(h) Negotiable certificates of deposits issued by a nationally or state-chartered bank or a state or federal savings and loan association. Purchases of negotiable certificates of deposit may not exceed 15 percent of the agency's surplus money which may be invested pursuant to this section. For purposes of this section, negotiable certificates of deposits do not come within the provisions of Article 2 (commencing with Section 53630) of Chapter 4 of Part 1 of Division 2 of Title 5

No investment in securities described in this subdivision shall be made by a local agency having a population of less than 100,000

CHAPTER 159

An act to amend Section 9 of the Civil Code, and to amend Section 3123 of the Commercial Code, relating to holidays.

[Approved by Governor June 27, 1979 Filed with Secretary of State June 27, 1979]

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

SECTION 1. Section 9 of the Civil Code is amended to read:

9 All other days than those mentioned in Section 7 are to be deemed business days for all purposes; provided, that as to any act appointed by law or contract, or in any other way, to be performed by, at, or through any bank organized under the laws of or doing business in this state, Saturday is a holiday and not a business day; and provided, that any act appointed by law or contract, or in any other way, to be performed on any day which is an optional bank holiday as defined in Section 3123 of the Commercial Code, by, at, or through any bank or branch or office thereof, whether acting in its own behalf or in any other capacity whatsoever, may be performed on such optional bank holiday if the bank or branch or office thereof by, at, or through which such act is to be performed is open for the transaction of business on such optional bank holiday, or, at the option of the person obligated to perform the act, it may be performed on the next succeeding business day which is not a Saturday and provided further, that as to any act appointed by law or contract, or in any other way, to be performed by, at, or through any bank organized under the laws of or doing business in this state, if January 1st, July 4th, or September 9th falls on a Saturday, the following Monday is a holiday and not a business day, and if December 25th falls on a Saturday, the preceding Friday is a holiday and not a business day.

SEC. 2. Section 3123 of the Commercial Code is amended to read:

3123. Every instrument is payable at the time fixed therein without grace. When the day of maturity falls upon Sunday, Saturday or a holiday, the instrument is payable on the next succeeding business day which is not a Saturday Where the day of maturity of the instrument falls on an optional bank holiday or the instrument would except for the foregoing provision be payable on an optional bank holiday and it is payable by or at a banking house or any branch or separate office thereof, and the particular banking house or branch or separate office thereof by or at which the instrument is payable is open for the transaction of business on such optional bank holiday, the holder of the instrument may at his option present the instrument for payment at the banking house or branch or separate office thereof by or at which the instrument is payable on the optional bank holiday or on the next succeeding business day which is not a Saturday An instrument payable on demand is not to be

presented for payment on Sunday, Saturday, or a holiday but is to be presented for payment on the next succeeding business day which is not a Saturday, except that where the instrument is payable by or at a banking house or any branch or separate office thereof and the particular banking house or branch or separate office thereof by or at which the instrument is payable is open for the transaction of business on an optional bank holiday, the holder of the instrument may at his option present the instrument for payment at the banking house or branch or separate office thereof by or at which the instrument is payable on such optional bank holiday or on the next succeeding business day which is not a Saturday. For the purpose of this section an optional bank holiday is any closing of a bank because of an emergency, as that term is defined in the Bank Extraordinary Situation Closing Act (Chapter 20 (commencing with Section 3600) of Division 1 of the Financial Code), Good Friday commencing at 3 p.m. and every holiday referred to in Sections 6700 and 6701 of the Government Code, except the following: January 1st, July 4th, September 9th, known as "Admission Day," and December 25th, any Monday following any Saturday or Sunday on which any such day other than December 25th falls, the Friday preceding or the Monday following December 25th if such day falls on a Saturday or Sunday respectively, the last Monday in May, the first Monday in September, Good Friday from 12 noon until 3 p.m., the Thursday in November appointed as Thanksgiving Day, and every Sunday.

CHAPTER 160

An act making an appropriation in augmentation of Item 426 of the Budget Act of 1978, relating to contingencies or emergencies, to take effect immediately, usual current expenses.

[Approved by Governor June 27, 1979 Filed with Secretary of State June 28, 1979.]

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

SECTION 1. The sum of eleven million dollars ($11,000,000) is hereby appropriated from the General Fund for expenditure in the 1978–79 fiscal year in augmentation of, and for the purposes of contingencies or emergencies as provided in Item 426 of the Budget Act of 1978.

SEC. 2. This act, inasmuch as it provides for an appropriation for the usual current expenses of the state, shall, under the provisions of Section 8 of Article IV of the Constitution of the State of California, take effect immediately.

CHAPTER 161

An act to amend Section 14035 5 of, and to add Sections 14038 and 14039 to, the Government Code, to amend Section 483 of the Penal Code, to amend Sections 522, 99232, 99233.7, 99234.9, 99243, 99246, 99247, 99260, 99260.2, 99267.5, 99268, 99268.6, 99268.7, 99275.5, 99279, 99279.5, 99310, 99400, 99402, and 99405 of, to amend the heading of Article 6.5 (commencing with Section 99310) of Chapter 4 of Part 11 of Division 10 of, to amend and renumber Sections 99266.7, 99311, 99312, 99314, 99316, and 99317 of, to add Sections 40180.5, 99204.3, 99205.5, 99217, 99243.5, 99260.7, 99268.1, 99268.2, 99268.3, 99268.4, 99268.5, 99312, 99313, 99313.5, 99314, 99314.5, 99315, 99315.5, 99316, 99316.5, 99317, 99317.5, 99317.8, 99318, 99318.3 and 99318.5 to, and to repeal Sections 99262.5, 99268.5, 99268.8, 99268.9, 99269, 99304, 99304.5, 99313, and 99315 of, the Public Utilities Code, to amend Section 7102 of the Revenue and Taxation Code, and to amend Section 146.5 of, and to repeal Section 146.6 of, the Streets and Highways Code, relating to transportation, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 28, 1979 Filed with Secretary of State June 28, 1979.]

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

SECTION 1. Section 14035.5 of the Government Code is amended to read·

14035.5. The department may enter into contracts with common carriers, as defined by Section 211 of the Public Utilities Code, or with any corporation, partnership, or person to provide feeder services to and from rail passenger terminals or intercity bus transportation.

SEC. 1.5. Section 14038 is added to the Government Code, to read:

14038. The department may purchase and lease passenger cars and may acquire, lease, design, construct, and improve track lines and related facilities.

All purchases authorized by this section shall be made in accordance with Article 2 (commencing with Section 14790), Chapter 6, Part 5.5, Division 3 of Title 2, except that the department shall perform the tasks set forth therein for the Department of General Services.

Any facility or equipment purchased or improved by any entity with funds made available to it pursuant to this section shall become the property of that entity at such time and under such conditions as are agreed upon by the department in the agreement that makes such funds available to the entity. Section 14780 shall not apply to any agreement entered into pursuant to this section.

SEC 2. Section 14039 is added to the Government Code, to read:

14039. The department shall have no authority to operate railroads

SEC. 2.5. Section 483 of the Penal Code is amended to read·

483. Except as otherwise provided in Section 26002.5 of the Government Code and Sections 40180.5 and 99151 of the Public Utilities Code, any person, firm, corporation, partnership, or association that shall sell to another any ticket, pass, scrip, mileage or commutation book, coupon, or other instrument for passage on a common carrier, for the use of any person not entitled to use the same according to the terms thereof, or of the book or portion thereof from which it was detached, shall be guilty of a misdemeanor.

SEC. 2.8. Section 522 of the Public Utilities Code is amended to read:

522. Except as provided in this article, Sections 40180.5 and 99151 of this code, and Section 26002.5 of the Government Code, no common carrier subject to the provisions of this part shall, directly or indirectly, issue, give, or tender any free ticket, free pass, or free or reduced rate transportation for passengers between points within this state.

SEC. 3. Section 40180.5 is added to the Public Utilities Code, to read

40180 5. The district may make bulk purchases of passenger tickets for scheduled passenger rail services provided by the National Railroad Passenger Corporation between the hours of 5:00 a.m. and 9:00 a.m , inclusive, on Monday through Friday, inclusive.

The district may resell to residents of the district the tickets at less than the cost to the district.

SEC. 3.5 Section 99204.3 is added to the Public Utilities Code, to read:

99204.3. "Commission" means the California Transportation Commission.

SEC. 4. Section 99205.5 is added to the Public Utilities Code, to read.

99205.5. "Department" means the Department of Transportation.

SEC. 5. Section 99217 is added to the Public Utilities Code, to read:

99217. "Urbanized area" means such an area as defined by Section 101 of Title 23 of the United States Code.

SEC. 6. Section 99232 of the Public Utilities Code is amended to read·

99232 For counties with a population of 500,000 or more, as determined by the 1970 federal decennial census, but excluding counties with more than 4,500 miles of maintained county roads, the amount representing the apportionments of the areas of all operators shall be available solely for claims for Section 99234 purposes and for Article 4 (commencing with Section 99260) and Article 4 5 (commencing with Section 99275) purposes, and any such moneys not allocated in any year shall be available for such claims in

subsequent years.

SEC. 7 Section 99233.7 of the Public Utilities Code is amended to read·

99233.7. Except those areas in which claims may be filed for those purposes specified in Article 8 (commencing with Section 99400), up to 5 percent of the remaining money in the fund shall be made available to cities, counties, and operators for claims filed pursuant to Article 4.5 (commencing with Section 99275), unless the transportation planning agency, or a county transportation commission created pursuant to Division 12 (commencing with Section 130000), having jurisdiction finds, after considering the claims pursuant to subdivision (c) of Section 99275.5, that such allocations of money could be used to better advantage for the purposes stated in Article 4 (commencing with Section 99260) in the development of a balanced transportation system.

The money may be allocated without respect to Section 99231 and shall not be included in determining the apportionment to a city or county for purposes of Sections 99233.8 and 99233.9.

This section shall remain in effect only until July 1, 1982, and as of such date is repealed, unless a later enacted statute, which is chaptered before July 1, 1982, deletes or extends such date.

SEC 8 Section 99234 9 of the Public Utilities Code is amended to read:

99234.9 Any county or city entering into an agreement with the department for the extension of passenger rail services, or the upgrading of other commuter rail services, may file claims with the transportation planning agency for all, or a portion, of its required contribution toward the cost of providing such services. The capital expenditure requirements of Section 99267 shall not apply to allocations made for purposes of this section

SEC. 9. Section 99243 of the Public Utilities Code is amended to read:

99243. (a) The State Controller, in cooperation with the department and the operators, shall design and adopt a uniform system of accounts and records, from which the operators shall prepare and submit annual reports of their operation to the transportation planning agencies having jurisdiction over them and to the State Controller within 120 days of the end of the fiscal year. The report shall specify (1) the amount of revenue generated from each source and its application for the prior fiscal year, (2) the estimated amount of revenues to be generated from each source and its proposed application for the next succeeding fiscal year, and (3) the data necessary to determine which section, with respect to Sections 99268.1, 99268.2, 99268.3, 99268.4, and 99268.5, the operator is required to be in compliance with in order to be eligible for funds under this article.

(b) In establishing the uniform system of accounts and records, the State Controller shall include the data required by the United States Department of Transportation, the department, and the

Business and Transportation Agency.

(c) The uniform system of accounts and records shall be implemented not later than July 1, 1978

SEC. 10. Section 99243.5 is added to the Public Utilities Code, to read·

99243.5. On the basis of data in the annual reports submitted pursuant to Section 99243 and the information submitted pursuant to Section 99406 to the State Controller, the State Controller shall submit, within three months of receiving such data and information, an annual report to the Legislature on the revenues available and expenditures made under this chapter.

SEC. 11. Section 99246 of the Public Utilities Code is amended to read:

99246. (a) The transportation planning agency shall designate entities other than itself, a county transportation commission, a transit development board, or an operator to make a performance audit of its activities, and those of county transportation commissions and transit development boards located in the area under its jurisdiction, with respect to this chapter and of each operator to whom it allocates funds. The transportation planning agency shall consult with the entity to be audited prior to designating the entity to make the performance audit.

Where a transit development board created pursuant to Division 11 (commencing with Section 120000) or a county transportation commission exists, the board or commission, as the case may be, shall designate entities other than itself, a transportation planning agency, or an operator to make a performance audit of its activities and those of operators located in the area under its jurisdiction to whom it directs the allocation of funds. The board or commission shall consult with the entity to be audited prior to designating the entity to make the performance audit.

(b) The performance audit shall evaluate the efficiency, effectiveness, and economy of the operation of the entity being audited and shall be conducted in accordance with the efficiency, economy, and program results portions of the Comptroller General's "Standards for Audit of Governmental Organizations, Programs, Activities, and Functions." A performance audit shall be submitted by July 1, 1980, and by July 1 triennially thereafter.

(c) With respect to an operator providing public transportation services, the performance audit shall include, but not be limited to, a verification of the operator's operating cost per passenger, operating cost per vehicle service hour, passengers per vehicle service hour, passengers per vehicle service mile, and vehicle service hours per employee, as defined in Section 99247. The performance audit may include consideration of the needs and types of the passengers being served

The performance audit may include performance evaluations both for the entire system and for the system excluding special, new, or expanded services instituted to test public transportation service

growth potential

SEC. 12. Section 99247 of the Public Utilities Code is amended to read:

99247. For purposes of Section 99246:

(a) "Operating cost" means all costs in the operating expense object classes exclusive of the costs in the depreciation and amortization expense object class of the uniform system of accounts and records adopted by the State Controller pursuant to Section 99243 and exclusive of all subsidies for commuter rail services operated under the jurisdiction of the Interstate Commerce Commission and of all direct costs for providing charter services.

(b) "Operating cost per passenger" means the operating cost divided by the total passengers.

(c) "Operating cost per vehicle service hour" means the operating cost divided by the vehicle service hours.

(d) "Passengers per vehicle service hour" means the total passengers divided by the vehicle service hours.

(e) "Passengers per vehicle service mile" means the total passengers divided by the vehicle service miles.

(f) "Total passengers" means the number of boarding passengers, whether revenue producing or not, carried by the public transportation system.

(g) "Transit vehicle" means a vehicle, including, but not limited to, one operated on rails or tracks, which is used for public transportation services funded, in whole or in part, under this chapter.

(h) "Vehicle service hours" means the total number of hours that each transit vehicle is in revenue service, including layover time.

(i) "Vehicle service miles" means the total number of miles that each transit vehicle is in revenue service.

(j) "Vehicle service hours per employee" means the vehicle service hours divided by the number of employees employed in connection with the public transportation system, based on the assumption that one employee is paid for 2,000 hours of employment in one year. The count of employees shall also include those individuals employed by the operator which provide services to the agency of the operator responsible for the operation of the public transportation system even though not employed in that agency.

SEC. 13. Section 99260 of the Public Utilities Code is amended to read:

99260. Claims may be filed with the transportation planning agency by operators under this article for the following purposes:

(a) The support of public transportation systems.

(b) Aid to public transportation research and demonstration projects.

(c) Contributions for the construction of grade separation projects specified in Section 99318.3.

SEC. 13.2 Section 99260.2 of the Public Utilities Code is amended to read:

99260.2. (a) Claims may be filed with the transportation planning agency by operators to contract with common carriers of persons operating under a franchise or license to provide transportation services during peak hours.

"Peak hours" means the period of time during a day which have a clearly greater-than-average level of patronage, typically the two periods of time which reflect the influx of home-work and work-home patronage on a transportation system.

(b) Claims may be filed with the transportation planning agency by a transit district to make bulk purchases of passenger tickets for passenger rail services, if it is authorized to make such purchases by its enabling legislation

SEC. 13.5 Section 99260.7 is added to the Public Utilities Code, to read:

99260 7 A city or a county, which is contributing funds it is eligible to receive under this article to a joint powers agency of which it is a member to operate a public transportation system, may file a claim under this article to provide transportation services using vehicles for the exclusive use of elderly and handicapped persons.

SEC. 14 Section 99262 5 of the Public Utilities Code is repealed.

SEC. 15. Section 99266.7 of the Public Utilities Code is amended and renumbered to read

99264. An operator shall not be eligible for allocation under this article if it routinely staffs with two or more persons a vehicle for public transportation purposes designed to be operated by one person.

SEC. 16 Section 99267 5 of the Public Utilities Code is amended to read

99267.5. Notwithstanding Section 99268, if federal funds or assistance grants are made available on a matching basis for the operating expenditures of public transportation systems, any operator may budget and expend for operating purposes funds received under this article in an amount sufficient to enable the operator to receive the maximum amount of federal funds or assistance grants available for such purposes

SEC 16 5. Section 99268 of the Public Utilities Code is amended to read

99268. The expenditure of the funds received under this article by an operator may in no year exceed 50 percent of the amount required to meet operating, maintenance, and capital and debt service requirements of the system after deduction therefrom of approved federal grants estimated to be received and funds estimated to be allocated pursuant to Section 99314.5.

Notwithstanding the 50-percent limitation, the amount budgeted for capital requirements in any year or other period up to five years, less the amount of federal and other state funds granted or approved therefor, may be allocated and expended for capital improvements to a grade-separated mass transit system, if construction of such facilities has been found to be not inconsistent with the regional

transportation plan of the transportation planning agency. Within such five-year period, the transportation planning agency may order the amount of the allocation in any year to be set aside and accumulated for accomplishment of the particular project

SEC 17. Section 99268.1 is added to the Public Utilities Code, to read.

99268 1. Commencing with claims for the 1980–81 fiscal year, an operator required to be in compliance with Section 99268 during the 1978–79 fiscal year in order to be eligible for funds under this article shall be eligible for such funds in any fiscal year, if it remains in compliance with that section during the fiscal year

SEC. 18. Section 99268.2 is added to the Public Utilities Code, to read·

99268.2. In the case of an operator required to be in compliance with Section 99268 under Section 99268.1, the operator may be allocated the remainder of its apportionment that could not be allocated to it because of such requirements, if it maintains, for the fiscal year, a ratio of fare revenues to operating cost, as defined by subdivision (a) of Section 99247, at least equal to one-fifth or to the ratio it had during the 1978–79 fiscal year, whichever is greater.

SEC. 18 5. Section 99268.3 is added to the Public Utilities Code, to read:

99268.3. (a) In the case of an operator which is serving an urbanized area, and which was eligible for funds under this article during the 1978–79 fiscal year even though not in compliance with Section 99268 or which commenced operation after that fiscal year, the operator shall be eligible for such funds in any fiscal year, commencing with claims for the 1980–81 fiscal year, if it maintains, for the fiscal year, a ratio of fare revenues to operating cost, as defined by subdivision (a) of Section 99247, at least equal to one-fifth or to the ratio it had during the 1978–79 fiscal year, whichever is greater.

(b) In addition, such an operator having a ratio of the sum of fare revenues and local support to operating cost greater than one-fifth during the 1978–79 fiscal year shall, at least, maintain that ratio in order to be eligible for funds under this article.

SEC. 19. Section 99268.4 is added to the Public Utilities Code, to read.

99268.4. In the case of an operator which is serving a nonurbanized area, and which was eligible for funds under this article during the 1978–79 fiscal year even though not in compliance with Section 99268 or which commenced operation after that fiscal year, the operator shall be eligible for such funds in any fiscal year, commencing with claims for the 1980–81 fiscal year, if it maintains, for the fiscal year, a ratio of fare revenues to operating cost, as defined by subdivision (a) of Section 99247, at least equal to one-tenth or to the ratio it had during the 1978–79 fiscal year, whichever is greater

SEC 20 Section 99268 5 of the Public Utilities Code is repealed.

SEC. 21. Section 99268.5 is added to the Public Utilities Code, to read:

99268.5. Commencing with claims for the 1980–81 fiscal year, no funds shall be allocated under this article in any fiscal year to an operator providing services using vehicles for the exclusive use of elderly and handicapped persons, unless the operator maintains, for the fiscal year, a ratio of fare revenue to operating cost, as defined by subdivision (a) of Section 99247, for such services at least equal to one-tenth or to the ratio it had for such services during the 1978–79 fiscal year, whichever is greater.

SEC. 22. Section 99268.6 of the Public Utilities Code is amended to read:

99268.6. If a joint powers entity providing public transportation services was funded at any time under this article and is subsequently dissolved, any succeeding entity providing such services shall not be eligible for funding, unless it conforms to Section 99268.1, 99268.2, 99268.3, 99268.4, or 99268.5, as the case may be, which applied to its predecessor.

SEC. 23. Section 99268.7 of the Public Utilities Code is amended to read·

99268 7. Any unallocated funds resulting from the limitations of Section 99268 may be used for capital intensive transit-related improvements. Every effort shall be made to obtain federal funds for the purposes of this section. Such improvements shall include, but not be limited to, park-and-ride lots, terminal facilities, bus waiting shelters, exclusive lanes for buses, and the acquisition of vehicles and rolling stock for replacement purposes.

SEC. 24. Section 99268.8 of the Public Utilities Code is repealed.

SEC. 25. Section 99268.9 of the Public Utilities Code is repealed.

SEC. 26. Section 99269 of the Public Utilities Code is repealed.

SEC. 26.5. Section 99275.5 of the Public Utilities Code is amended to read:

99275.5. (a) Claims, for purposes of this article, shall be filed in the same manner as claims are filed for purposes of Article 4 (commencing with Section 99260).

(b) The transportation planning agencies shall adopt criteria, rules, and regulations for the evaluation of claims filed under this article and the determination of the cost effectiveness of the proposed community transit services to be provided under the claims.

(c) Prior to approving a claim filed under this article, the transportation planning agency shall make all of the following findings:

(1) That the proposed community transit service is responding to a transportation need currently not being met in the community of the claimant.

(2) That the service shall be integrated with existing transit services, if appropriate

(3) That the claimant has an adequate management information

system to facilitate evaluation pursuant to Section 99279.

(4) That the claimant has prepared an estimate of revenues, operating costs, and patronage and a marketing program.

(5) That the claimant is in compliance with Section 99268.3, 99268.4, or 99268.5, whichever is applicable to it.

SEC. 27. Section 99279 of the Public Utilities Code is amended to read:

99279. The Auditor General shall initiate an evaluation of this program of community transit services not later than July 1, 1980. Among the factors to be considered in the evaluation are calculations of the operating cost per passenger, operating cost per vehicle service hour, passengers per vehicle service hour, passengers per vehicle service mile, and vehicle hours per employee, as defined in Section 99247, for the various community transit service programs funded and local evaluation of the needs met by the programs. A report containing conclusions and recommendations shall be submitted to the Legislature not later than January 1, 1981.

SEC. 28. Section 99279.5 of the Public Utilities Code is amended to read:

99279.5. This article shall remain in effect only until July 1, 1982, and as of such date is repealed, unless a later enacted statute, which is chaptered before July 1, 1982, deletes or extends such date.

SEC. 29. Section 99304 of the Public Utilities Code is repealed.

SEC. 30. Section 99304.5 of the Public Utilities Code is repealed.

SEC. 31. The heading of Article 6.5 (commencing with Section 99310) of Chapter 4 of Part 11 of Division 10 of the Public Utilities Code is amended to read:

Article 6.5. Transportation Planning and Development Account

SEC. 32. Section 99310 of the Public Utilities Code is amended to read:

99310. (a) The Transportation Planning and Research Account in the State Transportation Fund, hereafter referred to as the "account" in this article, is hereby continued in existence as the Transportation Planning and Development Account in the fund.

(b) Any reference in any law or regulation to the Transportation Planning and Research Account in the State Transportation Fund shall be deemed to refer to the Transportation Planning and Development Account.

SEC. 33. Section 99311 of the Public Utilities Code is amended and renumbered to read:

99310.5. The funds in the account shall be available, when appropriated by the Legislature, for transportation purposes as specified.

SEC. 34. Section 99312 of the Public Utilities Code is amended and renumbered to read:

99311. Upon appropriation by the Legislature, funds transferred, or scheduled as a reimbursement, to the account, pursuant to Section

21682.5 of this code and Section 194 of the Streets and Highways Code, shall be available for allocation by the secretary for the following purposes:

(a) State transportation planning

(b) Regional transportation planning by transportation planning agencies designated pursuant to Section 29532 of the Government Code.

SEC. 34.5. Section 99312 is added to the Public Utilities Code, to read:

99312. From funds appropriated from the account to the secretary for such purposes, the secretary shall allocate the funds for public transportation purposes to those areas with special public transportation needs which cannot be met otherwise.

SEC. 35. Section 99313 of the Public Utilities Code is repealed.

SEC. 36. Section 99313 is added to the Public Utilities Code, to read:

99313. Funds may be appropriated from the account for the following purposes:

(a) To the department for its planning activities not payable from the State Highway Account in the State Transportation Fund, its mass transportation responsibilities, and its assistance in regional transportation planning.

(b) To the secretary for allocation to the Institute of Transportation Studies of the University of California for training and research in public transportation systems engineering and management and coordination with other transportation modes.

(c) To the commission for its activities not payable from the State Highway Account.

SEC. 37. Section 99313.5 is added to the Public Utilities Code, to read:

99313.5. (a) From funds appropriated from the account for such purposes, the secretary shall allocate, for purposes of Section 99314.5, to each transportation planning agency, each county transportation commission, and the San Diego Metropolitan Transit Development Board an amount determined on the basis of the two following equally weighted factors:

(1) The population of the area under the jurisdiction of the entity to the total state population.

(2) The population of the urbanized areas under the jurisdiction of the entity to the total state population in urbanized areas.

(b) For the 1982–83 fiscal year and thereafter, one-half of the amount transferred to the account pursuant to subdivision (a) of Section 7102 of the Revenue and Taxation Code which remains, after first deducting the amount appropriated for purposes of Section 99313, shall be appropriated to the secretary for allocation pursuant to subdivision (a).

SEC. 38 Section 99314 of the Public Utilities Code is amended and renumbered to read:

99311 5. The amount allocated to a transportation planning

agency designated pursuant to Section 29532 of the Government Code, for the preparation or updating of a regional transportation plan pursuant to Chapter 2.5 (commencing with Section 65080) of Title 7 of that code, may be up to 70 percent of its nonfederally reimbursed costs for regional transportation planning.

For a transportation planning agency in a county with a population of less than 500,000 persons, the secretary may increase that percentage, if the secretary determines it to be in the best interests of regional and state transportation planning to do so.

SEC. 39. Section 99314 is added to the Public Utilities Code, to read:

99314. (a) In the case of a transportation planning agency with county transportation commissions within its area of jurisdiction, the allocation to the transportation planning agency shall be determined by excluding the areas also under the jurisdiction of the county transportation commissions.

(b) In the case of the transportation planning agency with the San Diego Metropolitan Transit Development Board within its area of jurisdiction, the allocation to the transportation planning agency shall be determined by excluding the area also under the jurisdiction of the transit development board.

SEC. 40. Section 99314.5 is added to the Public Utilities Code, to read·

99314.5. Each transportation planning agency and county transportation commission, and the San Diego Metropolitan Transit Development Board, shall create a state transit assistance fund to deposit therein the funds allocated to it pursuant to Section 99313.5 for allocations to operators, and to counties and cities for purposes specified in subdivisions (b) and (c) of Section 99400, within the area on which its allocation was determined.

SEC 41. Section 99315 of the Public Utilities Code is repealed.

SEC. 42. Section 99315 is added to the Public Utilities Code, to read.

99315. (a) No funds allocated pursuant to Section 99313 5 shall be allocated to an operator unless it is eligible for allocations under Article 4 (commencing with Section 99260), or to a city or county for purposes specified in subdivisions (b) and (c) of Section 99400 unless it is eligible for allocations under Article 8 (commencing with Section 99400) for such purposes, without considering any funds to be allocated to it pursuant to Section 99314.5, and is receiving the maximum allowable thereunder

(b) The funds may be allocated to an operator for its operating cost only if the operator is not precluded, by any contract entered into on or after the effective date of this section, from employing part-time drivers or contracting with common carriers of persons operating under a franchise or license and the operator is in compliance with Section 99268.1, 99268.2, 99268.3, 99268.4, or 99268.5, whichever is applicable to it. No person who was a full-time employee of an operator, on the effective date of this section, shall

have his or her employment terminated or his or her regular hours of employment, excluding overtime, reduced by the operator as a result of it employing part-time drivers or contracting with such common carriers.

(c) It is the intent of the Legislature that, in allocating the funds, the transportation planning agencies and the county transportation commissions, and the San Diego Metropolitan Transit Development Board, give priority consideration to claims to offset the unanticipated increase in the cost of fuel, to enhance existing public transportation services, and to meet high-priority regional, countywide, or areawide public transportation needs.

SEC. 43. Section 99315.5 is added to the Public Utilities Code, to read:

99315.5. Funds not committed for a capital expenditure for which an application is pending for federal or state funds, or funds not encumbered, within three years after allocation by the secretary shall revert to the account.

SEC. 44. Section 99316 of the Public Utilities Code is amended and renumbered to read:

99319. (a) Funds may be appropriated from the account for the construction of public transportation projects to improve the interface of various transportation modes.

(b) In order to aid the Legislature in determining which projects should be funded, the department shall develop criteria for the evaluation of proposed projects.

(c) The department shall submit annually, not later than January 10th, to the Legislature a report on the evaluation of submitted proposed projects and their recommended priorities for funding. The report shall also include a statement on projects being funded and an evaluation of projects completed.

SEC. 45. Section 99316 is added to the Public Utilities Code, to read:

99316. The Governor, taking into consideration the priorities established by the commission pursuant to Section 99317.5, shall include in the budget bill an appropriation from the account to fund exclusive public mass transit guideway projects, including the acquisition of rolling stock, to serve nonurbanized areas within the jurisdiction of a statutorily-created transportation planning agency having jurisdiction over portions of two counties or to serve urbanized areas.

SEC. 46. Section 99316.5 is added to the Public Utilities Code, to read.

99316 5. (a) Public entities in counties which have approved a proposition pursuant to Section 4 of Article XIX of the California Constitution, and public entities in nonurbanized areas within the jurisdiction of a statutorily-created transportation planning agency having jurisdiction over portions of two counties, may submit applications to the department for funds appropriated pursuant to Section 99316 for such guideway projects

(b) The public entity shall indicate in the application that it will contribute funds to finance the project in an amount at least equal to 5 percent of the cost of the project.

(c) The department shall notify the commission of any application the department receives.

SEC. 47. Section 99317 of the Public Utilities Code is amended and renumbered to read:

99319.5. Any facility or equipment purchased by any entity, with funds made available to it pursuant to Section 4, 5, 6, 8, or 9 of Chapter 1130 of the Statutes of 1975, shall be the property of that entity if it maintains the same level of use of the facility or equipment for a period of three years, after termination of the project under which the funds were allocated to it, as was maintained during the period of the project.

SEC. 48. Section 99317 is added to the Public Utilities Code, to read:

99317. (a) The commission shall adopt criteria which the department shall use in evaluating the applications.

(b) The department shall submit the application, and its evaluation and recommendations thereon, to the commission.

SEC. 49. Section 99317.5 is added to the Public Utilities Code, to read:

99317.5. (a) After receiving the evaluation and recommendations of the department on the applications, the commission shall hold a public hearing thereon.

(b) Only after the public hearing shall the commission determine the priorities of such guideway projects proposed in the applications.

(c) Funds appropriated for such guideway projects pursuant to Section 99316 shall be allocated on the basis of priorities as determined by the commission pursuant to subdivision (b).

SEC. 50. Section 99317.8 is added to the Public Utilities Code, to read:

99317.8. The department in making its recommendations on, and the commission in determining the priorities of, such guideway projects shall take into consideration, among other things, the equitable distribution of funds among areas of the state, whether the public entity has utilized the maximum available funds in the State Highway Account in the State Transportation Fund for such a project, and the availability of federal funds for such projects.

SEC. 51. Section 99318 is added to the Public Utilities Code, to read:

99318. (a) From funds appropriated from the account to the department for such purposes, the department shall allocate funds for the acquisition of the rights-of-way of abandoned railroad lines selected by the commission that can be developed for busway or exclusive public mass transit guideway projects.

(b) The commission shall select the rights-of-way to be acquired only after a public hearing and taking into consideration, among other things, the priority list prepared by the department pursuant

to Section 2544 of the Streets and Highways Code, the requests of the department and local entities, and proposed contributions by a local entity to finance the acquisition of a right-of-way.

SEC. 52. Section 99318.3 is added to the Public Utilities Code, to read.

99318.3. (a) From funds appropriated from the account to the department for such purposes, the department shall allocate funds for grade separation projects selected by the commission on railroad lines over which four or more railroad passenger trains operate daily.

(b) The commission shall select the projects for which funds are to be allocated only after a public hearing and taking into consideration, among other things, the priority list prepared by the Public Utilities Commission pursuant to Section 2452 of the Streets and Highways Code, the requests of the department and local entities, and proposed contributions by a local entity to finance a project.

(c) Notwithstanding Section 2454 of the Streets and Highways Code, the railroad corporation's share of the cost of the project shall be 5 percent.

SEC. 53. Section 99318.5 is added to the Public Utilities Code, to read:

99318.5. Notwithstanding any other provision of law, the crew requirements for rail passenger services funded by funds appropriated from the account for purposes of Section 14035 of the Government Code are as follows:

(a) For an intercity or commuter train, an engineer, a fireman, and a conductor for a train of three or fewer passenger cars and an engineer, a fireman, a conductor, and at least one additional trainman for a train of four or more passenger cars.

(b) For self-propelled rail vehicles, a motorman and a conductor for one such vehicle or two such vehicles when connected, and an engineer, a fireman, and a conductor when three such vehicles are connected.

SEC. 54. Section 99400 of the Public Utilities Code, as amended by Chapter 1043 of the Statutes of 1977, is amended to read:

99400. Claims may be filed with the transportation planning agency by cities and counties under this article for the following purposes:

(a) Local streets and roads, including facilities provided for exclusive use by pedestrians and bicycles.

(b) Payments to the National Railroad Passenger Corporation for passenger rail service under Section 403(b) of the Federal Rail Passenger Service Act (45 U.S.C., Sec. 563(b)).

(c) Payment to any of the following entities which are under contract with a county or a city for public transportation or for transportation services for any group, as determined by the transportation planning agency, requiring special transportation assistance:

(1) A common carrier, as defined in Section 211, engaged in the

transportation of persons, as defined in Section 208.

(2) A private entity operating under a franchise or license.

(3) A nonprofit corporation organized pursuant to Division 2 (commencing with Section 9000) of Title 1 of the Corporations Code.

(4) An operator.

If the county or the city is being served by an operator, the contract entered into by such a county or city with an entity specified in paragraph (1), (2), or (3) of subdivision (c) shall specify the level of service to be provided, the operating plan to implement that service, and how that service is to be coordinated with the public transportation service provided by the operator.

This section shall remain in effect only until July 1, 1982, and as of that date is repealed, unless a later enacted statute, which is chaptered before July 1, 1982, deletes or extends such date.

SEC. 55. Section 99400 of the Public Utilities Code, as amended by Chapter 409 of the Statutes of 1978, is amended to read:

99400. Claims may be filed with the transportation planning agency by cities and counties under this article for the following purposes:

(a) Local streets and roads, including facilities provided for the exclusive use by pedestrians and bicycles.

(b) Payments to the National Railroad Passenger Corporation for passenger rail service under Section 403(b) of the Federal Rail Passenger Service Act (45 U.S.C., Sec. 563(b)).

This section shall become operative on July 1, 1982.

SEC 56. Section 99402 of the Public Utilities Code is amended to read:

99402. Claims for streets and roads may include those purposes necessary and convenient to the development, construction, and maintenance of the city or county's streets and highways network, including planning and contributions to the transportation planning process, acquisition of real property, and construction of facilities and buildings.

SEC. 57. Section 99405 of the Public Utilities Code is amended to read:

99405. (a) Except as otherwise provided in this section, the allocation for any purpose specified in Section 99400 may in no year exceed 50 percent of the amount required to meet the city's or county's total proposed expenditures for that purpose.

(b) With respect to budgeted capital requirements for major new facilities, the transportation planning agency, notwithstanding the 50-percent limitation, may allocate up to the amount so budgeted, if the construction of such facilities has been found to be not inconsistent with the transportation planning agency's regional transportation plan.

(c) The 50-percent limitation shall not apply to the allocation to a city or county for services under contract pursuant to subdivision (c) of Section 99400 The city or county shall be subject to Section 99268 1, 99268.2, 99268.3, 99268 4, or 99268.5, as the case may be, and

shall be deemed an operator for purposes of those sections.

(d) The 50-percent limitation shall not apply to funds allocated under this article to a city or county with a population of less than 5,000.

SEC. 58. Section 7102 of the Revenue and Taxation Code is amended to read:

7102. The money in the fund shall, upon order of the Controller, be drawn therefrom for refunds under this part or be transferred in the following manner:

(a) All revenues, less refunds, derived under this part at the 4¾-percent rate, including the imposition of sales and use taxes with respect to the sale, storage, use, or other consumption of motor vehicle fuel, which would not have been received if the sales and use tax rate had remained at 5 percent and Section 6357 had not been amended at the 1971 Regular Session of the Legislature, shall be estimated by the State Board of Equalization, with the concurrence of the Department of Finance. Commencing with the estimate for the calendar quarter commencing July 1, 1979, the estimate shall be made, and the amount so estimated shall be transferred, each calendar quarter to the Transportation Planning and Development Account in the State Transporation Fund. The amount transferred shall not exceed one hundred ten million dollars ($110,000,000) in any fiscal year, adjusted for changes in the Consumer Price Index, as determined by the Department of Labor, but not to exceed the change in the state per capita personal income, and in the population of the state, with the 1979–80 fiscal year as the base year.

The board, with the concurrence of the department, shall make its estimate of the amount to be transferred to the account for the first two calendar quarters of 1979, on the basis of this section as it read prior to being amended by the act adding this requirement, and shall transfer that amount not later than October 1, 1979.

(b) The balance shall be transferred to the General Fund.

SEC. 59. Section 146.5 of the Streets and Highways Code is amended to read:

146.5. The department may construct, maintain, and operate fringe and transportation corridor parking facilities along the state highway system when such facilities would reduce motor vehicle congestion or improve highway safety. For the purposes of this code, such facilities shall be considered as part of the state highway and the department shall acquire the right-of-way necessary for such facilities in accordance with all of the laws and procedures applicable to other state highway projects.

The rights and obligations of the department and the local agency or transit district with respect to such fringe and transportation corridor parking facilities shall be determined by agreement between the department and the local agency or transit district.

Facilities constructed pursuant to this section shall be limited to facilities included by transportation planning agencies in a regional transportation improvement program prepared pursuant to Section

14527 of the Government Code. Not more than two million dollars ($2,000,000) of the state funds appropriated by the Legislature each year for state highway construction may be used for the purpose of constructing such facilities. In addition, for projects estimated to cost thirty thousand dollars ($30,000) or more, the state funds may be used only to match federal or local funds, or both.

SEC. 60. Section 146.6 of the Streets and Highways Code is repealed.

SEC. 61. From the two million eight hundred ninety-one thousand nine hundred ninety-five dollars ($2,891,995) appropriated to it from the Transportation Planning and Development Account in the State Transportation Fund, the Department of Transportation shall retain one hundred fifty thousand dollars ($150,000) for administering this section and for a contingency fund for allocation to the applicants listed below where inflationary or other estimate changes are made and shall allocate two million seven hundred forty-one thousand nine hundred ninety-five dollars ($2,741,995) as follows:

Schedule of Projects

Applicant and Project	Amount of Funds
(1) City of Anaheim Multimodal Transportation Center at Anaheim Stadium	232,995
(2) City of Ontario Multimodal Transit Center adjacent to Ontario Airport	173,000
(3) City of San Juan Capistrano Transportation Center adjacent to Amtrak Depot	356,000
(4) City of Santa Barbara Multimodal Transportation Center	1,000,000
(5) County of San Diego Multimodal Transportation Terminal in Del Mar-San Dieguito area	467,000
(6) Santa Clara County Transit District Improvements to Mountain View SP Depot	80,000
(7) Southern California Rapid Transit District West Los Angeles Transportation Center	433,000

SEC. 62. From funds appropriated to it for such purposes from the Transportation Planning and Development Account in the State Transportation Fund, the California Transportation Commission shall allocate, on the recommendation of the Department of Transportation, to projects listed in the 1979 report of the department prepared pursuant to Section 99319 of the Public Utilities Code for the purpose of matching available federal or local funds, provided the state's share of any project shall not exceed 25 percent of the project costs.

The commission may augment the original project cost by no more than 10 percent for contingency and administrative purposes.

SEC 63. No funding shall be available under Sections 61 and 62 of this act for projects serving primarily patrons of one mode of transportation such as bus shelters, parking lots, and bus turnarounds which could be constructed with funds available pursuant to Section 99268.7 of the Public Utilities Code.

SEC. 64. The allocation for each project funded pursuant to Section 61 or 62 of this act shall be subject to the terms and conditions set forth in an allocation agreement to be entered into between the Department of Transportation and each responsible entity. All such agreements shall be exempt from the review provisions of Section 14780 of the Government Code. The California Transportation Commission may reallocate funds designated for any applicant who is not a party to an allocation agreement by January 1, 1981, or for any applicant upon receipt of a written waiver of funds, to other projects eligible for funding pursuant to Section 62 of this act.

SEC. 65. The Secretary of the Business and Transportation Agency shall undertake a program to investigate the practicality and cost effectiveness of alternative motor vehicle fuel.

The secretary shall submit annually to the Legislature a report on the progress of the program

SEC. 66. The Legislative Analyst shall submit to the Legislature, not later than January 10, 1982, his findings and recommendation on the funds allocated by the Secretary of the Business and Transportation Agency from the Transportation Planning and Development Account in the State Transportation Fund to, among others, transportation planning agencies pursuant to Section 99313.5 of the Public Utilities Code.

The report shall include, but not be limited to, the extent to which public transportation services were improved, the cost-effectiveness of the additional services provided, and the fiscal impact the funds had on public transportation in general.

SEC. 67. The Department of Transportation shall submit to the Legislature, not later than January 1, 1980, a report on its plans for the implementation of Section 14038 of the Government Code.

SEC. 68. The Department of Transportation shall include in its annual proposed budget, for purposes of information to the Legislature, the amounts to be expended during the 1980–81 and 1981–82 fiscal years for purposes of Sections 14035 and 14038 of the Government Code

SEC. 69. The transportation planning agencies, the county transportation commissions, and the San Diego Metropolitan Transit Development Board shall submit to the Legislature, not later than January 10, 1981, a report on programs, services, and projects funded, and to be funded, from funds allocated to them pursuant to Section 99313 5 of the Public Utilities Code.

SEC. 70. Sections 20 and 24 of this act shall become operative on July 1, 1980.

SEC. 71 There is hereby appropriated from the Motor Vehicle Account in the State Transportation Fund, the State Highway Account in the State Transportation Fund, and the Transportation Planning and Development Account in the State Transportation Fund, the following amounts:

(a) There is hereby appropriated from the Motor Vehicle Account to the reserve account established, pursuant to paragraph (1) of subdivision (b), in the State Highway Account the sum of one hundred million dollars ($100,000,000).

(b) (1) There is hereby established in the State Highway Account a reserve account, into which is hereby appropriated, on June 30, 1979, all money in or due to the State Highway Account on that date which is not appropriated as of that date, to be available for appropriation for expenditure to meet contingencies, both state and local, which may arise in future fiscal years and for which such money is authorized to be expended

For the purposes of this paragraph, any money which would otherwise be available for expenditure in the 1978–79 fiscal year under an appropriation, which cannot be expended in the 1978–79 fiscal year because of a superseding appropriation or limitation contained in the Budget Act of 1978, shall be deemed to be not appropriated as of June 30, 1979.

It is the intent of the Legislature that the funds appropriated to the reserve account pursuant to this paragraph shall be available for expenditure only upon appropriation in the Budget Act.

(2) In addition to the money transferred to the reserve account pursuant to paragraph (1), whenever, under law in effect on June 30, 1979, money from the State Highway Account is appropriated for an ongoing program or project for expenditure in subsequent fiscal years, such money is hereby reappropriated, as of June 30, 1979, for transfer to the reserve account established pursuant to paragraph (1), to be available without further appropriation for the same purposes, and subject to the same conditions, as originally authorized.

(c) There is hereby appropriated from the Transportation Planning and Development Account the sum of eighty-four million eight hundred ninety-one thousand nine hundred ninety-five dollars ($84,891,995) and one-half of the amount remaining during the 1979–80 to 1981–82 fiscal years, inclusive, after first deducting the sum of the amounts appropriated for the purposes specified in Section 99313 of the Public Utilities Code and seven million eight hundred ninety-one thousand nine hundred ninety-five dollars ($7,891,995) from the amount transferred to the account pursuant to subdivision (a) of Section 7102 of the Revenue and Taxation Code, for allocation as follows:

(1) To the California Transportation Commission, five million dollars ($5,000,000) for allocation to projects pursuant to Section 62 of this act.

(2) To the Department of Transportation, fifty-nine million eight

hundred ninety-one thousand nine hundred ninety-five dollars ($59,891,995) as follows:

(A) Twenty-one million dollars ($21,000,000) to contract for commuter and intercity passenger rail services pursuant to Section 14035 of the Government Code

(B) One million dollars ($1,000,000) to contract for intercity bus transportation pursuant to Section 14035.5 of the Government Code, to be available for encumbrance only until June 30, 1980.

(C) Fifteen million dollars ($15,000,000) to expend for passenger cars and track lines pursuant to Section 14038 of the Government Code.

(D) Nine million dollars ($9,000,000) for the acquisition of rights-of-way of abandoned railroad lines pursuant to Section 99318 of the Public Utilities Code, to be available for encumbrance only until June 30, 1980.

(E) Ten million dollars ($10,000,000) for the construction of grade separation projects pursuant to Section 99318.3 of the Public Utilities Code, to be available for encumbrance only until June 30, 1980.

(F) Two million eight hundred ninety-one thousand nine hundred ninety-five dollars ($2,891,995) for administration and for allocation to projects pursuant to Section 61 of this act.

(G) One million dollars ($1,000,000) to prepare plans, specifications, and estimates for the report to be submitted to the Legislature pursuant to Section 67 of this act.

(3) To the Secretary of the Business and Transportation Agency, as follows:

(A) One-half of the amount remaining during the 1979–80 to 1981–82 fiscal years, inclusive, after first deducting the sum of the amounts appropriated for the purposes specified in Section 99313 of the Public Utilities Code and seven million eight hundred ninety-one thousand nine hundred ninety-five dollars ($7,891,995) from the amount transferred to the account pursuant to subdivision (a) of Section 7102 of the Revenue and Taxation Code, for allocation pursuant to Section 99313.5 of the Public Utilities Code.

(B) Ten million dollars ($10,000,000) for allocation until June 30, 1980, for public transportation purposes pursuant to Section 99312 of the Public Utilities Code.

(C) Ten million dollars ($10,000,000) to investigate the practicality and cost effectiveness of alternative motor vehicle fuel pursuant to Section 65 of this act.

SEC. 72. 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 urgently needed public transportation services be implemented as soon as possible in view of the continuing fuel shortage, it is necessary that this act take effect immediately.

CHAPTER 162

An act to amend Section 2137.3 of the Business and Professions Code, to amend Section 1374.5 of the Health and Safety Code, to amend Sections 10127.5 and 11512.55 of the Insurance Code, and to amend Sections 14132.5 and 14132.6 of the Welfare and Institutions Code, relating to orthomolecular medicine, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 28, 1979 Filed with Secretary of State June 28, 1979]

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

SECTION 1. Section 2137.3 of the Business and Professions Code is amended to read:

2137.3. "Orthomolecular medicine" means the preservation of good health as well as the treatment of disease by providing the optimum molecular environment in the human body by varying the concentrations in the body of vitamins, minerals, and other nutritional substances normally present in the body and required for health. Orthomolecular medicine also includes human ecology medicine, which means the discharge or avoidance of substances that are toxic or allergy inducing to some patients.

This section shall remain in effect only until July 1, 1980, and as of such date is repealed.

SEC. 2. Section 1374.5 of the Health and Safety Code is amended to read:

1374.5. On and after the effective date of this section, every health care service plan that covers hospital, medical, or surgical expenses on a group basis, and which does not provide or arrange direct health care services for its members, shall offer coverage for expenses incurred as a result of treatment by holders of physician's and surgeon's certificates pursuant to the technique of orthomolecular medicine, as defined in Section 2137.3 of the Business and Professions Code, under such terms and conditions as may be agreed upon between the health care service plan and the subscriber group, subject to utilization controls. Every health care service plan shall communicate the availability of such coverage to all subscriber groups and to all prospective subscriber groups with whom they are negotiating.

Nothing in this section shall authorize payment for any treatment which includes a substance prohibited to be prescribed or dispensed under federal or state law.

This section shall remain in effect only until July 1, 1980, and as of such date is repealed.

SEC. 3 Section 10127.5 of the Insurance Code is amended to read:

10127.5. (a) On and after the effective date of this section, every

insurer issuing group disability insurance which covers hospital, medical, or surgical expenses shall offer coverage for expenses incurred as a result of treatment by holders of physician's or surgeon's certificates pursuant to the techniques of orthomolecular medicine, as defined in Section 2137.3 of the Business and Professions Code, under such terms and conditions as may be agreed upon between the group policyholder and the insurer, subject to utilization controls. Every insurer shall communicate the availability of such coverage to all group policyholders and to all prospective group policyholders with whom they are negotiating.

(b) On and after the effective date of this section, every self-insured employee welfare benefit plan which provides coverage for hospital, medical, or surgical expenses shall offer coverage for expenses incurred as a result of treatment by holders of physician's and surgeon's certificates pursuant to the techniques of orthomolecular medicine, as defined in Section 2137.3 of the Business and Professions Code, under such terms and conditions as may be agreed upon between the self-insured welfare benefit plan and the member, subject to utilization controls. Every self-insured welfare benefit plan shall communicate the availability of such coverage to all members and prospective members.

(c) Nothing in this section shall authorize payment for any treatment which includes a substance prohibited to be prescribed or dispensed under federal or state law.

This section shall remain in effect only until July 1, 1980, and as of such date is repealed.

SEC. 4. Section 11512.55 of the Insurance Code is amended to read:

11512.55. On and after the effective date of this section, every nonprofit hospital service plan, including those plans issuing group hospital service contracts, which does not provide or arrange direct health care services for its members, shall offer coverage for expenses incurred as a result of treatment by holders of physician's and surgeon's certificates pursuant to the techniques of orthomolecular medicine, as defined in Section 2137.3 of the Business and Professions Code, under such terms and conditions as may be agreed upon between the plan and the group contract holder, subject to utilization controls

Every nonprofit hospital service plan, including those issuing group hospital service contracts, shall communicate the availability of such coverage to all group contract holders and to all prospective group contract holders with whom they are negotiating.

Nothing in this section shall authorize payment for any treatment which includes a substance prohibited to be prescribed or dispensed under federal or state law.

This section shall remain in effect only until July 1, 1980, and as of such date is repealed

SEC 5. Section 14132.5 of the Welfare and Institutions Code is amended to read

14132.5. In addition to the schedule of benefits available under this chapter, the department, subject to the provisions of Section 14132.6, shall furnish, as a demonstration program, in not more than three counties deemed most appropriate by the department, the following benefits:

(a) Orthomolecular medicine, when provided as part of the treatment methods of a physician, diagnostic tests deemed necessary for such treatment by the physician; and inpatient hospital care furnished in connection with such diagnostic and treatment methods; all of which shall be subject to utilization controls.

(b) Vitamins, minerals, amino acids, and glandular extracts, when prescribed in treatment of illness by a physician in the course of applying treatment methods of orthomolecular medicine, subject to utilization controls.

As used in this section, "orthomolecular medicine" means the preservation of good health, as well as the treatment of disease, by providing the optimum molecular environment in the human body by varying the concentrations in the body of vitamins, minerals, and other nutritional substances normally present in the body and required for health. "Orthomolecular medicine" also includes human ecology medicine, which means the removal, discharge or avoidance of substances that are toxic or allergy inducing to some patients.

The limitations on extent of coverage under subdivision (a) of Section 14132 shall apply to this section.

In order to control the cost of this demonstration program, the director may impose limits, which are consistent with the goals of the program, on the total number of patients allowed to participate.

Nothing contained in this section shall preclude the practice of chiropractic as authorized by the Chiropractic Initiative Act or to limit coverage of chiropractic services otherwise authorized under Section 14132

Nothing contained in this section shall authorize payment for any treatment which includes a substance prohibited to be prescribed or dispensed under state or federal law.

The program authorized by this section shall commence on April 1, 1979, and shall terminate on June 30, 1980

This section shall remain in effect only until July 1, 1980, and as of such date is repealed

SEC. 6 Section 14132.6 of the Welfare and Institutions Code is amended to read

14132 6 The director shall select persons to constitute an evaluation committee for the purposes of the demonstration program referred to in Section 14132 5. The committee shall consist of one or more physicians who practice orthomolecular medicine, as defined by Section 14132.5, one or more physicians nominated by the California Medical Association, and one or more employees of the department

The committee shall prepare a plan for evaluating the program

The plan shall include the reporting procedures to be utilized by the participating providers in the demonstration program. The director shall approve, disapprove, or modify the plan.

The department shall provide staff for the evaluation committee.

The department shall adopt regulations to implement this section and Section 14132.5.

Any provider in the designated three counties may participate in this program with patients desiring such treatment, so long as the provider adheres to the evaluation committee's plan.

No patient shall participate in the program unless, prior to such participation, the patient or the patient's legal guardian gives written informed consent to such participation and to the disclosure of the patient's medical records to members of the evaluation committee and the staff of such committee.

The director may prohibit the use of any substance or procedure in connection with the program.

If any provision of this section or of Section 14132.5, or any provision of any regulation adopted by the department pursuant to such sections, is not in conformity with federal laws and regulations, such provision shall have no force or effect.

The department shall require each physician provider participating in the demonstration program to make periodic reports in accordance with the evaluation plan provided for in this section.

The evaluation committee shall prepare and submit to the director, by January 30, 1981, a report evaluating the demonstration program, including its conclusions on the efficacy of the program and a cost comparison of the cost of treating patients in the orthomolecular medicine demonstration program with the cost of treating comparable patients who are not in the program. The director shall transmit such report, together with any comments or recommendation he may make, to the Governor and to the Legislature by March 1, 1981.

No member of the evaluation committee, or its staff, and no officer or employee of the department shall disclose the name of a patient or information which would identify a patient in the program to any persons not authorized by written consent of the patient to have such information.

This section shall remain in effect only until June 30, 1981, and as of such date is repealed.

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

The time deadlines prescribed by statute for the demonstration program on coverage by Medi-Cal of orthomolecular medicine, related evaluations, and other related matters have proven inadequate and some will expire on July 1, 1979, which is long before the effective date of ordinary statutes enacted in 1979 in the 1979–1980 Regular Session of the Legislature. In order that this

essential demonstration program may be completed without interruption or disruption, it is necessary that this act take effect immediately.

CHAPTER 163

An act to amend Section 6080 of the Harbors and Navigation Code, relating to harbor districts.

[Approved by Governor June 28, 1979 Filed with Secretary of State June 29, 1979]

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

SECTION 1. Section 6080 of the Harbors and Navigation Code is amended to read:

6080. All work authorized to be done under this part, exceeding in cost the sum of three thousand five hundred dollars ($3,500), shall be awarded upon competitive bidding. Notice of the proposed letting of such a contract shall be given by advertisement for a period of two weeks or published pursuant to Section 6066 of the Government Code, in a newspaper of general circulation, published, printed, and circulated, in the district. The board may authorize additional publication in other newspapers of general circulation in the district when it deems that such publication would best serve the public interest. The contract shall be awarded to the lowest responsible bidder.

The board may, without advertising for bids, negotiate with the government of the United States for the purpose of assisting the board in the performance of any of the work authorized by this part, and the board may contribute to the United States all or any portion of the estimated cost of any work authorized by this part which is to be done by or under contract with the United States.

CHAPTER 164

An act to amend Section 4514 of the Civil Code, relating to dissolution of marriage.

[Approved by Governor June 28, 1979 Filed with Secretary of State June 29, 1979]

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

SECTION 1. Section 4514 of the Civil Code is amended to read:

4514. (a) When an interlocutory judgment has been entered pursuant to Section 4512 and six months have expired from the date

of service of a copy of summons and petition or the date of appearance of the respondent, the court, on motion of either party or upon its own motion, may enter the final judgment dissolving the marriage, and such final judgment shall restore them to the status of single persons and permit either to marry after the entry thereof; and such other and further relief as may be necessary to complete disposition of the action, but if any appeal is taken from the interlocutory judgment or a motion for a new trial is made, final judgment shall not be entered until such motion or appeal has been finally disposed of, nor then, if the motion has been granted or judgment reversed.

(b) Notwithstanding the provisions of subdivision (a), the filing of an appeal or of a motion for a new trial shall not stay the granting of a final judgment insofar as it relates to the dissolution of the marriage status restoring the parties to the status of unmarried persons, unless the appealing or moving party specifies in the notice of appeal or motion for new trial an objection to the termination of the marriage status. No party may make such objection to the termination of the marriage status unless such an objection was also made at the time of trial.

(c) Where a joint petition under Chapter 5 (commencing with Section 4550) is thereafter revoked and either party commences a proceeding pursuant to Section 4503 within 90 days from the date of filing of the revocation, the permissible date of entry of final judgment pursuant to this section shall be calculated by deducting the period of time which shall have elapsed from the date of filing the joint petition to the date of filing of the revocation.

(d) The death of either party after the entry of the interlocutory judgment does not impair the power of the court to enter final judgment as hereinbefore provided; but such entry shall not validate any marriage contracted by either party before the entry of such final judgment, nor constitute any defense of any criminal prosecution made against either.

CHAPTER 165

An act to add Sections 6, 7, 8, 9, 10, and 11 to the Probate Code, relating to construction of the Probate Code.

[Approved by Governor June 28, 1979 Filed with Secretary of State June 29, 1979]

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

SECTION 1. Section 6 is added to the Probate Code, to read:

6 Unless the provision or context otherwise requires, the following general provisions and rules of construction govern the construction of this code

SEC. 2. Section 7 is added to the Probate Code, to read:

7. Whenever any reference is made to any portion of this code or to any other statute, such reference shall apply to all amendments and additions heretofore or hereafter made.

SEC. 3. Section 8 is added to the Probate Code, to read:

8. Unless otherwise expressly stated:

(a) "Division" means a division of this code.

(b) "Part" means a part of the division in which that term occurs.

(c) "Chapter" means a chapter of the division or part, as the case may be, in which that term occurs.

(d) "Article" means an article of the chapter in which that term occurs.

(e) "Section" means a section of this code.

(f) "Subdivision" means a subdivision of the section in which that term occurs.

(g) "Paragraph" means a paragraph of the subdivision in which that term occurs.

SEC 4. Section 9 is added to the Probate Code, to read:

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

SEC. 5. Section 10 is added to the Probate Code, to read:

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

SEC. 6. Section 11 is added to the Probate Code, to read:

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

CHAPTER 166

An act to amend Section 1075 of the Streets and Highway Code, relating to highways.

[Approved by Governor June 28, 1979 Filed with Secretary of State June 29, 1979]

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

SECTION 1. Section 1075 of the Streets and Highways Code is amended to read:

1075. The board may have any work upon county highways done under the supervision and direction of the county road commissioner. Such work may be done:

(a) By letting a contract covering both work and material. In such event the contract shall be let to the lowest responsible bidder as provided in this article.

(b) By purchasing the material and letting a contract for the doing of the work. In such event the material shall be bought from and the contract let to the lowest responsible bidder as provided in this article.

(c) By purchasing the material and having the work done by day labor, in which case advertising for bids is not required.

(d) By authorizing the county road commissioner to execute changes for any such contract in an amount not to exceed five thousand dollars ($5,000) for contracts of fifty thousand dollars ($50,000) or less, or 10 percent for contracts over fifty thousand dollars ($50,000), but in no event to exceed a net total addition of twenty-five thousand dollars ($25,000).

(e) By purchasing the material and letting a contract for the work or by letting a contract covering both work and material without advertising for bids when the estimated cost of emergency work necessitated by the imminence or occurrence of a landslide, flood, storm damage, or other emergency exceeds ten thousand dollars ($10,000), upon a finding by the board of supervisors that public interest and necessity demand immediate action to safeguard life, health, or property.

CHAPTER 167

An act to amend Section 213.6 of the Revenue and Taxation Code, relating to taxation.

[Approved by Governor June 28, 1979. Filed with Secretary of State June 29, 1979.]

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

SECTION 1. Section 213.6 of the Revenue and Taxation Code is amended to read:

213.6. (a) Personal property owned and operated by an organization incorporated by an act of the United States Congress whose purposes are to provide adequate facilities to assist in meeting local and national emergencies and to promote the public welfare and provide aviation and aerospace education and training which is used exclusively for such purposes shall be exempt from taxation; provided that the organization qualifies for exemption under Section 501(c)(3) of the Internal Revenue Code of 1954.

(b) Notwithstanding Section 2229, this section shall remain in effect to and including the lien date in 1985, after which it shall have no further force or effect unless a later enacted statute chaptered on or before March 1, 1985, deletes or extends such date.

SEC. 2. This act does not require state reimbursement of local governments under Section 2229 of the Revenue and Taxation Code because there is no actual loss of revenue since the property

exempted by this act has never in fact been taxed.

CHAPTER 168

An act to amend Section 374 of the Code of Civil Procedure, relating to real estate developments.

[Approved by Governor June 28, 1979 Filed with Secretary of State June 29, 1979]

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

SECTION 1. Section 374 of the Code of Civil Procedure is amended to read:

374. An owners' association established in a project consisting of condominiums, as defined in Section 783 of the Civil Code, or of a community apartment project, as defined in Section 11004 of the Business and Professions Code, an undivided interest subdivision project, as defined in Section 11000.1 of the Business and Professions Code, or a planned development, as defined in Section 11003 of the Business and Professions Code, shall have standing to sue as the real party in interest for any damages to commonly owned lots, parcels, or areas or individually owned lots, parcels, or areas which the owners' association is obligated to maintain, preserve, or repair occasioned by the acts or omissions of others, without joining with it the individual owners of such project or development

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CHAPTER 169

An act to amend Section 142 of the Penal Code, relating to prisoners.

[Approved by Governor June 28, 1979 Filed with Secretary of State June 29, 1979]

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

SECTION 1. Section 142 of the Penal Code is amended to read:

142. (a) Any peace officer who has the authority to receive or arrest a person charged with a criminal offense and willfully refuses to receive or arrest such person shall be punished by a fine not exceeding five thousand dollars ($5,000), or by imprisonment in the state prison, or in a county jail not exceeding one year, or by both such fine and imprisonment.

(b) Notwithstanding subdivision (a), the sheriff may determine whether any jail, institution, or facility under his direction shall be designated as a reception, holding, or confinement facility, or shall

be used for several of such purposes, and may designate the class of prisoners for which such facility shall be used.

CHAPTER 170

An act to amend Sections 21663 and 21664 of the Business and Professions Code, relating to swap meets.

[Approved by Governor June 28, 1979. Filed with Secretary of State June 29, 1979]

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

SECTION 1. Section 21663 of the Business and Professions Code is amended to read:

21663. (a) Every vendor shall report all personal property offered or displayed for sale or exchange on a form, prescribed or approved by the California Department of Justice, containing all the following information:

(1) The name and address of the vendor.

(2) A description of the personal property offered for sale or exchange, including serial numbers and personal identification marks, or where there is no serial number, other identification marks or symbols, if any.

(3) A certification by the vendor that to the vendor's knowledge and belief, the information contained on the form is true.

(4) The make, year, model, color and license number of the vehicle or vehicles in which the personal property is transported to the swap meet.

(5) The California seller's permit number (State Board of Equalization sales tax number), if any, of the vendor.

(6) The vendor's motor vehicle driver's license number or California identification card numbers.

(7) If the vendor is an agent of an individual, company, partnership or corporation, the name and business address of the principal.

(b) The reporting form shall consist of not less than an original and two copies.

SEC. 2. Section 21664 of the Business and Professions Code is amended to read:

21664. (a) The swap meet operator shall obtain sufficient blank forms from the Department of Justice at a cost not to exceed the actual cost to the department, or shall cause to be printed and be available sufficient forms approved by the department, for the use of vendors attending the swap meet, and shall distribute them to vendors as needed. The vendor shall submit the completed form to the operator who shall note on the vendor's copy that the vendor has submitted such form. The operator shall collect the original and one

copy of the completed forms and, if the swap meet occurs within the territorial limits of an incorporated city, shall submit the original to the chief of police of that city within 24 hours or the first working day following the meet. If the swap meet occurs outside a city, the swap meet operator shall submit the original to the sheriff of the jurisdiction in which the meet occurs within 24 hours or the first working day following the meet. The chief of police or sheriff receiving such reports shall forward the original to the California Department of Justice when the California Department of Justice specifically requests the reports of a particular meet After duplication or use, these original reports shall be returned to the chief of police or sheriff who forwarded the reports. The original shall also be available to the State Board of Equalization to permit them to detect possible sales tax evasion. Such reports shall not be utilized by a chief of police, a sheriff, the Department of Justice, or any other governmental agency for the purpose of providing a permanent record of property ownership, nor shall the information derived from these reports form the basis for any record other than reports which assist in tracing and recovering of stolen property or assist in detecting sales tax evasion.

(b) Every vendor shall submit to the swap meet operator the form disclosing the information required by subdivision (a) of Section 21663 for each swap meet at which he is a vendor. Items described in reports previously submitted pursuant to paragraph (2) of subdivision (a) of Section 21663 may be omitted from the description on the forms submitted at subsequent swap meets if the vendor furnishes the swap meet operator of each subsequent swap meet with two copies of the report previously submitted, marked to indicate personal property currently being offered or displayed.

(c) A vendor who regularly offers or displays for sale or exchange any new or used personal property or merchandise shall be required to submit to the swap meet operator the form disclosing the information required by subdivision (a) of Section 21663 only once every 60 days. Such vendor shall, however, submit a new report at any swap meet at which he is a vendor and offers or displays for sale or exchange any personal property not included by generic classification in the previously submitted report. For purposes of this subdivision, a vendor shall be deemed to regularly offer or display for sale or exchange any items of merchandise if such vendor participates for five or more days in a month at a swap meet conducted at the same location. Any vendor claiming to be a regular seller of new or used merchandise under the provisions of this subdivision shall so indicate on the bimonthly report

CHAPTER 171

An act to amend Sections 9801 and 24004 of the Vehicle Code, relating to vehicles.

[Approved by Governor June 28, 1979. Filed with Secretary of State June 29, 1979]

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

SECTION 1. Section 9801 of the Vehicle Code is amended to read:

9801 (a) The department shall collect the fee, or any penalty, or both, plus costs, not exceeding two hundred dollars ($200), but at least equal to the cost, incurred by the department arising from the preparation for the seizure of the vehicle by due notice or by seizure of the vehicle from the person or persons in possession thereof, if any, and by the sale of such vehicle if fees and costs are not paid upon notice to pay all fees due and herein provided for except as otherwise provided

(b) When a lien for the fee, or any penalty, or both, exists against more than one vehicle in possession of the same person or persons, the department may seize and sell a sufficient number of the vehicles to pay the fees, or penalties, or both, plus costs, to equal at least the cost of conducting the seizure and sale proceedings but not to exceed two hundred dollars ($200), for each vehicle incident to such seizure, against all such vehicles.

(c) When the lien for the fee, or any penalty, or both, exists on a vehicle sold by a dealer, the department may withhold seizure and sale of the vehicle pending notification of the selling dealer and his bonding company of the dealer's liability under Section 4456 and pursuant to the bond provided in Section 11710. The department may proceed with seizure and sale of the vehicle if the fee and any penalty is not paid within 30 days after due and proper notice to the dealer and his bonding company.

(d) The Department of the California Highway Patrol shall assist with the seizure and impounding of such vehicle. Any municipality or county law enforcement agency may assist with the seizure and impounding of such vehicle. No vehicle may be seized or impounded pursuant to the provisions of this section unless there are outstanding registration or transfer fees due.

SEC 2 Section 24004 of the Vehicle Code is amended to read:

24004. No person shall operate any vehicle or combination of vehicles after notice by a peace officer, as defined in Section 830.1 or subdivision (a) of Section 830.2 of the Penal Code, that the vehicle is in an unsafe condition or is not equipped as required by this code, except as may be necessary to return the vehicle or combination of vehicles to the residence or place of business of the owner or driver or to a garage, until the vehicle and its equipment have been made

to conform with the requirements of this code.

The provisions of this section shall not apply to an employee who does not know that such notice has been issued, and in such event the provisions of Section 40001 shall be applicable.

CHAPTER 172

An act to amend Section 1143 of the Probate Code, relating to decedents' estates.

[Approved by Governor June 28, 1979. Filed with Secretary of State June 29, 1979]

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

SECTION 1. Section 1143 of the Probate Code is amended to read:

1143. (a) Except as provided in subdivision (b), when a public administrator takes possession of the estate of a decedent as provided in this chapter, and it appears that the total value of the estate of the decedent does not exceed five thousand dollars ($5,000) excluding any motor vehicle owned by the decedent, the public administrator may apply to the superior court of his county or a judge thereof for an order permitting him summarily to sell any personal property belonging to the decedent, and to withdraw any money of the decedent on deposit with any bank, and to collect any indebtedness or claim that may be owing to the decedent. The money received from any such sale or collection shall be used to pay commissions to the public administrator, and to defray the expenses of the burial of the decedent and the expenses of his last illness; the balance, if any, shall be used to pay other claims presented to the public administrator within four months of the above order and there shall be no administration upon the estate unless additional property is discovered. No notice of the application need be given The application may be filed whether or not there is a will of the decedent in existence, if the executor named therein refuses to act, or if the will does not appoint an executor.

(b) When a public administrator takes possession of the estate of a decedent as provided in this chapter, and it appears that the total value of the estate of the decedent does not exceed five hundred dollars ($500), the public administrator may, instead of applying to the superior court or judge thereof for an order provided in subdivision (a), apply such money or proceeds from the sale of any personal property towards the expense of the burial of the decedent, pay other proper claims against the decedent's estate, and deposit the balance with the county treasurer for use in the general fund.

SEC. 2. The amendments to Section 1143 of the Probate Code made by this act shall apply, regardless of the date of the decedent's

death, to any decedent's estate for which a decree of final distribution has not been issued prior to the effective date of this act.

CHAPTER 173

An act to amend Section 386.1 of the Code of Civil Procedure, relating to interpleader.

[Approved by Governor June 28, 1979 Filed with Secretary of State June 29, 1979]

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

SECTION 1. Section 386 1 of the Code of Civil Procedure is amended to read:

386.1. Where a deposit has been made pursuant to Section 386, the court shall, upon the application of any party to the action, order such deposit to be invested in an insured interest-bearing account. Interest on such amount shall be allocated to the parties in the same proportion as the original funds are allocated.

CHAPTER 174

An act to amend Section 25607 of the Corporations Code, relating to the Department of Corporations.

[Approved by Governor June 28, 1979 Filed with Secretary of State June 29, 1979]

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

SECTION 1. Section 25607 of the Corporations Code is amended to read

25607. (a) Neither the commissioner nor any of his assistants, clerks or deputies during their terms of employment shall be interested as a director, officer, shareholder, member (other than a member of an organization formed for religious purposes), partner, agent, or employee of any person who, during the period of such official's or employee's association with the Department of Corporations, (1) was licensed or applied for license as a broker-dealer, agent or investment adviser under this division, or (2) applied for or secured the qualification of the sale of securities under this division

(b) Nothing contained in subdivision (a) of this section shall prohibit the holding or purchasing of any securities by any assistant, clerk, or deputy in accordance with such rules as the commissioner shall adopt for the purpose of protecting the public interest and

avoiding conflicts of interest with respect to such assistants, clerks and deputies.

(c) Nothing contained in subdivision (a) of this section shall prohibit the holding or purchasing of any securities by the commissioner if (1) such security is held or purchased through a management account or trust administered by a bank or trust company authorized to do business in this state which has sole investment discretion regarding the holding, purchase and sale of securities, and (2) the commissioner did not, directly or indirectly, advise, counsel, command or suggest the holding, purchase or sale of any such security or furnish any information relating to such security to such bank or trust company, and (3) such account or trust does not at any time have more than 10 percent of its total assets invested in the securities of any one issuer or hold more than 5 percent of the outstanding shares or units of any class of securities of any one issuer. The commissioner shall report to the Attorney General not less often than quarterly all holdings, purchases, and sales of securities by him as authorized in this subdivision, which reports shall be retained by the Attorney General as public documents

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CHAPTER 175

An act to amend Section 70045.1 of the Government Code, relating to court reporters.

[Approved by Governor June 28, 1979 Filed with Secretary of State June 29, 1979]

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

SECTION 1. Section 70045 1 of the Government Code is amended to read:

70045 1. Notwithstanding the provisions of Section 70045 of this code, in Trinity County, each regular official court reporter shall receive an annual salary of ten thousand dollars ($10,000) unless the board of supervisors shall by ordinance provide for compensation in excess of that amount, payable in monthly installments out of the salary fund of the county, for the reporting and taking notes in criminal cases and juvenile court cases in the superior court, and in preliminary examinations of those accused of crime before magistrates, and of proceedings before the grand jury and at coroner's inquests when requested by the coroner, and for other services such reporters shall receive the fees provided for in Article 9 (commencing with Section 69941) of Chapter 5 of Title 8, such fees in civil cases to be paid by the litigants as provided by law

Reporters pro tempore may be paid a per diem of seventy-five dollars ($75) as provided in Section 69948 and other fees set forth in Article 9 (commencing with Section 69941) of Chapter 5 of Title 8,

and shall receive from the county their necessary traveling and other expenses when necessarily called from other counties, but a reporter pro tempore shall be paid a per diem or expenses by the county only when the regular official court reporters are occupied in the superior court, or at preliminary examinations, grand jury hearings or coroner's inquests.

The board of supervisors of such a county may provide the court reporters with equipment for the performance of their duties.

CHAPTER 176

An act to add Sections 1242.5 and 1245 of the Business and Professions Code, relating to clinical laboratories.

[Approved by Governor June 28, 1979 Filed with Secretary of State June 29, 1979]

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

SECTION 1. Section 1242.5 is added to the Business and Professions Code, to read·

1242.5. The department may by regulation authorize unlicensed laboratory personnel who are employed as technicians in respiratory services, clinical, or cardiopulmonary laboratories in licensed clinics or hospitals, as defined respectively in Sections 1202 and 1250 of the Health and Safety Code, to perform venipuncture, arterial puncture, or skin puncture for the purposes of withdrawing blood or for test purposes, as defined by regulations established by the department. The department shall establish the minimum training required for such persons.

SEC. 2. Section 1245 is added to the Business and Professions Code, to read:

1245. Notwithstanding any other provision of this chapter or of any other law, any individual may perform a blood gas analysis if all the following conditions exist:

(a) He performs the blood gas analysis in a clinic or a general acute care hospital, as defined respectively in Sections 1202 and 1250 of the Health and Safety Code.

(b) He has been instructed by a physician and surgeon licensed in this state, who is in charge of a department of pulmonary physiology or clinical pathology in licensed clinics or hospitals, as defined respectively in Sections 1202 and 1250 of the Health and Safety Code, in the proper procedure to be employed when performing a blood gas analysis.

(c) He performs the blood gas analysis under the direction and supervision of such a physician and surgeon.

(d) He submits the analysis for interpretation to the physician and surgeon under whose direction and supervision he performed the

analysis.

Nothing contained in this section shall be construed as authorizing any individual, not otherwise authorized, to withdraw blood.

CHAPTER 177

An act to amend Sections 493.030, 493.040, 493.050, and 493.060 of the Code of Civil Procedure, relating to attachment, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 28, 1979 Filed with Secretary of State June 29, 1979.]

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

SECTION 1. Section 493.030 of the Code of Civil Procedure is amended to read:

493.030. (a) The making of a general assignment for the benefit of creditors terminates a lien of a temporary protective order or of attachment if the lien was created within 90 days prior to the making of the general assignment.

(b) The filing of a petition commencing a voluntary or involuntary case under Title 11 of the United States Code (Bankruptcy) terminates a lien of a temporary protective order or of attachment if the lien was created within 90 days prior to the filing of the petition.

(c) Subdivisions (a) and (b) do not apply unless all liens of attachment on the defendant's property in other states that were created within 90 days prior to the making of a general assignment for the benefit of creditors or the filing of a petition commencing a case under Title 11 of the United States Code (Bankruptcy) have terminated.

SEC. 2. Section 493.040 of the Code of Civil Procedure is amended to read:

493.040. (a) Where a lien of attachment terminates pursuant to Section 493.030, the assignee under a general assignment for the benefit of creditors or, in the case of a bankruptcy, the trustee, interim trustee, or the debtor in possession if there is no trustee or interim trustee, may secure the release of the attachment by filing with the levying officer a request for release of attachment stating the grounds for release and describing the property to be released, executed under oath, together with a copy thereof.

(b) In the case of an assignee, the request shall include two copies of the general assignment for the benefit of creditors.

(c) In the case of a trustee, interim trustee, or debtor in possession, the request shall include a certified copy of the petition in bankruptcy, together with a copy thereof.

(d) If immediate release of the attachment is sought, the request

shall be accompanied by an undertaking to pay the plaintiff any damages resulting from an improper release of the attachment, in the amount of the plaintiff's claim to be secured by the attachment, executed by a corporate surety possessing a certificate of authority from the Insurance Commissioner as provided by Section 1056.

(e) Within five days after the filing of the request for release of attachment, the levying officer shall mail to the plaintiff:

(1) A copy of the request for release of the attachment, including the copy of the document filed pursuant to subdivision (b) or (c).

(2) If an undertaking has not been given, a notice that the attachment will be released pursuant to the request for release of attachment unless otherwise ordered by a court within 10 days after the date of mailing the notice.

(3) If an undertaking has been given, a notice that the attachment has been released.

(f) Unless otherwise ordered by a court, if an undertaking has not been given, the levying officer shall release the attachment pursuant to the request for release of attachment after the expiration of 10 days from the date of mailing the papers referred to in subdivision (e) to the plaintiff If an undertaking has been given, the levying officer shall immediately release the attachment pursuant to the request for release of attachment.

(g) Where the attached property has been taken into custody, it shall be released to the person making the request for release of attachment or some other person designated in the request. Where the attached property has not been taken into custody, it shall be released as provided in subdivision (c) of Section 488.560.

(h) The levying officer is not liable for releasing an attachment in accordance with this section nor is any other person liable for acting in conformity with the release.

SEC. 3. Section 493.050 of the Code of Civil Procedure is amended to read

493.050. (a) The lien of a temporary protective order or of attachment, which has terminated pursuant to Section 493.030, is reinstated with the same effect as if it had not been terminated in the following cases:

(1) Where the termination is the result of the making of a general assignment for the benefit of creditors and the general assignment for the benefit of creditors is set aside otherwise than by the filing of a petition commencing a case under Title 11 of the United States Code (Bankruptcy)

(2) Where the termination is the result of the filing of a petition commencing a case under Title 11 of the United States Code (Bankruptcy) and the petition is dismissed.

(3) Where the termination is the result of the filing of a petition commencing a case under Title 11 of the United States Code (Bankruptcy) and the trustee abandons property which had been subject to the lien of the temporary protective order or of attachment

(b) The period from the making of a general assignment for the benefit of creditors until reinstatement of the lien of the temporary protective order or of attachment is not counted in determining the duration of the temporary protective order or the lien of attachment.

SEC. 4. Section 493.060 of the Code of Civil Procedure is amended to read:

493 060. (a) Upon the making of a general assignment for the benefit of creditors that terminates a lien under this chapter, the assignee is subrogated to the rights of the plaintiff under the temporary protective order or attachment.

(b) Upon the filing of a petition commencing a case under Title 11 of the United States Code (Bankruptcy), a lien terminated pursuant to this chapter is preserved for the benefit of the estate.

SEC 5. (a) The operative date of this act is October 1, 1979.

(b) This act does not apply to a case commenced under the Bankruptcy Act prior to October 1, 1979, and such a case is governed by the law applicable immediately prior to the operative date of this act.

SEC. 6. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The Bankruptcy Reform Act of 1978 (Pub.L. No. 95-598) becomes operative on October 1, 1979. The new bankruptcy law totally revises the manner of dealing with liens of attachment and temporary protective orders on property in the debtor's estate. This act makes conforming revisions in the Attachment Law; however, confusion and problems in treatment of liens under the two laws will arise unless both become operative at the same time. It is therefore necessary that this act take immediate effect so that it may become operative on October 1, 1979

CHAPTER 178

An act to add Section 25279 to the Vehicle Code, relating to vehicles, and declaring the urgency thereof, to take effect immediately

[Approved by Governor June 28, 1979 Filed with Secretary of State June 29, 1979]

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

SECTION 1 Section 25279 is added to the Vehicle Code, to read:

25279 Vehicles owned and operated by private security agencies and utilized exclusively on privately owned and maintained roads to which this code is made applicable by local ordinance or resolution, may display flashing amber warning lights to the front, sides, or rear,

while being operated in response to emergency calls for the immediate preservation of life or property.

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 that private security vehicles be authorized emergency vehicles and to use warning lights when responding to emergencies in order to shorten the response time and prevent possible loss of lives; therefore, it is necessary that this act take effect immediately.

CHAPTER 179

An act to add Chapter 4 (commencing with Section 815) to Title 2 of Part 2 of Division 2 of the Civil Code, relating to conservation easements.

[Approved by Governor June 29, 1979 Filed with Secretary of State June 29, 1979]

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

SECTION 1. Chapter 4 (commencing with Section 815) is added to Title 2 of Part 2 of Division 2 of the Civil Code, to read:

CHAPTER 4. CONSERVATION EASEMENTS

815. The Legislature finds and declares that the preservation of land in its natural, scenic, agricultural, historical, forested, or open-space condition is among the most important environmental assets of California. The Legislature further finds and declares it to be the public policy and in the public interest of this state to encourage the voluntary conveyance of conservation easements to qualified nonprofit organizations.

815.1. For the purposes of this chapter, "conservation easement" means any limitation in a deed, will, or other instrument in the form of an easement, restriction, covenant, or condition, which is or has been executed by or on behalf of the owner of the land subject to such easement and is binding upon successive owners of such land, and the purpose of which is to retain land predominantly in its natural, scenic, historical, agricultural, forested, or open-space condition.

815.2. (a) A conservation easement is an interest in real property voluntarily created and freely transferable in whole or in part for the purposes stated in Section 815.1 by any lawful method for the transfer of interests in real property in this state

(b) A conservation easement shall be perpetual in duration.

(c) A conservation easement shall not be deemed personal in

nature and shall constitute an interest in real property notwithstanding the fact that it may be negative in character.

(d) The particular characteristics of a conservation easement shall be those granted or specified in the instrument creating or transferring the easement.

815.3. Only a tax-exempt nonprofit organization qualified under Section 501(c)(3) of the Internal Revenue Code and qualified to do business in this state which has as its primary purpose the preservation, protection, or enhancement of land in its natural, scenic, historical, agricultural, forested, or open-space condition or use may acquire and hold conservation easements.

815.4. All interests not transferred and conveyed by the instrument creating the easement shall remain in the grantor of the easement, including the right to engage in all uses of the land not affected by the easement nor prohibited by the easement or by law.

815.5. Instruments creating, assigning, or otherwise transferring conservation easements shall be recorded in the office of the county recorder of the county where the land is situated, in whole or in part, and such instruments shall be subject in all respects to the recording laws.

815.7. (a) No conservation easement shall be unenforceable by reason of lack of privity of contract or lack of benefit to particular land or because not expressed in the instrument creating it as running with the land.

(b) Actual or threatened injury to or impairment of a conservation easement or actual or threatened violation of its terms may be prohibited or restrained, or the interest intended for protection by such easement may be enforced, by injunctive relief granted by any court of competent jurisdiction in a proceeding initiated by the grantor or by the owner of the easement.

(c) In addition to the remedy of injunctive relief, the holder of a conservation easement shall be entitled to recover money damages for any injury to such easement or to the interest being protected thereby or for the violation of the terms of such easement. In assessing such damages there may be taken into account, in addition to the cost of restoration and other usual rules of the law of damages, the loss of scenic, aesthetic, or environmental value to the real property subject to the easement.

(d) The court may award to the prevailing party in any action authorized by this section the costs of litigation, including reasonable attorney's fees.

815.9. Nothing in this chapter shall be construed to impair or conflict with the operation of any law or statute conferring upon any political subdivision the right or power to hold interests in land comparable to conservation easements, including, but not limited to, Chapter 12 (commencing with Section 6950) of Division 7 of Title 1 of, Chapter 6.5 (commencing with Section 51050), Chapter 6.6 (commencing with Section 51070) and Chapter 7 (commencing with Section 51200) of Part 1 of Division 1 of Title 5 of, and Article 10.5

(commencing with Section 65560) of Chapter 3 of Title 7 of, the Government Code, and Article 1.5 (commencing with Section 421) of Chapter 3 of Part 2 of Division 1 of the Revenue and Taxation Code.

816. The provisions of this chapter shall be liberally construed in order to effectuate the policy and purpose of Section 815.

CHAPTER 180

An act to add Section 1140 to the Civil Code, relating to personal property.

[Approved by Governor June 29, 1979 Filed with Secretary of State June 29, 1979]

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

SECTION 1. Section 1140 is added to the Civil Code, to read:

1140. (a) For purposes of this section:

(1) The term "customer" means any individual or entity who causes or caused a molder to fabricate, cast, or otherwise make a die, mold, or form.

(2) The term "molder" means any individual or entity, including, but not limited to, a tool or die maker, who fabricates, casts, or otherwise makes a die, mold, or form.

(b) In the absence of any agreement to the contrary, the customer shall have all rights and title to any die, mold, or form in the possession of the molder.

(c) If a customer does not claim possession from a molder of a die, mold, or form within three years following the last prior use thereof, all rights and title to any die, mold, or form may be transferred by operation of law to the molder for the purpose of destroying or otherwise disposing of such die, mold, or form, consistent with this section

(d) If a molder chooses to have all rights and title to any die, mold, or form transferred to the molder by operation of law, the molder shall send written notice by registered mail to the customer's last known address indicating that the molder intends to terminate the customer's rights and title by having all such rights and title transferred to the molder by operation of law pursuant to this section.

(e) If a customer does not respond in person or by mail to claim possession of the particular die, mold, or form within 30 days following the date the notice was sent, or does not make other contractual arrangements with the molder for storage thereof, all rights and title of the customer shall transfer by operation of law to the molder Thereafter, the molder may destroy or otherwise dispose of the particular mold, tool, or die as the molder's own property

without any risk of liability to the customer, except that this section shall not be construed in any manner to affect any right of the customer, under federal patent or copyright law or any state or federal law pertaining to unfair competition

(f) The three-year waiting period set forth in subdivision (c) shall apply retroactively in the case of dies, molds, and forms in the possession of a molder upon the effective date of this section.

SEC. 2. The Legislature hereby finds and declares that the storage of dies, molds, and forms has created an economic emergency for numerous tool and die makers necessitating a reasonable solution whereby tool and die makers are authorized to dispose of dies, molds and forms in their possession after giving appropriate notice to customers to claim them.

CHAPTER 181

An act relating to donation of county property, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 29, 1979 Filed with Secretary of State June 29, 1979]

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

SECTION 1. Following an inventory of its Packaged Disaster Hospitals and a determination of the nature of potential disasters which might otherwise require the use of such Packaged Disaster Hospitals, the board of supervisors of any county may donate any or all Packaged Disaster Hospitals, or any portion or portions thereof, which are not required for the public purposes of the county to any federally supported nonprofit private voluntary organization providing assistance to needy developing communities in Africa, Asia, the Caribbean, and Latin America

The donation of a Packaged Disaster Hospital or Hospitals, or any portions thereof, to such a nonprofit organization for use in health care programs of needy communities in Africa, Asia, the Caribbean, and Latin America is hereby declared to be for a public purpose when the donation supports nationally recognized United States development assistance objectives, the Packaged Disaster Hospitals are considered obsolete and are no longer usable by the county, and the storage and maintenance thereof is a financial burden on the county. In such a circumstance, the board of supervisors may authorize federally supported nonprofit private voluntary organizations which support the national interests of the United States to pick up and refurbish the Packaged Disaster Hospital or Hospitals, or any portions thereof, at no cost to the participating county, and to utilize the equipment in nonprofit health projects in developing communities in Africa, Asia, the Caribbean, and Latin

America.

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 that health care equipment may be available at the earliest opportunity to assist in the health care program of needy communities in Africa, Asia, the Caribbean, and Latin America, it is necessary that this act take effect immediately as an urgency statute.

CHAPTER 182

An act to amend Section 12732 of the Business and Professions Code, relating to weights and measures, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 29, 1979. Filed with Secretary of State June 29, 1979]

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

SECTION 1. Section 12732 of the Business and Professions Code is amended to read:

12732. (a) Any person who violates any of the provisions of this chapter is guilty of a misdemeanor.

(b) Notwithstanding subdivision (a), a violation by vehicles hauling bulk tomatoes, that does not exceed 50 percent of the tolerance provided by department regulations adopted pursuant to Section 12727 of the Business and Professions Code, shall be an infraction. Every person convicted of an infraction for a violation of this section shall be punished upon first conviction by a fine not exceeding fifty dollars ($50); for a second conviction within a period of one year by a fine not exceeding one hundred dollars ($100); and for a third or subsequent conviction within a period of one year by a fine not exceeding two hundred fifty dollars ($250).

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:

Tomato harvesting is imminent and the fuel crisis has compounded problems normally associated with this seasonally-oriented pressure on transportation capabilities. In order to take all possible steps to reduce the use of diesel fuel, as well as minimize impact of fuel uncertainties which can directly influence tare weight (such as consistency of quantities of available fuel), it is necessary that this act take effect at the earliest opportunity.

CHAPTER 183

An act to amend Section 718.5 of the Probate Code, relating to decedents' estates.

[Approved by Governor June 29, 1979 Filed with Secretary of State June 29, 1979.]

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

SECTION 1. Section 718.5 of the Probate Code is amended to read:

718.5. After the time for filing creditor's claims has expired, or earlier for good cause shown, the executor or administrator, with the approval of the court, may compromise, compound or settle any claim or demand by or against the estate or any suit brought by or againt the executor or administrator as such, by the transfer of specific assets of the estate or otherwise. To obtain such approval, the executor or administrator shall file a verified petition with the clerk showing the advantage of the compromise, composition or settlement. The clerk shall set the petition for hearing by the court and notice thereof shall be given for the period and in the manner required by Section 1200 of this code. If under this section the court authorizes the tranfer of real property of the estate, conveyances shall be executed by the executor or administrator in the same manner as provided in Section 786 of this code and such conveyances shall have the same force and effect as conveyances executed pursuant to that section, and a certified copy of the order authorizing the transfer must be recorded in the office of the recorder of the county in which the real property or any portion thereof lies. After the completion of such approved compromise the executor or administrator shall incur no liability to anyone as a result of the approved compromise, composition, or settlement.

CHAPTER 184

An act to amend Section 47 of the Civil Code, relating to privileged publication or broadcast.

[Approved by Governor June 29, 1979. Filed with Secretary of State June 29, 1979.]

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

SECTION 1. Section 47 of the Civil Code is amended to read:

47. A privileged publication or broadcast is one made—

1. In the proper discharge of an official duty.
2. In any (1) legislative or (2) judicial proceeding, or (3) in any

other official proceeding authorized by law, or (4) in the initiation or course of any other proceeding authorized by law and reviewable pursuant to Chapter 2 (commencing with Section 1084) of Title 1 of Part 3 of the Code of Civil Procedure; provided, that an allegation or averment contained in any pleading or affidavit filed in an action for divorce or an action prosecuted under Section 137 of this code made of or concerning a person by or against whom no affirmative relief is prayed in such action shall not be a privileged publication or broadcast as to the person making said allegation or averment within the meaning of this section unless such pleading be verified or affidavit sworn to, and be made without malice, by one having reasonable and probable cause for believing the truth of such allegation or averment and unless such allegation or averment be material and relevant to the issues in such action.

3. In a communication, without malice, to a person interested therein, (1) by one who is also interested, or (2) by one who stands in such relation to the person interested as to afford a reasonable ground for supposing the motive for the communication innocent, or (3) who is requested by the person interested to give the information.

4. By a fair and true report in a public journal, of (1) a judicial, (2) legislative, or (3) other public official proceeding, or (4) of anything said in the course thereof, or (5) of a verified charge or complaint made by any person to a public official, upon which complaint a warrant shall have been issued.

5. By a fair and true report of (1) the proceedings of a public meeting, if such meeting was lawfully convened for a lawful purpose and open to the public, or (2) the publication of the matter complained of was for the public benefit.

CHAPTER 185

An act to add Sections 1259.1 and 1259.2 to, and to repeal and add Sections 1245, 1246, 1247, 1248, 1249, 1250, 1251, 1252, 1253, 1254, 1255, 1256, 1257, 1258, and 1259 of, the Civil Code, relating to homesteads.

[Approved by Governor June 29, 1979 Filed with Secretary of State June 29, 1979]

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

SECTION 1. Section 1245 of the Civil Code is repealed.

SEC 2. Section 1245 is added to the Civil Code, to read·

1245. Whenever a judgment creditor seeks to enforce a judgment upon a homestead whether or not the judgment was rendered in another county, the judgment creditor shall apply to a proper court of record in the county in which the homestead is located for the issuance of a writ of execution. The proper court shall be determined

in the same manner as provided in Section 392 of the Code of Civil Procedure. The application shall be verified and describe the homestead and state whether the following facts exist:

(a) The homestead is subject to execution or forced sale, and the reasons therefor.

(b) The records of the county tax assessor indicate that there is a current homeowner's exemption claimed by either the debtor or the spouse of the debtor on the subject homestead but the judgment creditor believes for reasons which shall be stated in the application that the debtor or the spouse of the debtor is not entitled to the exemption provided in this chapter.

(c) The current value of the homestead, over and above all liens and encumbrances thereon, exceeds the amount of the allowable exemption.

(d) Whether, if the value of the property less the aggregate of all liens and encumbrances thereon exceeds the homestead exemption, the property can be divided without material injury.

If an application alleges facts solely pursuant to subdivision (c) or the court determines that a writ may issue only under the circumstances described in subdivision (c), the court shall determine whether the current value of the homestead, over and above all liens and encumbrances thereon, exceeds the amount of the allowable exemption in the manner provided by this title.

At the time the application is filed, if the judgment was rendered in another county, there shall be paid to the clerk or judge, as a filing fee, the sum of four dollars ($4) when filed in a justice court, or the sum of six dollars ($6) when filed in a superior or municipal court.

Whenever a judgment creditor seeks to enforce a judgment pursuant to this section and the judgment was rendered in another county, the judgment creditor shall file with the clerk or judge of the proper court in the county in which the homestead is located an abstract of judgment in the form prescribed in Section 674 of the Code of Civil Procedure.

SEC. 3. Section 1246 of the Civil Code is repealed.

SEC. 4. Section 1246 is added to the Civil Code, to read:

1246. Upon receipt of a completed application of a judgment creditor, the court shall set a time and place for hearing and order the debtor to show cause why a writ of execution should not issue. Prior to the hearing, a copy of the order to show cause, a copy of the application filed by the judgment creditor and a copy of the following notice in both English and Spanish, and in at least 10-point bold type, shall be served as prescribed in Section 1257:

"IMPORTANT LEGAL NOTICE TO HOMEOWNER AND RESIDENT

1. Your house is in danger of being sold to satisfy a judgment obtained in court. You may be able to protect the house and real property described in the accompanying application from execution

and forced sale if you or your family now actually reside on the property and presently do not have a declared homestead legally recorded with the county recorder on any other property in the State of California. YOU OR YOUR SPOUSE MUST COME TO THE HEARING TO SHOW THESE FACTS.

2. If you or your spouse want to contest the forced sale of this property, you or your spouse must appear at

_____ on _____

(Location set forth in OSC) (Date and time)

and be prepared to answer questions concerning the statements made in the attached application. THE ONLY PURPOSE OF THE HEARING WILL BE TO DETERMINE WHETHER THE PROPERTY CAN BE SOLD, NOT WHETHER YOU OWE THE MONEY.

3. FOR YOUR OWN PROTECTION, YOU SHOULD PROMPTLY SEEK THE ADVICE OF AN ATTORNEY IN THIS MATTER. IF YOU ARE A TENANT AND DO NOT CLAIM TO BE THE OWNER OR BUYER OF THIS PROPERTY, THIS NOTICE DOES NOT AFFECT YOU. PLEASE GIVE IT TO YOUR LANDLORD."

"IMPORTANTE AVISO LEGAL AL PROPIETARIO DE CASA Y RESIDENTE

1. Su casa está en peligro de ser vendida para cumplir con una orden judicial obtenida en la corte. Usted podria proteger la casa y los bienes raices descritos en la solicitud adjunta de la ejecucion y venta forzosa si usted o su familia actualmente residen en la propiedad y no tienen una casa propia legalmente registrada con el registrador del condado en alguna otra propiedad en el Estado de California. USTED O SU ESPOSO(A) DEBEN VENIR A LA AUDIENCIA PARA DEMOSTRAR ESTOS PUNTOS.

2. Si usted o su esposo(a) quieren disputar la venta forzosa de esta propiedad, usted o su esposo(a) deberán presentarse a

_____ el _____

(Location set forth in O.S.C) (Date and time)

y estar preparados para contestar las preguntas acerca de las declaraciones puestas en la solicitud adjunta. EL ÚNICO PROPÓSITO DE ESTA AUDIENCIA SERÁ EL DE DETERMINAR SI LA PROPIEDAD PUEDE SER VENDIDA, Y NO SI USTED DEBE DINERO.

3. PARA SU PROPIA PROTECCIÓN, USTED DEBERÍA PRONTAMENTE DE BUSCAR EL CONSEJO DE UN ABOGADO EN ESTE ASUNTO. SI USTED ES UN INQUILINO Y NO RECLAMA SER EL DUEÑO O EL COMPRADOR DE ESTA PROPIEDAD, ESTE AVISO NO LE AFECTA A USTED. POR FAVOR DÉSELO A SU ARRENDADOR."

SEC. 5. Section 1247 of the Civil Code is repealed.

SEC 6. Section 1247 is added to the Civil Code, to read:

1247. (a) The burden of proof at the hearing shall be determined in the following manner:

(1) Where the application of the judgment creditor states a claim of nonexempt status, the debtor or the spouse of the debtor shall have the burden of proving his or her entitlement to the exemption; and

(2) Where the application of the judgment creditor asserts that the current value of the dwelling, over and above all liens and encumbrances thereon, exceeds the amount of the allowable exemption, the judgment creditor shall have the burden of proof on that issue.

(b) The court at or before the hearing, may upon proof of service of a copy of the order to show cause, a copy of the application and a copy of the notice as required by Section 1246, appoint a qualified appraiser to assist the court in determining the facts prerequisite to issuing the writ of execution. The appraiser shall view the premises and within 15 days after appointment, file with the court a written declaration under penalty of perjury stating in his or her opinion:

(1) The appraised fair market value of the premises.

(2) The amount of excess remaining after deduction of the aggregate of all liens and encumbrances and the allowable exemption from the appraised value.

(3) If the appraised value, less the aggregate of all liens and encumbrances thereon, exceeds the allowable exemption, whether the property can be divided without material injury such that the claimant may retain a setoff of so much of the land including the residence and outbuildings as will amount in value to the allowable exemption over and above all liens and encumbrances thereon.

The court shall fix the compensation of the appraiser in an amount determined by the court to be reasonable, not to exceed similar fees for similar services in the community where such services are rendered.

SEC. 7. Section 1248 of the Civil Code is repealed.

SEC. 8. Section 1248 is added to the Civil Code, to read:

1248. If the court determines that the land claimed can be divided without material injury, it may by an order, direct a setoff to the claimant of so much of the land, including the residence and outbuildings, as will amount in value to the homestead exemption over and above all liens and encumbrances, and that the execution may be enforced against the remainder of the land.

SEC. 9 Section 1249 of the Civil Code is repealed.

SEC. 10. Section 1249 is added to the Civil Code, to read:

1249. If the court determines that the land claimed exceeds in value, over and above all liens and encumbrances thereon, the amount of the homestead exemption, and that it cannot be divided, the court shall issue an order directing its sale under the execution.

SEC. 11. Section 1250 of the Civil Code is repealed.

SEC. 12. Section 1250 is added to the Civil Code, to read:

1250. Upon a determination by the court that the homestead is

not exempt or that, although exempt, the judgment creditor is entitled to levy against any excess, it shall make an order directing the issuance of a writ of execution. The order shall state whether or not the homestead is exempt and, if not exempt, state that the judgment creditor is entitled only to execution against the excess over the exempt amount. It shall also specify the amount of the exemption. A copy of the order shall be transmitted by the clerk of the court to the clerk of the court in which the judgment was rendered.

The writ of execution shall specify the amounts for distribution under the levy, including names and addresses of each person or entity having an encumbrance against the homestead.

SEC. 13. Section 1251 of the Civil Code is repealed.

SEC. 14. Section 1251 is added to the Civil Code, to read:

1251. Any such writ of execution issued upon a hearing at which the debtor, the spouse of the debtor, or his or her attorney did not appear shall be served in the manner prescribed in Section 1257 and be accompanied by the following notice in both English and Spanish, and in at least 10-point bold type:

"IMPORTANT LEGAL NOTICE TO HOMEOWNER AND RESIDENT

1. You were recently served with a court order requiring your presence at a hearing to determine why the court should not issue a writ of execution for the forced sale of your home. YOU AND YOUR SPOUSE FAILED TO APPEAR AT THE HEARING AND THE COURT HAS ORDERED THAT YOUR HOME BE SOLD TO SATISFY A JUDGMENT AGAINST YOU.

2. Your absence at the hearing has contributed to the issuance of the accompanying writ of execution. If the absence of you or your attorney at the hearing was legally excusable and you believe in good faith that your home may be entitled to an exemption from execution, you should complete the form below and date, sign, and return the form below no later than _____ (Insert date no later than five days prior to date of sale.)

3. FOR YOUR OWN PROTECTION, YOU SHOULD IMMEDIATELY SEEK THE ADVICE OF AN ATTORNEY. IF YOU ARE A TENANT AND DO NOT CLAIM TO BE THE OWNER OR BUYER OF THIS PROPERTY, THIS NOTICE DOES NOT AFFECT YOU. PLEASE GIVE IT TO YOUR LANDLORD.

.... (Cut Out and Return This Form to) . .. .

_____

(Name and title of levying officer)

_____

(Street address and city)

(Area code and telephone number of levying officer)

I declare that my absence from the previous hearing on whether or not this property should be sold was legally excusable. I, or my spouse, currently reside in this property and I wish a further hearing so that I may assert my homestead rights under Chapter 1 (commencing with Section 1237) of Title 5 of Part 4 of Division 2 of the Civil Code and contest the sale of my home. I understand that the clerk of the court will notify me of the date and place for this hearing if I return this form immediately and that I must attend this hearing.

I declare under penalty of perjury that the foregoing is true and correct

Executed on _____ at _____ , California
(Date) (City or county)

_____ "
(Signature of debtor or debtor's spouse)

"IMPORTANTE AVISO LEGAL AL PROPIETARIO DE CASA Y RESIDENTE

1. Recientemente se le entregó una orden de la corte pidiendo su presencia para una audiencia para determinar el porque la corte no debería de extenderle una orden de ejecución para la venta forzosa de su casa USTED Y SU ESPOSA NO VINIERON A LA AUDIENCIA Y LA CORTE HA ORDENADO QUE SU CASA SEA VENDIDA PARA SATISFACER EL JUICIO EN CONTRA DE USTEDES

2. Su ausencia a la audiencia ha contribuido para la emisión de la orden de ejecución. Si la ausencia de ustedes o de su abogado en la audiencia es excusable legalmente y creen de buena fe que su casa puede tener derecho a estar exonerada de ejecución, debería de completar el formato que está debajo y fecharlo, firmarlo, y devolverlo no a más tardar del _____. (Insert date no later than five days prior to sale)

3. PARA SU PROPIA PROTECCIÓN, USTED DEBERÍA INMEDIATAMENTE BUSCAR EL CONSEJO DE UN ABOGADO. SI USTED ES UN INQUILINO Y NO RECLAMA SER EL DUEÑO O EL COMPRADOR DE ESTA PROPIEDAD, ESTE AVISO NO LE AFECTA A USTED POR FAVOR DÉSELO A SU ARRENDADOR. ... . . . (Corte y Devuelva Este Formato a) ... .

_____
(Name and title of levying officer)

_____
(Street address and city)

(Area code and telephone number of levying officer)

Declaro que mi ausencia en la pasada audiencia sobre si esta propiedad debería de ser vendida o no fue legalmente excusable. Yo, o mi esposo(a), actualmente residimos en esta propiedad y deseo una audiencia adicional para hacer valer mis derechos de heredad bajo el Primer Capítulo (comensando con la sección 1237) del Quinto Rótulo de la Cuarta Parte de la Segunda División del Código Civil y disputar la venta de mi casa. Entiendo que el oficial de la corte me notificará de la fecha y del lugar de esta audiencia si devuelvo este formato inmediatamente y que debo asistir a esta audiencia.

Declaro bajo pena de perjurio que lo anterior es verdadero y está correcto.

Firmado el _____ en _____ , California
(Fecha) (Ciudad o condado)

_____ "

(Firma del dendor(a) o de la esposa(o) del dendor(a))

Timely completion and return of the return portion of the Spanish translation of this form shall have the same force and effect as timely completion and return of the English language form.

SEC. 15. Section 1252 of the Civil Code is repealed.

SEC. 16. Section 1252 is added to the Civil Code, to read:

1252. If the debtor or spouse of the debtor declares that his or her absence or the absence of his or her attorney at the hearing was due to mistake, inadvertence, surprise or excusable neglect and declares that the subject homestead may be entitled to an exempt status, the levying officer shall, upon receipt of the declaration of the debtor five days prior to the scheduled sale date, postpone the sale pending further orders of the court and transmit the notice forthwith to the court. Upon receipt of the notice, the clerk shall set a hearing to determine whether the writ of execution should be recalled, and shall give at least 10 days' notice to the parties.

SEC. 17. Section 1253 of the Civil Code is repealed.

SEC. 18. Section 1253 is added to the Civil Code, to read:

1253. Subsequent applications by a judgment creditor within 12 months of a denial of a writ of execution shall be supported by a statement under oath alleging that there is a material change of circumstances affecting the exemption, and setting forth facts supporting such claimed material change of circumstances.

SEC. 19. Section 1254 of the Civil Code is repealed.

SEC. 20. Section 1254 is added to the Civil Code, to read:

1254. (a) In the event of an execution sale of a homestead, no bid shall be received, unless it exceeds the amount of the homestead exemption plus the aggregate amount of all liens and encumbrances

on the property and is not less than 90 percent of the appraised fair market value. The fair market value of property as determined by an appraisal pursuant to subdivision (b) of Section 1247 shall be conclusively presumed in favor of any purchaser or encumbrancer for value.

(b) In the event that no bid is received which is 90 percent or more of the appraised market value, the court, upon motion of the judgment creditor, may grant permission to accept the highest bid which exceeds the amount of the homestead exemption plus the aggregate amount of all liens and encumbrances on the property, or may issue a new order for sale of the homestead.

(c) Any sale authorized under a writ of execution issued pursuant to this chapter shall be conducted within six months of the date of the writ. If such sale is not made within six months after the issuance of the writ, the writ of execution shall be void and the lien of execution shall cease and no execution based upon the same judgment shall thereafter be levied upon the homestead.

SEC. 21. Section 1255 of the Civil Code is repealed.

SEC. 22. Section 1255 is added to the Civil Code, to read:

1255. In the event of the sale of a homestead, the proceeds of the sale shall be applied in the following order and priority: first, to the discharge of all liens and encumbrances, if any, on the property; second, to the debtor, or the debtor's spouse if such person is the homestead claimant, in the amount of the homestead claim if allowed pursuant to this chapter; third, to the satisfaction of the execution; and fourth, to the debtor, or the debtor's spouse if such person is the homestead claimant.

SEC. 23. Section 1256 of the Civil Code is repealed.

SEC. 24. Section 1256 is added to the Civil Code, to read:

1256. That portion of the proceeds from the sale of real property pursuant to an order of the court directing the issuance of a writ of execution pursuant to Section 1250, which portion represents the amount of the homestead, shall be exempt for a period of six months from the date of receipt of the proceeds. Where such exempt proceeds are used for the purchase of a dwelling house, in which the debtor or the family of the debtor actually reside, within a period of six months following receipt, the subsequently acquired dwelling shall be exempt from execution. The exemption for the subsequently acquired real property shall have the same effect as if allowed on the date of the acquisition of or the commencement of residence by the debtor or the spouse of the debtor, whichever last occurred, in the property previously determined to be exempt, except with respect to a judgment or other obligation which by statute is given the force and effect of a judgment lien against the subsequently acquired property prior to its acquisition.

SEC. 25. Section 1257 of the Civil Code is repealed.

SEC. 26 Section 1257 is added to the Civil Code, to read:

1257 Promptly upon receipt of the application filed by the judgment creditor, the order to show cause, and the notice specified

in Section 1246, or promptly upon receipt of the writ of execution and the notice specified in Section 1251, and in no event less than 10 days prior to the date of the hearing specified in the notice under Section 1246 or the date of sale, as the case may be, the levying officer shall mail copies of the documents to the defendant and to any third person in whose name the property stands upon the records of the office of the tax assessor of the county where the property is located on the last business day preceding the date of mailing. Such copies shall be mailed first-class mail, postage prepaid, to the address of the defendant and any such third person as shown by the records of the office of the tax assessor. The levying officer shall also serve an occupant of the property with copies or, if there is no occupant on the property at the time service is attempted, the levying officer shall post a copy in a conspicuous place on the property. Service upon the occupant may be made by leaving the copies with the occupant personally, or, in the occupant's absence, with any person of suitable age and discretion, found upon the property at the time service is attempted and who is either an employee or agent of such occupant or a member of his family or household.

SEC. 27. Section 1258 of the Civil Code is repealed.

SEC. 28. Section 1258 is added to the Civil Code, to read:

1258 The provisions of subdivisions (j) and (*l*) of Section 690 50 of the Code of Civil Procedure shall apply to proceedings under this title.

SEC. 29. Section 1259 of the Civil Code is repealed.

SEC. 30. Section 1259 is added to the Civil Code, to read:

1259. The execution creditor shall pay the costs of any proceeding pursuant to this chapter including the costs of appraisal under Section 1247, but in the cases provided for in Sections 1248 and 1249 the amount paid may be added as costs on execution, and collected accordingly

SEC. 31. Section 1259.1 is added to the Civil Code, to read:

1259.1. An appeal lies from any judgment under this chapter. Such appeal shall be taken in the manner provided for appeals in the court in which the proceeding is had.

SEC. 32 Section 1259.2 is added to the Civil Code, to read.

1259 2 Irrespective of whether a declaration of homestead has been recorded, or that a judgment has been entered prior to the recordation of a declaration of homestead, the provisions of this chapter shall not affect any benefit or right a person has pursuant to the provisions of Section 690 31 of the Code of Civil Procedure

CHAPTER 186

An act to amend Section 12583 of the Government Code, relating to charitable trusts.

[Approved by Governor June 29, 1979 Filed with Secretary of State June 29, 1979]

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

SECTION 1. Section 12583 of the Government Code is amended to read:

12583. This article does not apply to the United States, any state, territory, or possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or to any of their agencies or governmental subdivisions, to any religious corporation sole or other religious corporation or organization which holds property for religious purposes, or to any officer, director, or trustee thereof who holds property for like purposes, to a cemetery corporation regulated under Chapter 19 of Division 3 of the Business and Professions Code, or to any committee as defined in Section 82013 which is required to and does file any statement pursuant to the provisions of Article 2 (commencing with Section 84200) of Chapter 4 of Title 9, or to a charitable corporation organized and operated primarily as a religious organization, educational institution, hospital, or a health care service plan licensed pursuant to Section 1349 of the Health and Safety Code.

CHAPTER 187

An act to amend Section 8345 of the Fish and Game Code, to amend Section 30411 of, and to add Chapter 4 (commencing with Section 825) to Division 1 of, the Public Resources Code, relating to aquaculture, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 29, 1979 Filed with Secretary of State June 29, 1979]

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

SECTION 1. Section 8345 of the Fish and Game Code is amended to read

8345. It is unlawful for any person to sell or purchase any rock scallops (Hinnites multirugosus) or scallops (Pecten circularis), except that such scallops cultivated pursuant to Article 4 (commencing with Section 6480) of Chapter 5 of Part 1 of Division 6 may be sold or purchased under such regulations as the commission

may prescribe.

SEC. 2. Chapter 4 (commencing with Section 825) is added to Division 1 of the Public Resources Code, to read:

CHAPTER 4. AQUACULTURE DEVELOPMENT

825. This chapter shall be known and may be cited as the California Aquaculture Development Act.

826. The Legislature finds and declares that it is in the interest of the people of the state that the practice of aquaculture be encouraged in order to augment food supplies, expand employment, promote economic activity, increase native fish stocks, enhance commercial and recreational fishing, and protect and better use the land and water resources of the state.

827. The purpose of this chapter is to establish a policy and program toward improving the science and practice of aquaculture as a means of expanding aquaculture industry and related economic activity in the state.

828. As used in this chapter, "aquaculture" means the culture and husbandry of aquatic organisms, including, but not limited to, fish, shellfish, mollusks, crustaceans, kelp, and algae. Aquaculture shall not mean the culture and husbandry of commercially utilized inland crops, including, but not limited to, rice, watercress, and bean sprouts.

829. As used in this chapter, "director" means the Director of the Department of Fish and Game.

830. As used in this chapter, "department" means the Department of Fish and Game.

831. As used in this chapter, "advisory committee" means the aquaculture advisory committee appointed pursuant to Section 834.

832. The advisory committee shall investigate the status of aquaculture research and practice and shall identify those current and prospective actions most likely to contribute to significant and economic aquaculture development compatible with the environmental policies of the state. The director shall select, and the department shall contract on behalf of the advisory committee with, a qualified nongovernmental institution to conduct a study. The advisory committee may disapprove the design of the study or the qualifications of the nongovernmental institution. The study shall address, but not be limited to, the following areas:

(a) Development for adoption by the Legislature of a state policy on aquaculture for California. The policy shall include a finding that describes the relationship between the practice of aquaculture and the agricultural industry.

(b) Development and recommendation of criteria for determining the suitability of species for use in aquaculture.

(c) Development and recommendation of criteria for the identification of those geographic areas, both coastal and inland, suitable for aquaculture.

(d) Recommendation of criteria for allocation of those areas determined to be suitable for aquaculture.

(e) The impact of aquaculture on existing fisheries, including, but not limited to, the release and capture of domestically reared anadromous fish in state waters.

(f) Compatibility with other land use policies, including recreation, scientific studies, and protection of estuarine and wetland areas.

(g) The use of waste waters in aquaculture.

(h) Existing constraints, both governmental and private, with emphasis on the constraints to small-business oriented and labor intensive aquaculture.

(i) Needed future governmental actions, including any incentives that might be appropriate and useful.

The advisory committee shall report the results of the study, together with the recommendations for administrative and legislative actions, to the Governor and Legislature on or before June 30, 1980

833. The department shall be the lead agency for purposes of the California Environmental Quality Act (commencing with Section 21000 of the Public Resources Code) for any project involving the issuance of a permit required pursuant to Chapter 5 (commencing with Section 6400) of Part 1 of Division 6 of the Fish and Game Code.

834. The director shall appoint an aquaculture advisory committee to assist the department in carrying out the provisions of this chapter. The advisory committee shall include, but not be limited to, the director; a representative of the Department of Food and Agriculture; representatives of a public institution of higher education, the commercial fishing industry, the recreational fishing industry, the freshwater fish farming industry, and the marine and brackish water aquaculture industry; a representative of the Assembly, to be selected by the Speaker of the Assembly; and a representative of the Senate, to be selected by the Senate Committee on Rules. Before selecting industry members of the advisory committee, the director shall consult with, and consider qualified delegates nominated by, organizations representing the aquaculture industry.

The advisory committee shall, in addition to its duties under Section 832, hold regular meetings, exchange information concerning activities of any state agency or institution involved in aquacultural activity, comment on the design of the study required pursuant to Section 832, and periodically review the progress of the study.

SEC. 3 Section 30411 of the Public Resources Code is amended to read:

30411. (a) The Department of Fish and Game and the Fish and Game Commission are the principal state agencies responsible for the establishment and control of wildlife and fishery management programs and neither the commission nor any regional commission

shall establish or impose any controls with respect thereto that duplicate or exceed regulatory controls established by such agencies pursuant to specific statutory requirements or authorization.

(b) The Department of Fish and Game, in consultation with the commission and the Department of Boating and Waterways, may study degraded wetlands and identify those which can most feasibly be restored in conjunction with development of a boating facility as provided in subdivision (a) of Section 30233. Any such study shall include consideration of all of the following:

(1) Whether the wetland is so severely degraded and its natural processes so substantially impaired that it is not capable of recovering and maintaining a high level of biological productivity without major restoration activities

(2) Whether a substantial portion of the degraded wetland, but in no event less than 75 percent, can be restored and maintained as a highly productive wetland in conjunction with a boating facilities project.

(3) Whether restoration of the wetland's natural values, including its biological productivity and wildlife habitat features, can most feasibly be achieved and maintained in conjunction with a boating facility or whether there are other feasible ways to achieve such values.

(c) The Legislature finds and declares that salt water or brackish water aquaculture is a coastal-dependent use which should be encouraged to augment food supplies and to further the policies set forth in Chapter 4 (commencing with Section 825) of Division 1. The Department of Fish and Game may identify coastal sites it deems appropriate for aquaculture facilities. If the department identifies such sites, it shall do so by October 1, 1980, and shall by the same date transmit information identifying such sites to the commission and the relevant local government agency. The commission, and where appropriate, local governments shall, consistent with the coastal planning requirements of this division, provide for as many coastal sites identified by the Department of Fish and Game for such uses as are consistent with the policies of Chapter 3 (commencing with Section 30200) of this division

SEC. 4. The operative provisions of this act shall be implemented by the Department of Fish and Game and the Resources Agency as funds are available within the department or the agency, or may hereafter become available through legislative appropriation, for the purposes of this act.

SEC. 5 The unencumbered balance of the money appropriated in category (c) of Item 171 of the Budget Act of 1978 is hereby reappropriated to the Department of Fish and Game for expenditure for the purpose specified therein. Such money shall be available for encumbrance until June 30, 1980.

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 the aquaculture program contemplated by Item 171 of the Budget Act of 1978 for the 1978–79 fiscal year may be commenced during the 1978–79 fiscal year, it is necessary that this act go into immediate effect.

CHAPTER 188

An act to add Section 7124.5 to the Business and Professions Code, relating to contractors, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 29, 1979 Filed with Secretary of State June 29, 1979]

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

SECTION 1. Notwithstanding the proviso contained in Item 426.1 of the Budget Act of 1978, the Contractors' State License Board is hereby authorized to expend such funds from the Contractors' License Fund, in accordance with the provisions of Chapter 2 (commencing with Section 150) of Division 1 of, and Chapter 9 (commencing with Section 7000) of Division 3 of, the Business and Professions Code, as is deemed necessary to meet contingencies and emergencies during the 1978-79 fiscal year.

SEC. 2. Section 7124.5 is added to the Business and Professions Code, to read:

7124.5. The board shall not make public disclosure of complaints against a licensee except pursuant to a uniform policy if adopted by the Department of Consumer Affairs, after public hearings, which is applicable to all boards, bureaus, commissions, divisions, offices, or officers subject to the jurisdiction of the department.

SEC. 3. There is hereby appropriated from the Contractors' License Fund to the Contractors' State License Board an amount equal to the unencumbered balance of such fund, but not to exceed two hundred eighty-three thousand two hundred twenty-eight dollars ($283,228), to carry out the provisions of Section 1 of this act.

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

The Contractors' State License Board is presently experiencing an overwhelming increase in license applications and consumer complaints and in order to meet staffing needs required to timely process the increased number of license applications and to investigate such complaints in a timely manner it is necessary that this act go into immediate effect

CHAPTER 189

An act to add Section 7150.5 to the Fish and Game Code, relating to fish, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 29, 1979 Filed with Secretary of State June 29, 1979.]

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

SECTION 1. Section 7150.5 is added to the Fish and Game Code, to read:

7150.5. A sport fishing license, valid for only one designated day, may be issued to any person over the age of 16 years upon payment of a fee of two dollars ($2). Such license shall grant the privilege of taking fish, except for mollusks, crustaceans, invertebrates, or amphibians, from ocean waters as defined in Section 7150. A sport fishing license stamp may not be purchased for such license.

SEC. 2. Section 7150.5 is added to the Fish and Game Code, to read:

7150.5. A sport fishing license, valid for only one designated day, may be issued to any person over the age of 16 years upon payment of a fee of two dollars ($2). Such license shall grant the privilege of taking fish, except for mollusks, crustaceans, invertebrates, or amphibians, from ocean waters as defined in Section 7150. A trout and salmon license stamp is required to authorize such person to take salmon or steelhead in ocean waters. Such stamp shall be issued upon payment of a base fee of three dollars ($3) plus an amount calculated in accordance with Section 713. An inland water license stamp may not be purchased for such license.

SEC. 3. Section 2 of this act shall become operative only if Senate Bill No. 201 of the 1979–80 Regular Session is chaptered and contains provisions requiring the purchaser of a sport fishing license to obtain a trout and salmon license stamp in order to take salmon or steelhead in ocean waters, in which case Section 2 shall become operative at the same time Senate Bill No. 201 becomes operative. If Section 2 becomes operative as provided in this section, Section 1 of this act shall no longer be operative and is repealed.

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

The cost of a three-day fishing license increased to four dollars ($4) as of January 1, 1979, and as a consequence persons fishing in ocean waters aboard commercial fishing passenger vessels or party boats are now required to pay a license fee that is only one dollar ($1) less than the price to California residents of a fishing license good for one year five dollars ($5). In order that persons, including California

residents, who will be fishing for one day only pay a more equitable fee for such privilege, it is necessary that this act take effect immediately.

CHAPTER 190

An act to add Sections 1232.8, 1232.9, and 1232.10 to the Government Code, relating to continuation of state government, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor June 29, 1979 Filed with Secretary of State June 29, 1979.]

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

SECTION 1. Section 1232.8 is added to the Government Code, to read:

1232.8. On or after June 30, 1979, no state officer or employee shall be deemed to have a break in service or to have terminated his employment, for any purpose, nor to have incurred any change in his authority, status, or jurisdiction or in his salary or other conditions of employment, solely because of the failure to enact a Budget Bill for the 1979–80 fiscal year prior to the end of the preceding fiscal year.

Every person who entered state service between June 30, 1979, and the effective date of the Budget Bill for the 1979–80 fiscal year shall be deemed a state officer or employee, as the case may be, from the time he entered state service until that date, notwithstanding the failure to enact a Budget Bill for the 1979–80 fiscal year prior to his entry into service.

SEC. 2. Section 1232.9 is added to the Government Code, to read:

1232.9. Funds from each appropriation made in the Budget Act of 1979 may be expended to pay such salary adjustments as are authorized by salary-fixing authorities to provide an increase in the compensation for officers and employees during the month of July 1979 to provide compensation equivalent to that which they would have otherwise received had the Budget Act of 1979 been adopted prior to July 1, 1979.

SEC. 3. Section 1232.10 is added to the Government Code, to read:

1232.10. Funds from each appropriation made in the Budget Act of 1979 may be expended to pay any obligation incurred between the commencement of the 1979–80 fiscal year and the effective date of the Budget Act of 1979, which would otherwise have been authorized by the Budget Act of 1979, had that act been adopted prior to July 1979 subject to the same limitations, conditions, and requirements.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within

the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The failure to enact prior to July 1, 1979, a Budget Bill for the 1979–80 fiscal year will create serious questions regarding the continuity of employment of state personnel, as well as other fiscal matters, and it is therefore essential that this act take immediate effect.

CHAPTER 191

An act to add Chapter 8 (commencing with Section 19800) to Part 2 of Division 10 of the Welfare and Institutions Code, relating to independent living centers, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 2, 1979 Filed with Secretary of State July 2, 1979.]

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

SECTION 1. Chapter 8 (commencing with Section 19800) is added to Part 2 of Division 10 of the Welfare and Institutions Code, to read:

CHAPTER 8. INDEPENDENT LIVING CENTERS

19800. The Legislature hereby finds and declares that disabled individuals comprise a large percentage of California's total population and that action is necessary to assist these individuals in their attempts to live fuller and freer lives outside institutions. To achieve this, it is necessary to:

(a) Provide state funding to maintain the services provided by existing independent living centers and, where feasible, encourage the establishment of new centers which provide services to disabled individuals; and

(b) Vest in the Department of Rehabilitation the responsibility and authority for the encouragement of the planning, developing, and funding of independent living centers. The Department of Rehabilitation shall consult with existing independent living centers in this state regarding funding procedures and decisions.

19801. An independent living center shall:

(a) Be a private, nonprofit organization controlled by a board of directors A majority of the board shall be comprised of disabled individuals;

(b) Be staffed by persons trained to assist disabled persons in achieving social and economic independence. The staff shall include as large a proportion as is practicable of disabled individuals;

(c) Provide, but not be limited to, the following services to

disabled individuals.

(1) Peer counseling,

(2) Advocacy,

(3) Attendant referral,

(4) Housing assistance and

(5) Other referrals.

(d) Provide other services and referrals as may be deemed necessary, such as transportation, job development, equipment maintenance and evaluation, training in independent living skills, mobility assistance, and communication assistance.

19802. For the purposes of this chapter, a "disabled individual" is as defined pursuant to the Federal Vocational Rehabilitation Act of 1973 (Section 706 of Title 29 of the United States Code), as amended in 1974.

19803. Services provided to disabled individuals shall be tailored to suit the individual needs and shall be available to individuals with all types of disabilities.

19804. An independent living center shall not operate in conjunction with or be affiliated with a residential living center.

19805. The Department of Rehabilitation shall cause the independent living centers funded by this chapter to be evaluated by an independent public or private agency by March 1, 1980. No more than two hundred thousand dollars ($200,000) of the amount appropriated in this act shall be used for the purposes of this section The evaluation shall include, but not be limited to

(a) The number and description of disabled individuals by disability, who receive services from the independent living centers;

(b) The range of problems presented by the individuals served and the services provided in response to those problems;

(c) The number of individuals who moved from an institutional setting to a more independent setting by type of setting;

(d) The number of individuals who entered vocational rehabilitation or employment;

(e) The impact of the services on medical and supportive service costs;

(f) The impact of the services on the disabled individuals participation in family and community activities;

(g) The cost and savings to the General Fund of providing the services,

(h) Other sources of funding independent living centers; and

(i) Other information specified by the department

19806. The Department of Rehabilitation shall submit to the Legislature and the Governor a report by March 30, 1980. The report shall contain the information specified in Section 19805 and recommendations for administrative and legislative changes The policy committees of the Assembly and Senate shall review the evaluation as specified in Section 19805 and the March 30, 1980 report of the Department of Rehabilitation

SEC 2 The sum of two million dollars ($2,000,000) is

appropriated for fiscal year 1979–80 from the General Fund to the Department of Rehabilitation for the purposes of funding independent living centers pursuant to Chapter 8 (commencing with Section 19800) of Part 2 of Division 10 of the Welfare and Institutions Code, as enacted by 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:

In order that the benefits of independent living center services provided by this act may be conferred upon the disabled in this state at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 192

An act making an appropriation in augmentation of Items 411, 414, 415, 417, 418, 422, and 424 of the Budget Act of 1978, relating to state employees, and to take effect immediately.

[Passed over Governor's veto July 2, 1979 Filed with Secretary of State July 2, 1979]

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

SECTION 1 The sum of two hundred seven million six hundred sixty-nine thousand five hundred dollars ($207,669,500) is hereby appropriated from the General Fund and from the appropriate special funds as follows:

(a) The sum of two hundred seven million five hundred ninety-six thousand dollars ($207,596,000) is hereby appropriated from the General Fund and from the appropriate special funds to be allocated by the Department of Finance as follows:

(1) To augment Items 411, 414, 415, 417, 418, 422, and 424 of the Budget Act of 1978 (Chapter 359, Statutes of 1978).

(2) For salary and benefit increases for the Chancellor of the California Community Colleges and the Director of the California Postsecondary Education Commission

The appropriation under this subdivision shall be allocated so that current employees on or after May 31, 1979, and academic year employees employed at the end of their current academic year who are covered by paragraphs (1) and (2) of this subdivision receive a 7 percent salary increase, and a lump sum payment, if any, to such employees to provide compensation equivalent to that which they would have otherwise received from October 1, 1978, through June 30, 1979, had this act become operative on October 1, 1978

(b) The remaining sum of seventy-three thousand five hundred dollars ($73,500) is hereby appropriated from the General Fund to

the State Controller to administer the provisions of this act.

The adjustments provided by subdivision (a) are provided not as a retroactive salary increase, but for continued services rendered on or after the effective date of this act to the extent any such services may be rendered. Recent events make these adjustments necessary to ensure the continued recruitment and retention of qualified and competent state employees.

The lump sum payment provided for in subdivision (a) shall also be paid to those employees who retired between October 1, 1978, and May 31, 1979.

Notwithstanding the provisions of subdivision (a) of Section 18004 of the Government Code, the approval of the Department of Finance is not required for the salary increases as provided in this section for, or for such increases to become effective and payable to, the Director of the California Postsecondary Education Commission and the Chancellor of the California Community Colleges.

SEC. 1.5. The sum of two hundred seven million six hundred sixty-nine thousand five hundred dollars ($207,669,500) is hereby appropriated from the General Fund and from the appropriate special funds as follows:

(a) The sum of two hundred seven million five hundred ninety-six thousand dollars ($207,596,000) is hereby appropriated from the General Fund and from the appropriate special funds to be allocated by the Department of Finance as follows:

(1) For salary and benefit increases for the state employees covered by Items 411, 414, 415, 417, 418, 422, and 424 of the Budget Act of 1978 (Chapter 359, Statutes of 1978).

(2) For salary and benefit increases for the Chancellor of the California Community Colleges and the Director of the California Postsecondary Education Commission.

The appropriation under this subdivision shall be allocated so that current employees on or after May 31, 1979, and academic year employees employed at the end of their current academic year who are covered by paragraphs (1) and (2) of this subdivision receive a lump sum payment to such employees to provide compensation equivalent to that which they would have otherwise received from October 1, 1978, through June 30, 1979, had they received a 7 percent salary increase on October 1, 1978.

(b) The remaining sum of seventy-three thousand five hundred dollars ($73,500) is hereby appropriated from the General Fund to the State Controller to administer the provisions of this act.

The adjustments provided by subdivision (a) are provided not as a retroactive salary increase, but for continued services rendered on or after the effective date of this act to the extent any such services may be rendered. Recent events make these adjustments necessary to ensure the continued recruitment and retention of qualified and competent state employees.

The lump sum payment provided for in subdivision (a) shall also be paid to those employees who retired between October 1, 1978,

and May 31, 1979.

Notwithstanding the provisions of subdivision (a) of Section 18004 of the Government Code, the approval of the Department of Finance is not required for the salary increases as provided in this section for, or for such increases to become effective and payable to, the Director of the California Postsecondary Education Commission and the Chancellor of the California Community Colleges.

SEC. 2. Notwithstanding any other provision of law to the contrary, nothing herein shall be construed as authorizing or requiring an increase in the benefits of any other state program not provided for in this act, except for retirement benefits and contributions

SEC. 2.5 If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable

SEC. 2 7. Sections 1 and 1.5 of this act shall not apply to any employee who is a member of an employee class that receives a general salary increase in the 1979–80 fiscal year greater than that received by state employees generally, except for employee classes that the State Personnel Board has granted adjustments pursuant to Section 18850 of the Government Code. If payments have been made to employees pursuant to Section 1 or Section 1.5 of this act which violate this section, the payments shall constitute overpayments which the employees have no legal right to retain, and the State Controller, in cooperation with the various state agencies, shall set up accounts receivable to effect a return of the overpayments from the employees involved to the state. The State Controller may prorate the collection of the overpayments for the remainder of the 1979–80 fiscal year by deducting amounts monthly from the salaries otherwise owed the employees.

SEC. 2.8. (a) Section 1 of this act shall become operative only if this act takes effect prior to July 1, 1979.

(b) Section 1.5 of the act shall become operative only if this act takes effect after June 30, 1979.

SEC. 3 This act makes an appropriation for the usual current expenses of the state within the meaning of Article IV of the Constitution and shall go into immediate effect.

CHAPTER 193

An act calling an election to be conducted on November 6, 1979, and to provide for the submission to the voters of the state at such election certain constitutional amendments proposed by the Legislature at the 1977–78 and 1979–80 Regular Sessions of the Legislature, to take effect immediately, an act calling an election.

[Approved by Governor July 2, 1979 Filed with Secretary of State July 2, 1979]

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

SECTION 1 An election is hereby called to be held throughout the state on the 6th day of November 1979.

There shall be submitted to the voters at such election the following measures: Senate Constitutional Amendment No. 2 (Res. Ch. 18) and Assembly Constitutional Amendment No. 52 of the 1979–80 Regular Session of the Legislature; Senate Constitutional Amendment No. 60 (Res. Ch. 85) of the 1977–78 Regular Session of the Legislature; and the initiative constitutional amendment certified by the Secretary of State on April 10, 1979, relating to spending limits. In addition, there shall also be submitted to the voters at such election Senate Constitutional Amendment No. 4, Senate Constitutional Amendment No. 6, Senate Constitutional Amendment No. 16, Senate Constitutional Amendment No. 17, and Assembly Constitutional Amendment No. 2 of the 1979–80 Regular Session of the Legislature if any or all such constitutional amendments, including Assembly Constitutional Amendment No 52, are passed by the Legislature on or before July 20, 1979.

All measures referred to herein shall be subject to the provisions contained in the Elections Code and the Government Code governing the submission of measures proposed by the Legislature and the conduct of statewide elections.

However, notwithstanding either Section 3525 or Section 10218 of the Elections Code, the Secretary of State shall place the measures referred to herein on the ballot in the same order in which such measures are referred to in this section and no other constitutional amendment proposed by the Legislature shall appear on said ballot.

SEC 2. It is the intent of the Legislature to reimburse local entities, by augmenting the appropriation made by Item 434 of the Budget Bill of 1979 for costs incurred in carrying out the election called pursuant to this act.

SEC. 3. This act calls an election within the meaning of paragraph (2) of subdivision (c) of Section 8 of Article IV of the Constitution and shall go into immediate effect

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CHAPTER 194

An act to amend Section 2982 of the Civil Code, to amend Sections 18008, 18064, 18211, and 18550 of, and to add Section 18550 5 to, the Health and Safety Code, and to amend Sections 396, 5350, 35112, and 35790 of the Vehicle Code, relating to mobilehomes.

[Approved by Governor July 2, 1979. Filed with Secretary of State July 2, 1979.]

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

SECTION 1. Section 2982 of the Civil Code is amended to read:

2982. (a) Every conditional sale contract for the sale of a motor vehicle, with or without accessories, shall be in writing and, if printed, shall be printed in type no smaller than 6 point, and shall contain in a single document all of the agreements of the buyer and seller with respect to the total cost and the terms of payment for the motor vehicle, including any promissory notes or any other evidences of indebtedness. The conditional sale contract or a purchase order shall be signed by the buyer or his authorized representative and by the seller or its authorized representative, and an exact copy thereof shall be furnished the buyer by the seller at the time the buyer and the seller have signed the contract or purchase order. No motor vehicle shall be delivered under this chapter until the seller delivers to the buyer a fully executed copy of the conditional sale contract or purchase order and any vehicle purchase proposal and any credit statement which the seller has required or requested the buyer to sign, and which he has signed, during the contract negotiations. The seller shall not obtain the signature of the buyer to a contract when it contains blank spaces to be filled in after it has been signed. Every conditional sale contract shall contain, although not necessarily in the sequence or order set forth below, the following separate items:

1. The cash price of the motor vehicle described in the conditional sale contract.

2. The amount of the buyer's downpayment, and whether made in cash or represented by the net agreed value of described property traded in, or both, together with a statement of the respective amounts credited for cash and for such property.

3. The unpaid balance of cash price, which is the difference between items 1 and 2.

4. The cost to the buyer of any insurance, the premium for which is included in the contract balance. Any such cost for credit life or disability insurance may be included in the finance charge if the amount thereof is separately stated on the face of the contract.

5. The amounts, if any, paid or to be paid to any public officer in connection with the transaction and for license, certificate of title, and registration fees imposed by law.

6. The amount, if any, charged by the dealer for documentary preparation If a dealer charges a buyer a documentary preparation charge, then the contract shall contain a notice advising the buyer that such charge is not a governmental fee.

7. The amount of the unpaid balance, which is the sum of items 3, 4, 5, and 6

8 The amount of the finance charge, and the annual percentage

rate as defined in the Federal Truth-In-Lending Act (15 U.S.C. 1601 et seq.).

9. The total of payments, which is the sum of items 6 and 7, payable by the buyer to the seller, the number of installments required, the amount of each installment, and the date for payment of the installments.

10. The names and addresses of all persons to whom the notice required under Section 2983.2 and permitted under Sections 2983.5 and 2984 of this code is to be sent.

11. A notice, in at least 8-point bold type if the contract is printed, reading as follows: "Notice to the buyer: (1) Do not sign this agreement before you read it or if it contains any blank spaces to be filled in. (2) You are entitled to a completely filled-in copy of this agreement. (3) Under the law, you have the right to pay off in advance the full amount due and under certain conditions to obtain a partial refund of the finance charge. (4) If you default in the performance of your obligations under this agreement, the vehicle may be repossessed and you may be subject to suit and liability for the unpaid indebtedness evidenced by this agreement."

12. A notice to the buyer, in writing, and, if printed, in type no smaller than 8 point, that complaints concerning unfair or deceptive practices or methods by the seller shall be referred to the seller and, if the complaint is not resolved, may be referred to the Department of Motor Vehicles, Division of Compliance, 2570 24th Street, Sacramento, 95818.

(b) If any charge for insurance (other than for credit life or disability) is included in the contract balance and disbursement of any part thereof be made more than one year after the date of the conditional sale contract, any finance charge on the amount to be disbursed after one year shall be computed from the month the disbursement is to be made to the due date of the last installment under the conditional sale contract.

(c) The amount of the finance charge in any conditional sale contract for the sale of a motor vehicle, with or without accessories, shall not exceed 1 percent of the unpaid balance multiplied by the number of months (computed on the basis of a full month for any fractional month period in excess of 15 days) elapsing between the date of the contract and the due date of the last installment, or twenty-five dollars ($25), whichever is greater. The contract may provide for a delinquency charge or charges on any installment in default for a period of not less than 10 days in an amount not to exceed in the aggregate 5 percent of the installment, which amount may be collected only once on any installment regardless of the period during which it remains in default. The contract may provide for reasonable collection costs and fees in the event of delinquency.

(d) Any provision in any conditional sale contract for the sale of a motor vehicle to the contrary notwithstanding, the buyer shall have the privilege of paying at any time in full the indebtedness evidenced by the contract Whenever an indebtedness is liquidated prior to

maturity by prepayment or refinancing, or upon surrender or repossession and disposition of the motor vehicle, the holder shall thereupon refund to the buyer the unearned portion of the finance charge. The refund may be made in cash or credited to the amount due on the obligation of the buyer. The amount of the refund shall represent at least as great a proportion of the finance charge as the sum of the periodic time balances payable more than 15 days after the date of prepaying (or other event entitling the buyer to the refund) bears to the sum of all of the periodic time balances under the schedule of installments in the contract. The provisions of this subdivision shall not impair the right of the seller or his assignee to receive delinquency charges on delinquent installments and reasonable costs and fees as provided in subdivision (c) of this section. Where the amount of such refund is less than one dollar ($1), no refund need be made. Where the finance charge, after computing the refund, amounts to less than twenty-five dollars ($25), there may be retained an amount equal to twenty-five dollars ($25)

(e) Notwithstanding any other provision of this chapter to the contrary, in the event any required downpayment on which no finance charge is imposed is to be made by the buyer to the seller on a conditional sale contract after the date of such contract but prior to the date of the second payment otherwise scheduled, the amount of such payment may be shown in such contract as a deferred portion of the cash downpayment or as a deduction from the amount of the unpaid balance, and shall be included in the total of payments.

(f) Notwithstanding any other provision of this chapter to the contrary, in any instance in which vendor's single-interest insurance is to be written in connection with a conditional sale contract, a conditional sale contract complying with the applicable disclosure requirements of Regulation Z, as in effect on the date of such contract, shall be deemed to comply with the requirements of paragraphs 1 to 8, inclusive, of subdivision (a), irrespective of any difference between the provisions of that regulation and this chapter with respect to any information to be disclosed, the terminology, form or content of such disclosures, the amounts to be included in or manner of determining the unpaid balance, the finance charge or any other item of information to be disclosed, or otherwise. This subdivision shall have no application to the determination of the amount of the unpaid balance, the finance charge, or any other amount for the purpose of computing the maximum permissible finance charge or the refund of any unearned portion of the finance charge under subdivisions (c) and (d), respectively, or for the purpose of computing any penalty under Section 2983.1.

(g) Notwithstanding any other provision of this chapter to the contrary, any information required to be disclosed in a conditional sale contract under this chapter may be set forth in terminology required or permitted under Regulation Z, as in effect at the time such disclosure is made. Nothing contained in this chapter shall be deemed to prohibit the disclosure in such contract of additional

information required or permitted under Regulation Z, as in effect at the time such disclosure is made.

(h) If the requirements of this section are otherwise met, the preparation and use of a separate document for agreements governing the ownership of the wheels, wheel hubs, and axles and for escrow instructions under Section 11950 of the Vehicle Code, relating to the sale of mobilehomes, shall not violate the single-document requirement of subdivision (a).

Without such an agreement governing the ownership of wheels, wheel hubs, and axles, no dealer or transporter shall remove or cause to be removed any wheel, wheel hub, or axle from any mobilehome. Any price quoted for any mobilehome in a conditional sale contract, purchase order, or security agreement pursuant to this section shall state whether such price includes or excludes the cost of wheels, wheel hubs, and axles. If such price does not include the wheels, wheel hubs, or axles, it shall show a deduction for the cost of such parts not included.

SEC. 2. Section 18008 of the Health and Safety Code is amended to read:

18008. "Mobilehome", for the purposes of this chapter, is a structure, transportable in one or more sections, designed and equipped to contain not more than two dwelling units, and shall not include a recreational vehicle, commercial coach, or factory-built housing.

SEC. 3 Section 18064 of the Health and Safety Code is amended to read·

18064. (a) The manufacturer of any new mobilehome manufactured on or after January 1, 1977, which is required to be moved under a permit, shall affix a label to the mobilehome, if it is to be displayed for retail sale in the State of California, which contains the following information about the mobilehome:

(1) Make, model, and serial or identification number.

(2) Final assembly point

(3) Name and location of dealer to whom delivered.

(4) Name of city or town at which delivered.

(5) Manufacturer's suggested retail price which shall include the price of the following·

(A) The basic mobilehome unit.

(B) Extra construction features and materials.

(C) Total price of the mobilehome.

(D) A statement of whether the price includes or excludes the wheels, wheel hubs, and axles.

(b) The removal or alteration of any label required by this section from the mobilehome by anyone except the retail purchaser shall be a misdemeanor

SEC. 4 Section 18211 of the Health and Safety Code is amended to read·

18211. "Mobilehome", for the purposes of this chapter, is a structure, transportable in one or more sections, designed and

equipped to contain not more than two dwelling units, and shall not include a recreational vehicle, commercial coach, or factory-built housing.

SEC. 5. Section 18550 of the Health and Safety Code is amended to read.

18550. It shall be unlawful for any person to use or cause, or permit to be used for occupancy, any of the following mobilehomes, wherever such mobilehomes are located.

(a) Any mobilehome supplied with fuel, gas, water, electricity, or sewage connections, unless such connections and installations conform to regulations of the commission.

(b) Any mobilehome which is permanently attached with underpinning or foundation to the ground.

(c) Any mobilehome which does not conform to the registration requirements of the Vehicle Code. A mobilehome which may be moved under permit as provided for in Sections 35780 and 35790 of the Vehicle Code shall be deemed to conform to the requirements of such code within the meaning of this section.

(d) Any mobilehome in an unsanitary condition.

(e) Any mobilehome which is structurally unsound and does not protect its occupants against the elements.

(f) Any mobilehome which does not have a current annual vehicle license.

SEC. 6 Section 18550.5 is added to the Health and Safety Code, to read:

18550.5. (a) An owner of a mobilehome may remove or cause to be removed the wheels, wheel hubs, or axles from a mobilehome.

(b) A dealer may remove the wheels, wheel hubs, or axles from a mobilehome prior to sale if such dealer complies with subdivision (h) of Section 2982 of the Civil Code.

(c) A manufacturer may deliver a mobilehome to a dealer without the wheels, wheel hubs, or axles if such manufacturer complies with the provisions of Section 18064.

SEC. 7. Section 396 of the Vehicle Code is amended to read:

396. "Mobilehome" is a structure, transportable in one or more sections, designed and equipped to contain not more than two dwelling units, as defined in Section 18005.5 of the Health and Safety Code, and shall not include a recreational vehicle, as defined in Section 18010.5 of the Health and Safety Code, commercial coach, as defined in Section 18218 of the Health and Safety Code, or factory-built housing, as defined in Section 19971 of the Health and Safety Code.

SEC. 8. Section 5350 of the Vehicle Code is amended to read:

5350. The provisions of this division shall apply to trailer coaches except as otherwise provided in this article. For purposes of this division, a mobilehome shall be treated as a trailer coach.

SEC. 9. Section 35112 of the Vehicle Code is amended to read:

35112. Notwithstanding the limitations of this chapter, and in addition to the provisions of this chapter, drip rails, awning rails, drip

caps, rub rails, grab rails, electrical receptacles, bumper guards, window louvers, window frames, exhaust fans, and similar necessary appendages may extend two inches on each side of the main portion of the body of a trailer coach or a camp trailer; provided, that the maximum width of body and any or all of such appendages does not exceed 100 inches. Enactment of the foregoing provisions shall not be construed as a change in the existing law, but rather as declaratory thereof under the provisions of this chapter.

This section shall have no application to the national system of interstate and defense highways as described in Section 108 of the Federal-Aid Highway Act of 1956, and on such system the provisions of this chapter shall govern the permissible width of trailer coaches unless and until it be determined by the Attorney General of the State of California that the application of this section to trailer coaches using the national system of interstate and defense highways would not prevent the apportionments of federal funds to this state for expenditure upon such system of highways by reason of the provisions of the Federal-Aid Highway Act of 1956, relating to the use of public highways by vehicles having a width not exceeding the maximums permitted under laws or regulations established by appropriate state authorities in effect on July 1, 1956.

It is further provided, that regardless of the opinion of the Attorney General of the State of California, in the event of a determination by the Secretary of Commerce, or other officer of the federal government authorized to rule on this subject, that the application of this section to the national system of interstate and defense highways would result in the withholding of any apportionment of federal funds to this state, then this section shall forthwith become inoperative.

For purposes of this section, a mobilehome shall be treated as a trailer coach.

SEC. 10. Section 35790 of the Vehicle Code is amended to read:

35790. (a) The Department of Transportation or local authorities with respect to highways under their respective jurisdictions may upon application in writing and if good cause appears issue a special or annual permit in writing authorizing the applicant to move any trailer coach in excess of the maximum width but not exceeding 10 feet in width, exclusive of lights and devices provided for in Sections 35112, 35109, and 35110, upon any highway under the jurisdiction of the party granting such permit.

(b) A public agency in the exercise of its discretion in granting permits for the movement of overwidth trailer coaches, and in considering the individual circumstances of each case, may use merchandising or relocation of residence as a basis for movement for good cause.

(c) The application for a special permit shall specifically describe the trailer coach to be moved and the particular highways over which the permit to operate is requested, and whether the permit is requested for a single trip or for continuous operation.

The application for an annual permit shall specifically describe the power unit to be used to tow the overwidth trailers and the particular highways over which the permit to operate is requested. The annual permit shall be subject to all of the conditions of this section and any additional conditions imposed by the public agency.

(d) The Department of Transportation or local authority is authorized to establish seasonal or other time limitations within which a trailer coach may be moved on the highways indicated, and may require an undertaking or other security as may be deemed necessary to protect the highways and bridges from injury or to provide indemnity for any injury resulting from the operation.

(e) Permits for the movement of trailer coaches as provided for in this section may not be issued except to licensed manufacturers, dealers and transporters and only under the following conditions:

1. The power unit used to tow overwidth trailers having a gross weight of 18,000 pounds or less must be a three-quarter-ton truck or tractor, or a truck or tractor of greater power, equipped with dual wheels. The power unit used to tow an overwidth trailer having a gross weight of more than 18,000 pounds must be a ton-and-one-half truck or tractor or truck or tractor of greater power, equipped with dual wheels.

2. The trailer coach for which the permit is issued shall comply with the provisions of Sections 35550 and 35551 of this code.

3. A permit which has been issued for the movement of any trailer coach shall not be valid between sunset and sunrise of the following day, nor between sunset on Friday to sunrise on Monday following, nor on any days declared to be legal holidays by the state.

(f) The Department of Transportation or local authority shall have the authority to establish additional reasonable permit regulations as they may deem necessary in the interest of public safety, which regulations shall be consistent with this section.

(g) Every permit shall be carried in the trailer coach or power unit to which it refers and shall be open to inspection of any peace officer or traffic officer, any authorized agent of the Department of Transportation or any other officer or employee charged with the care and protection of the highways.

(h) It is unlawful for any person to violate any of the terms or conditions of any such permit.

(i) To the extent that the application of this section to highways which are a part of the National System of Interstate and Defense Highways (as referred to in subdivision (a) of Section 108 of the Federal-Aid Highway Act of 1956) would cause this state to be deprived of any federal funds for highway purposes, this section to such extent shall not be applicable to highways which are a part of such system.

(j) For purposes of this section, a mobilehome shall be treated as a trailer coach.

SEC. 11 Nothing in this act shall be construed to permit any person or entity to require the removal of wheels, wheel hubs, or

axles from a mobilehome or to prevent the owner of a mobilehome from removing or causing to be removed such wheels, wheel hubs, or axles from such person's mobilehome.

CHAPTER 195

An act to amend Section 7308 of the Government Code, relating to state lands.

[Approved by Governor July 2, 1979 Filed with Secretary of State July 2, 1979.]

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

SECTION 1. Section 7308 of the Government Code is amended to read:

7308. Unless otherwise provided in the terms of acceptance or prohibited by encumbrances on the land, real property conveyed to the state under this chapter may be conveyed, transferred, exchanged, or granted only if the secretary finds that the state has received in exchange land of comparable significance or a combination of money and land of comparable significance, at least equal to the fair market value of the land conveyed, transferred, exchanged, or granted.

The findings of the secretary as to land of comparable significance or of money and land of comparable significance, and of fair market value, shall be conclusively presumed in favor of any person to whom the land is conveyed, transferred, exchanged, or granted.

CHAPTER 196

An act to amend Section 41803 of the Health and Safety Code, relating to air pollution.

[Approved by Governor July 2, 1979 Filed with Secretary of State July 2, 1979.]

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

SECTION 1. Section 41803 of the Health and Safety Code is amended to read:

41803. No authorization, however, under Section 41802 or 41804.5 shall be granted after such date as the state board may determine, based upon a finding that an alternative method of disposal has been developed which is technologically and economically feasible.

CHAPTER 197

An act to amend Section 135 of the Harbors and Navigation Code, and to amend Section 6873 of the Public Resources Code, relating to water pollution, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 2, 1979. Filed with Secretary of State July 2, 1979]

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

SECTION 1. Section 135 of the Harbors and Navigation Code is amended to read

135. (a) It is unlawful to cause or permit any petroleum, chemical, or other hazardous substance to be transferred between a vessel and a shore facility or another vessel by means of a pipeline or similar conduit unless the flow is continuously monitored by a properly installed, operated, and maintained mechanism that will warn of the imminent occurrence of an overflow of the substance being transferred so that the flow can be terminated in time to avert the overflow, and unless the vessel and the shore facility are each equipped with a properly installed, operated, and maintained mechanism that will warn whenever any person is no longer properly discharging his duties in connection with the transfer, is inattentive, or becomes disabled for any reason. Violation of this section is a misdemeanor. However, it shall be a defense to any prosecution for a violation of this section if the mechanism was properly installed and was at all times properly operated and maintained by the person responsible for the mechanism.

(b) This section does not apply to any transfer of fuel to any self-propelled vessel of less than 65 feet in length at any facility equipped with dispensing nozzles of the automatic shut-off type that do not have catch-locks and meet all federal standards.

(c) This section does not apply to any on-shore receiving tankage if appropriate containment or diversionary structures, or both, or other equipment that is adequate to prevent the overflowed substance from reaching the waters of the state is provided.

(d) This section shall become operative with respect to a tank vessel that is subject to examination by the United States Coast Guard not later than the first occasion on or after January 1, 1980, that it is required to be drydocked or hauled out for such examination, as provided in Section 31.10-20 of Title 46 of the Code of Federal Regulations. This section shall become operative on July 1, 1980, with respect to any vessel that is not subject to any such examination; any tank barge, regardless of whether it is subject to such an examination; and any shore facility not made exempt by subdivision (c).

(e) As used in this section, "vessel" means every description of watercraft or other contrivance used, or capable of being used, as a

means of transportation through or on water, including, but not limited to, a barge.

(f) As used in this section, "hazardous substance" means any such substance defined in paragraph (2) of subsection (b) of Section 1321 of Title 33 of the United States Code.

SEC. 2. Section 6873 of the Public Resources Code is amended to read:

6873. When leasing tide or submerged lands or beds of navigable rivers or lakes, the commission shall prepare a form of lease which shall contain, in addition to other provisions deemed desirable and necessary by the commission, appropriate provisions contained in this chapter and the following:

(a) Each well drilled pursuant to the terms of the lease may be drilled or slant-drilled to and into the subsurface of the tide or submerged lands or beds of navigable rivers or lakes, covered by the lease from upland, riparian or littoral drill sites owned or controlled by the state or owned by or available, at any time, to the lessee, or from drill sites located upon any filled lands heretofore or hereafter filled, whether contiguous or noncontiguous to the riparian or littoral lands or uplands, or from any pier heretofore or hereafter constructed owned by or available to the lessee and available for such purpose, or from platforms or other fixed or floating structure in, on or over the tide or submerged lands or beds of navigable rivers or lakes, covered by the lease or otherwise available to the lessee.

(b) Such lease shall prohibit the pollution or contamination of the ocean, tidelands, or navigable rivers or lakes, and shall prohibit the impairment of and interference with bathing, fishing, or navigation in the waters of the ocean, any bay or inlet thereof, or any navigable river or lake, and shall prohibit the impairment of and interference with developed shoreline recreational or residential areas. In addition, no oil, tar, residuary product of oil, or any refuse of any kind from any well or works shall be permitted to be deposited on or pass into the waters of the ocean, any bay or inlet thereof, or any navigable river or lake.

This subdivision does not apply to the deposit on or passage into such waters of water not containing any hydrocarbons or vegetable or animal matter.

This subdivision does not prohibit the deposit on or passage into the waters of the ocean or any bay or inlet thereof of drill cuttings or drilling mud which are free of oil and materials that are deleterious to marine life if such activities are under authorization of a regional water quality control board.

(c) If the lessee, as disclosed by information submitted with his bid, proposes to drill one or more wells from filled lands, whether contiguous or noncontiguous to the riparian or littoral lands or uplands, or from any pier or from platforms or other fixed or floating structures to be constructed for such purpose, and if permission from any federal or state agency is legally required in order to construct any such filled land or structures, the lessee shall be allowed a

reasonable time following the execution of the lease within which to secure the necessary permission from such federal and state agencies as shall be legally required, and, upon the securing of such permission, a further reasonable time, determined with regard to the nature of the filled lands or structure or structures to be constructed, within which to commence operations for the drilling of such well or wells. The drilling term of the lease shall be extended by the commission by a period equal to such reasonable time to secure such permission, and, if necessary, to the date to which the time to commence operations for the drilling of such well or wells has been extended.

(d) Any offshore filled lands or structure or structures constructed for the purpose of drilling pursuant to this section shall conform to the rules and regulations of the commission in effect at the time of invitation for bids in pursuance of which the lease is awarded. Drilling, whether from upland, riparian, littoral or offshore locations, shall be conducted in conformance with such rules and regulations in effect at the time of invitation for bids in pursuance of which the lease is awarded

In the case of any existing lease of tide or submerged lands, the commission may, with the consent of the other party thereto, amend the same so as to contain or conform with subdivisions (a), (b), (c) and (d) hereof, or any of them, except that the provisions of said subdivision (d) when incorporated into such a lease by such an amendment shall refer to the rules and regulations in effect at the time such amendment is made rather than to those in effect at the time of invitation for bids in pursuance of which the lease is awarded and said subdivision (a) may not be incorporated into such a lease without also incorporating said subdivision (d) therein.

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.

It appears that some portions of the affected industries may not be able to comply in a timely manner with the requirements of law enacted in 1978 as Section 135 of the Harbors and Navigation Code. In addition, the scope of the prohibition set forth in subdivision (b) of Section 6873 of the Public Resources Code is in need of prompt clarification. Accordingly, it is necessary that this act take effect immediately

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CHAPTER 198

An act to amend Sections 799, 799.1, 799.2, 799.3, and 799.4 of, and to add Section 798.78 to, the Civil Code, relating to tenancies.

[Approved by Governor July 2, 1979 Filed with Secretary of State July 2, 1979]

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

SECTION 1. Section 798.78 is added to the Civil Code, to read:

798.78. An heir or joint tenant who gains ownership of a mobilehome in the mobilehome park through the death of the owner of the mobilehome who is a tenant shall have the right to sell the mobilehome to a third party in accordance with the provisions of this article.

SEC. 2. Section 799 of the Civil Code is amended to read:

799. As used in this article:

(a) "Ownership or management" means the ownership or management of a subdivision, cooperative, or condominium for mobilehomes.

(b) "Resident" means a person who maintains a residence in a subdivision, cooperative, or condominium for mobilehomes.

SEC 3. Section 799.1 of the Civil Code is amended to read:

799.1. A resident may advertise the sale or exchange of his mobilehome or, if not prohibited by the terms of an agreement with the management or ownership, may advertise the rental of his mobilehome by displaying a sign in the window of his mobilehome stating that the mobilehome is for sale or exchange or, if not prohibited, for rent by the owner of the mobilehome or his agent. The sign shall state the name, address, and telephone number of the owner of the mobilehome or his agent, and may be at least 12 inches in width and 12 inches in length.

SEC. 4. Section 799.2 of the Civil Code is amended to read:

799.2. The ownership or management shall not show or list for sale a mobilehome owned by a resident without first obtaining the owner's written authorization. The authorization shall specify the terms and conditions regarding the showing or listing.

Nothing contained in this section shall be construed to affect the provisions of the Vehicle Code governing the licensing of mobilehome salesmen.

SEC. 5. Section 799.3 of the Civil Code is amended to read:

799.3. The ownership or management shall not require the removal of a mobilehome from a subdivision, cooperative, or condominium in the event of its sale to a third party.

SEC. 6. Section 799.4 of the Civil Code is amended to read:

799.4. The ownership or management may require the right to prior approval of the purchaser of a mobilehome that will remain in the subdivision, cooperative, or condominium for mobilehomes and that the selling resident or his agent give notice of the sale to the ownership or management before the close of the sale. Approval cannot be withheld if the purchaser has the financial ability to pay the fees and charges of the subdivision, cooperative, or condominium unless the ownership or management reasonably determines that,

based on the purchaser's prior residences, he will not comply with the rules and regulations of the subdivision, cooperative, or condominium.

CHAPTER 199

An act to amend Section 1094.5 of the Code of Civil Procedure, to amend Sections 11370.3, 11505, 11517, and 11524 of the Government Code, and to amend Section 1203.4 of the Penal Code, relating to legal proceedings.

[Approved by Governor July 3, 1979. Filed with Secretary of State July 3, 1979.]

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

SECTION 1. Section 1094.5 of the Code of Civil Procedure is amended to read:

1094.5. (a) Where the writ is issued for the purpose of inquiring into the validity of any final administrative order or decision made as the result of a proceeding in which by law a hearing is required to be given, evidence is required to be taken and discretion in the determination of facts is vested in the inferior tribunal, corporation, board or officer, the case shall be heard by the court sitting without a jury. All or part of the record of the proceedings before the inferior tribunal, corporation, board or officer may be filed with the petition, may be filed with respondent's points and authorities or may be ordered to be filed by the court. If the expense of preparing all or any part of the record has been borne by the prevailing party, such expense shall be taxable as costs.

(b) The inquiry in such a case shall extend to the questions whether the respondent has proceeded without, or in excess of jurisdiction; whether there was a fair trial; and whether there was any prejudicial abuse of discretion. Abuse of discretion is established if the respondent has not proceeded in the manner required by law, the order or decision is not supported by the findings, or the findings are not supported by the evidence.

(c) Where it is claimed that the findings are not supported by the evidence, in cases in which the court is authorized by law to exercise its independent judgment on the evidence, abuse of discretion is established if the court determines that the findings are not supported by the weight of the evidence; and in all other cases, abuse of discretion is established if the court determines that the findings are not supported by substantial evidence in the light of the whole record.

(d) Notwithstanding the provisions of subdivision (c), in cases arising from private hospital boards, abuse of discretion is established if the court determines that the findings are not supported by

substantial evidence in the light of the whole record. Provided, however, in all cases in which the petition alleges discriminatory actions prohibited by Section 1316 of the Health and Safety Code, and the plaintiff makes a preliminary showing of substantial evidence in support of such allegation, the court shall exercise its independent judgment on the evidence and abuse of discretion shall be established if the court determines that the findings are not supported by the weight of the evidence.

(e) Where the court finds that there is relevant evidence which, in the exercise of reasonable diligence, could not have been produced or which was improperly excluded at the hearing before respondent, it may enter judgment as provided in subdivision (f) of this section remanding the case to be reconsidered in the light of such evidence; or, in cases in which the court is authorized by law to exercise its independent judgment on the evidence, the court may admit such evidence at the hearing on the writ without remanding the case.

(f) The court shall enter judgment either commanding respondent to set aside the order or decision, or denying the writ. Where the judgment commands that the order or decision be set aside, it may order the reconsideration of the case in the light of the court's opinion and judgment and may order respondent to take such further action as is specially enjoined upon it by law but the judgment shall not limit or control in any way the discretion legally vested in the respondent.

(g) Except as provided in subdivision (h), the court in which proceedings under this section are instituted may stay the operation of the administrative order or decision pending the judgment of the court, or until the filing of a notice of appeal from the judgment or until the expiration of the time for filing such notice whichever occurs first; provided that no such stay shall be imposed or continued if the court is satisfied that it is against the public interest; provided that the application for the stay shall be accompanied by proof of service of a copy of the application on the respondent. Service shall be made in the manner provided by Title 5 (commencing with Section 405) of Part 2 or Chapter 5 (commencing with Section 1010) of Title 14 of Part 2. If an appeal is taken from a denial of the writ, the order or decision of the agency shall not be stayed except upon the order of the court to which such appeal is taken; provided that, in cases where a stay is in effect at the time of filing the notice of appeal, such stay shall be continued by operation of law for a period of twenty (20) days from the filing of such notice. If an appeal is taken from the granting of the writ, the order or decision of the agency is stayed pending the determination of the appeal unless the court to which such appeal is taken shall otherwise order. Where any final administrative order or decision is the subject of proceedings under this section, if the petition shall have been filed while the penalty imposed is in full force and effect the determination shall not be considered to have become moot in cases where the penalty

imposed by the administrative agency has been completed or complied with during the pendency of such proceedings.

(h) (1) The court in which proceedings under this section are instituted may stay the operation of the administrative order or decision of any licensed hospital or any state agency made after a hearing required by statute to be conducted under the provisions of the Administrative Procedure Act, as set forth in Part 1 (commencing with Section 11500) of Division 3 of Title 2 of the Government Code, conducted by the agency itself or a hearing officer on the staff of the Office of Administrative Hearings pending the judgment of the court, or until the filing of a notice of appeal from the judgment or until the expiration of the time for filing such notice whichever occurs first; provided that such stay shall not be imposed or continued unless the court is satisfied that the public interest will not suffer and that the licensed hospital or agency is unlikely to prevail ultimately on the merits; and provided further that the application for the stay shall be accompanied by proof of service of a copy of the application on the respondent. Service shall be made in the manner provided by Title 5 (commencing with Section 405) of Part 2 or Chapter 5 (commencing with Section 1010) of Title 14 of Part 2.

(2) The standard set forth in this subdivision for obtaining a stay shall apply to any administrative order or decision of an agency which issues licenses pursuant to Division 2 (commencing with Section 500) of the Business and Professions Code or pursuant to the Osteopathic Initiative Act or the Chiropractic Initiative Act. With respect to orders or decisions of other state agencies, the standard in this subdivision shall apply only when the agency has adopted the proposed decision of the hearing officer in its entirety or has adopted the proposed decision but reduced the proposed penalty pursuant to subdivision (b) of Section 11517 of the Government Code; otherwise the standard in subdivision (g) shall apply.

(3) If an appeal is taken from a denial of the writ, the order or decision of the hospital or agency shall not be stayed except upon the order of the court to which such appeal is taken; provided that, in cases where a stay is in effect at the time of filing the notice of appeal, such stay shall be continued by operation of law for a period of twenty (20) days from the filing of such notice If an appeal is taken from the granting of the writ, the order or decision of the hospital or agency is stayed pending the determination of the appeal unless the court to which such appeal is taken shall otherwise order. Where any final administrative order or decision is the subject of proceedings under this section, if the petition shall have been filed while the penalty imposed is in full force and effect the determination shall not be considered to have become moot in cases where the penalty imposed by the administrative agency has been completed or complied with during the pendency of such proceedings.

SEC 2 Section 11370.3 of the Government Code is amended to

read

11370.3. The director shall appoint and maintain a staff of full-time and may appoint pro tempore part-time hearing officers qualified under Section 11502 of this code which is sufficient to fill the needs of the various state agencies. The director shall also appoint shorthand reporters and such other technical and clerical personnel as may be required to perform the duties of the office. The director shall assign a hearing officer for any proceeding arising under Chapter 5 of the Administrative Procedure Act and upon request from any agency may assign a hearing officer to conduct other administrative proceedings not arising under said chapter and shall assign hearing reporters as required Any hearing officer or other employee so assigned shall be deemed an employee of the office and not of the agency to which he is assigned. When not engaged in hearing cases, hearing officers may be assigned by the director to perform other duties vested in or required of the office including those provided for in Section 11370.5.

SEC 3 Section 11505 of the Government Code is amended to read·

11505 (a) Upon the filing of the accusation the agency shall serve a copy thereof on the respondent as provided in subdivision (c) The agency may include with the accusation any information which it deems appropriate, but it shall include a post card or other form entitled Notice of Defense which, when signed by or on behalf of the respondent and returned to the agency, will acknowledge service of the accusation and constitute a notice of defense under Section 11506. The copy of the accusation shall include or be accompanied by (1) a statement that respondent may request a hearing by filing a notice of defense as provided in Section 11506 within 15 days after service upon him of the accusation, and that failure to do so will constitute a waiver of his right to a hearing, and (2) copies of Sections 11507.5, 11507.6, and 11507.7.

(b) The statement to respondent shall be substantially in the following form:

Unless a written request for a hearing signed by or on behalf of the person named as respondent in the accompanying accusation is delivered or mailed to the agency within 15 days after the accusation was personally served on you or mailed to you, (here insert name of agency) may proceed upon the accusation without a hearing The request for a hearing may be made by delivering or mailing the enclosed form entitled Notice of Defense, or by delivering or mailing a notice of defense as provided by Section 11506 of the Government Code to. (here insert name and address of agency) You may, but need not, be represented by counsel at any or all stages of these proceedings

If you desire the names and addresses of witnesses or an opportunity to inspect and copy the items mentioned in Section 11507 6 in the possession, custody or control of the agency, you may contact (here insert name and address of appropriate person)

The hearing may be postponed for good cause. If you have good cause, you are obliged to notify the agency within 10 working days after you discover the good cause. Failure to notify the agency within 10 days will deprive you of a postponement.

(c) The accusation and all accompanying information may be sent to respondent by any means selected by the agency. But no order adversely affecting the rights of the respondent shall be made by the agency in any case unless the respondent shall have been served personally or by registered mail as provided herein, or shall have filed a notice of defense or otherwise appeared. Service may be proved in the manner authorized in civil actions. Service by registered mail shall be effective if a statute or agency rule requires respondent to file his address with the agency and to notify the agency of any change, and if a registered letter containing the accusation and accompanying material is mailed, addressed to respondent at the latest address on file with the agency.

SEC. 4. Section 11517 of the Government Code is amended to read:

11517. (a) If a contested case is heard before an agency itself the hearing officer who presided at the hearing shall be present during the consideration of the case and, if requested, shall assist and advise the agency Where a contested case is heard before an agency itself, no member thereof who did not hear the evidence shall vote on the decision.

(b) If a contested case is heard by a hearing officer alone, he or she shall prepare within 30 days after the case is submitted a proposed decision in such form that it may be adopted as the decision in the case. The agency itself may adopt the proposed decision in its entirety, or may reduce the proposed penalty and adopt the balance of the proposed decision.

Thirty days after receipt of the proposed decision, a copy of the proposed decision shall be filed by the agency as a public record and a copy shall be served by the agency on each party and his or her attorney.

(c) If the proposed decision is not adopted as provided in subdivision (b), the agency itself may decide the case upon the record, including the transcript, with or without taking additional evidence, or may refer the case to the same hearing officer to take additional evidence. If the case is so assigned to a hearing officer he shall prepare a proposed decision as provided in subdivision (b) upon the additional evidence and the transcript 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 his attorney as prescribed in subdivision (b). The agency itself shall decide no case provided for in this subdivision without affording the parties the opportunity to present either oral or written argument before the agency itself. If additional oral evidence is introduced before the agency itself no agency member may vote unless he heard the additional oral evidence.

(d) The proposed decision shall be deemed adopted by the agency 100 days after delivery to the agency by the Office of Administrative Hearings, unless within that time the agency commences proceedings to decide the case upon the record, including the transcript, or the agency refers the case to the hearing officer to take additional evidence. In a case where the agency itself hears the case, the agency shall issue its decision within 100 days of submission of the case. In a case where the agency has ordered a transcript of the proceedings, the 100-day period shall begin upon delivery of the transcript. If the agency finds that a further delay is required by special circumstances, it shall issue an order delaying the decision for no more than 30 days and specifying the reasons therefor. Such order shall be subject to judicial review pursuant to Section 11523.

(e) The decision of the agency shall be filed immediately by the agency as a public record and a copy shall be served by the agency on each party and his or her attorney.

SEC. 5. Section 11524 of the Government Code is amended to read:

11524. (a) The agency may grant continuances. When a hearing officer of the Office of Administrative Hearings has been assigned to such hearing, no continuance may be granted except by him or by the hearing officer in charge of the appropriate regional office of the Office of Administrative Hearings, for good cause shown.

(b) When seeking a continuance, a party shall apply for the continuance within 10 working days following the time the party discovered or reasonably should have discovered the event or occurrence which establishes the good cause for such continuance. A continuance may be granted for good cause after the 10 working days have lapsed if the party seeking the continuance is not responsible for and has made a good faith effort to prevent the condition or event establishing the good cause.

(c) In the event that an application for a continuance by a party is denied by a hearing officer of the Office of Administrative Hearings, and the party seeks judicial review thereof, the party shall, within 10 working days of such denial, make application for appropriate judicial relief in the superior court or be barred from judicial review thereof as a matter of jurisdiction. A party applying for judicial relief from such denial shall give notice to the agency and other parties. Notwithstanding Section 1010 of the Code of Civil Procedure, such notice may be either oral at the time of the denial of application for a continuance or written at the same time application is made in court for judicial relief. This subdivision does not apply to the Department of Alcoholic Beverage Control.

SEC. 6. Section 1203.4 of the Penal Code is amended to read:

1203.4. (a) In any case in which a defendant has fulfilled the conditions of probation for the entire period of probation, or has been discharged prior to the termination of the period of probation, or in any other case in which a court, in its discretion and the

interests of justice, determines that a defendant should be granted the relief available under this section, the defendant shall, at any time after the termination of the period of probation, if he is not then serving a sentence for any offense, on probation for any offense, or charged with the commission of any offense, be permitted by the court to withdraw his plea of guilty or plea of nolo contendere and enter a plea of not guilty; or, if he has been convicted after a plea of not guilty, the court shall set aside the verdict of guilty; and, in either case, the court shall thereupon dismiss the accusations or information against the defendant and except as noted below, he shall thereafter be released from all penalties and disabilities resulting from the offense of which he has been convicted, except as provided in Section 13555 of the Vehicle Code. The probationer shall be informed, in his probation papers, of this right and privilege and his right, if any, to petition for a certificate of rehabilitation and pardon. The probationer may make such application and change of plea in person or by attorney, or by the probation officer authorized in writing; provided, that, in any subsequent prosecution of the defendant for any other offense, the prior conviction may be pleaded and proved and shall have the same effect as if probation had not been granted or the accusation or information dismissed; and provided further that the order shall state, and the probationer shall be informed, that the order does not relieve him of the obligation to disclose the conviction in response to any direct question contained in any questionnaire or application for public office or for licensure by any state or local agency.

Dismissal of an accusation or information pursuant to this section does not permit a person to own, possess, or have in his custody or control any firearm capable of being concealed upon the person or prevent his conviction under Section 12021.

This subdivision shall apply to all applications for relief under this section which are filed on or after November 23, 1970.

(b) Subdivision (a) of this section does not apply to any misdemeanor which is within the provisions of subdivision (b) of Section 42001 of the Vehicle Code, or to any infraction.

CHAPTER 200

An act to amend Sections 594 and 594.5 of the Penal Code, and to add Section 728 to the Welfare and Institutions Code, relating to vandalism.

[Approved by Governor July 3, 1979. Filed with Secretary of State July 3, 1979.]

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

SECTION 1. Section 594 of the Penal Code is amended to read:

594. (a) Every person who maliciously (1) defaces with paint or any other liquid, (2) damages or (3) destroys any real or personal property not his own, in cases otherwise than those specified by state law, is guilty of vandalism.

(b) (1) If the amount of defacement, damage or destruction is one thousand dollars ($1,000) or more, vandalism is punishable by imprisonment for six months in the county jail, imprisonment in the state prison not to exceed one year and one day, a fine of five thousand dollars ($5,000), or both such fine and imprisonment

(2) If the amount of defacement, damage or destruction is less than one thousand dollars ($1,000), vandalism is punishable by imprisonment in the county jail for not more than six months, or by a fine of not more than one thousand dollars ($1,000), or by both such fine and imprisonment.

(3) A court shall require as a condition of probation for any person guilty of vandalism, except in any case in which the court makes a finding and states on the record its reasons that such condition would be inappropriate, that such person wash, paint, repair or replace the defaced, damaged or destroyed property, or otherwise make restitution to the property owner. If restitution is found to be inappropriate, the court shall require as a condition of probation, except in any case in which the court makes a finding and states on the record its reasons that such condition would be inappropriate, that the defendant perform specified community service Nothing in this section shall be construed to limit the authority of a court to grant or deny probation or provide conditions of probation.

SEC. 2. Section 594.5 of the Penal Code is amended to read:

594.5. Nothing in this code shall invalidate an ordinance of, nor be construed to prohibit the adoption of an ordinance by, a city, city and county, or county, if such ordinance regulates the sale of aerosol containers of paint or other liquid substances capable of defacing property.

SEC. 4 Section 728 is added to the Welfare and Institutions Code, to read

728 If a minor is found to be a person described in Section 602 by reason of the commission of vandalism, and the court does not remove the minor from the physical custody of the parent or guardian, the court as a condition of probation, except in any case in which the court makes a finding and states on the record its reasons that such condition would be inappropriate, shall require the minor to wash, paint, repair or replace the defaced, damaged or destroyed property, or otherwise make restitution to the property owner. If restitution is found to be inappropriate, the court, except in any case in which the court makes a finding and states on the record its reasons that such condition would be inappropriate, shall require the minor to perform specified community service. Nothing in this

section shall be construed to limit the authority of a juvenile court to provide conditions of probation.

CHAPTER 201

An act to amend Section 9080.3 of the Insurance Code, relating to fire insurance.

[Approved by Governor July 3, 1979. Filed with Secretary of State July 3, 1979.]

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

SECTION 1. Section 9080.3 of the Insurance Code is amended to read:

9080.3. Any religious organization engaged in the business of writing fire insurance solely for its members and its churches on the effective date of this section, and which has been doing so continuously in California since January 1, 1925, is subject to all applicable provisions of this chapter.

Such religious organizations shall not write insurance:

(a) In excess of thirty thousand dollars ($30,000) on any one risk nor in excess of one hundred eighty thousand dollars ($180,000) in any one city block within an incorporated city without immediately reinsuring the excess over such amounts.

(b) On business property within any incorporated city.

CHAPTER 202

An act to add Section 997 to the Civil Code, relating to porcelain painting.

[Approved by Governor July 3, 1979. Filed with Secretary of State July 3, 1979.]

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

SECTION 1. Section 997 is added to the Civil Code, to read:

997. In this state, for any purpose, porcelain painting shall be considered a fine art and not a craft.

CHAPTER 203

An act to amend Section 7187 of the Financial Code, relating to loans.

[Approved by Governor July 3, 1979 Filed with Secretary of State July 3, 1979]

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

SECTION 1. Section 7187 of the Financial Code is amended to read:

7187. (a) Subject to such rules and regulations as the commissioner may prescribe, an association may make loans, advance credit, and purchase obligations representing loans and advances of credit, for the purpose of mobile dwelling financing. Any rules or regulations promulgated by the commissioner shall be made after determining that such rules or regulations are in the interests of investors and associations generally, and are in the public interest.

(b) Loans, advances of credit and obligations secured by a mobile dwelling and installed equipment with respect to a new mobile dwelling to be occupied by the owner or beneficial owner or relatives or employees of the owner or beneficial owner may be made for a term not to exceed 30 years.

(c) "Mobile dwelling," as used in this section, means a movable dwelling constructed in one or more units to be occupied on land, having a minimum width of 10 feet and a minimum area of 400 square feet and containing living facilities for year-round occupancy by one family, including permanent provision for eating, sleeping, cooking and sanitation.

SEC. 2. Section 1 of this act shall become operative only if Assembly Bill No. 258 or Senate Bill No. 1179, or both, of the 1979–80 Regular Legislative Session, are also chaptered.

CHAPTER 204

An act to amend Section 4600 of, and to add Section 4600.5 to, the Civil Code, relating to child custody.

[Approved by Governor July 3, 1979 Filed with Secretary of State July 3, 1979]

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

SECTION 1. Section 4600 of the Civil Code is amended to read:

4600. In any proceeding where there is at issue the custody of a minor child, the court may, during the pendency of the proceeding, or at any time thereafter, make such order for the custody of such

child during his minority as may seem necessary or proper. If a child is of sufficient age and capacity to reason so as to form an intelligent preference as to custody, the court shall consider and give due weight to his wishes in making an award of custody or modification thereof. Custody should be awarded in the following order of preference:

(a) To either parent, or to both parents jointly pursuant to Section 4600.5, according to the best interests of the child, provided, however, that in making such an award to either parent, the court shall not prefer a parent as custodian because of that parent's sex.

(b) To the person or persons in whose home the child has been living in a wholesome and stable environment.

(c) To any other person or persons deemed by the court to be suitable and able to provide adequate and proper care and guidance for the child.

Before the court makes any order awarding custody to a person or persons other than a parent, without the consent of the parents, it shall make a finding that an award of custody to a parent would be detrimental to the child and the award to a nonparent is required to serve the best interests of the child. Allegations that parental custody would be detrimental to the child, other than a statement of that ultimate fact, shall not appear in the pleadings. The court may, in its discretion, exclude the public from the hearing on this issue.

SEC. 2. Section 4600.5 is added to the Civil Code, to read:

4600.5. (a) There shall be a presumption, affecting the burden of proof, that joint custody is in the best interests of a minor child where the parents have agreed to an award of joint custody or so agree in open court at a hearing for the purpose of determining the custody of the minor child or children of the marriage.

The court, in its discretion, may require the parents to submit to the court a plan for the implementation of the joint custody order. If the court declines to enter an order awarding joint custody pursuant to subdivision (a), the court shall state in its order the reasons for denial of an award of joint custody.

(b) Upon the application of either parent, joint custody may be awarded in the discretion of the court in other cases. For the purpose of assisting the court in making a determination whether an award of joint custody is appropriate under this subdivision, the court shall, upon the request of either party, direct that an investigation be conducted pursuant to the provisions of Section 4602.

(c) For the purposes of this section, "joint custody" means an order awarding legal custody of the minor child or children to both parents and providing that physical custody shall be shared by the parents in such a way as to assure the child or children of continuing contact with both parents; provided, however, that such order may award joint legal custody without awarding joint physical custody.

(d) Any order for joint custody may be modified or terminated upon the petition of one or both parents or on the court's own motion if it is shown that the best interests of the child require modification

or termination of the order.

(e) Any order for the custody of the minor child or children of a marriage entered by a court in this state or any other state may, subject to the jurisdictional requirements set forth in Sections 5152 and 5163, be modified at any time to an order of joint custody in accordance with the provisions of this section.

(f) In counties having a conciliation court, the court or the parties may, at any time, pursuant to local rules of court, consult with the conciliation court for the purpose of assisting the parties to formulate a plan for implementation of the joint custody order or to resolve any controversy which has arisen in the implementation of a plan for joint custody.

SEC. 3. The Legislature finds and declares that it is the public policy of this state to assure minor children of close and continuing contact with both parents after the parents have separated or dissolved their marriage. The Legislature further finds and declares that it is the public policy of this state that there exists no preference in law that the custody of minor children be ordered or awarded to one parent because of that parent's sex.

CHAPTER 205

An act to add Section 703.5 to the Evidence Code, relating to witnesses.

[Approved by Governor July 3, 1979 Filed with Secretary of State July 3, 1979]

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

SECTION 1. Section 703.5 is added to the Evidence Code, to read:

703.5. No person presiding at any judicial or quasi-judicial proceeding shall be competent to testify, in any subsequent civil proceeding, as to any statement or conduct occurring at the prior proceeding, except as to a statement or conduct that could (a) give rise to civil or criminal contempt or (b) constitute a crime.

CHAPTER 206

An act to amend Section 2192.3 of the Business and Professions Code, relating to physicians and surgeons.

[Approved by Governor July 3, 1979 Filed with Secretary of State July 3, 1979]

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

SECTION 1. Section 2192.3 of the Business and Professions Code is amended to read:

2192.3. "Human sexuality" as used in Sections 2101.6 and 2192 means the study of a human being as a sexual being and how he or she functions with respect thereto.

CHAPTER 207

An act to repeal and add Article 2.1 (commencing with Section 275) of Chapter 2 of Part 1 of Division 1 of the Health and Safety Code, relating to health, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 3, 1979. Filed with Secretary of State July 3, 1979.]

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

SECTION 1. Article 2.1 (commencing with Section 275) of Chapter 2 of Part 1 of Division 1 of the Health and Safety Code is repealed.

SEC. 2. Article 2.1 (commencing with Section 275) is added to Chapter 2 of Part 1 of Division 1 of the Health and Safety Code, to read:

Article 2.1. Infant Medical Dispatch Centers

275 The Legislature finds that intensive care nurseries for at-risk infants are often at capacity. It further finds that serious delays can occur in placing critically ill newborn infants in intensive care nurseries due to calls being placed to many hospitals. Additionally, valuable staff time is often taken by a capacity nursery in attempting to find another nursery with an available bed. It is further found that, due to the lack of a centralized dispatch system, at-risk infants are often not placed in the intensive care nursery nearest their homes.

Therefore, the Legislature finds that in order to protect the health of critically ill newborn children and to more efficiently utilize space and staff in intensive care nurseries it is necessary to establish 24-hour-a-day, year-round medical dispatch centers linking all hospitals providing obstetrical services with intensive care nurseries.

276. The state department shall establish two dispatch centers, each to be located at a hospital containing an intensive care nursery that has been approved by the state department.

276.5. One of the centers established pursuant to Section 276 shall be located to serve the region of the state north of the Tehachapi Mountains, and one of the centers shall be located to serve the region

south of the Tehachapi Mountains.

277. The centers shall locate bedspace for critically ill newborn infants nearest their homes, locate and dispatch transport for such infants and for appropriate medical personnel, advise the obstetrical nursery regarding maintenance care of the infant until transport is effected, and keep a daily record of the availability of bedspace in all intensive care nurseries.

Nothing in this article shall obligate the state for transport costs other than those already authorized by law.

278. Funds appropriated to carry out the purposes of this article shall be used for leasing or purchasing communication equipment or time; and for hiring, training, or contracting for personnel and administration of the centers.

279. Public and private nonprofit health facilities, organizations, and educational institutions are eligible to receive center funds under this article.

280. Each infant medical dispatch center established pursuant to this chapter shall annually report on the progress of the project, the status of the data base obtained pursuant to Section 277, and any necessary changes to meet the goals prescribed in Section 277 to the Legislature on or before November 1 of each year.

SEC. 3. The sum of two hundred seven thousand three hundred thirty-seven dollars ($207,337) is hereby appropriated from the General Fund to the State Department of Health Services for purposes of Article 2.1 (commencing with Section 275) of Chapter 2 of Part 1 of Division 1 of the Health and Safety Code in accordance with the following schedule:

(a) To the Northern California Infant Medical Dispatch Center	$88,000
(b) To the Southern California Infant Medical Dispatch Center	100,000
(c) To the State Department of Health Services for expenditure for personnel and administrative costs	19,337

The continued funding for the project which is funded pursuant to this section for the 1979–80 fiscal year, shall be included in the annual budget prepared and submitted through the State Department of Health Services and, thereby, included in the annual state budget.

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 for infant medical dispatch centers to continue to provide services essential to the public health, it is necessary that this act take immediate effect

CHAPTER 208

An act to amend Sections 69516 and 69546.5 of the Education Code, relating to student aid, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 6, 1979. Filed with Secretary of State July 6, 1979]

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

SECTION 1. Section 69516 of the Education Code is amended to read:

69516. (a) The Student Aid Commission in consultation with the California Postsecondary Education Commission shall develop procedures for annual review and adjustment, as appropriate, of the number of awards prescribed in Section 69532 and the maximum award prescribed in Sections 69536 and 69538.

(b) By November 1 of each year the Student Aid Commission shall determine the appropriate adjustments for the awards for the succeeding fiscal year. The recommendation shall be reviewed for comment by the California Postsecondary Education Commission and shall be reported to the Department of Finance for approval and, if approved, shall be included in the Governor's Budget prepared pursuant to Section 12 of Article IV of the Constitution.

(c) In determining the appropriate adjustments at least the following factors shall be considered:

(1) The impact of inflation.

(2) The availability of financial aid from other sources for students who would qualify for a Cal Grant.

(3) Any changes in the level of educational support provided to students at public colleges and universities in California.

(4) The impact of proposed adjustments in the maximum award upon the utilization of public and private postsecondary educational institutions.

(5) The number of applicants eligible to receive an award in the previous year who did not receive an award in the previous year.

(d) This section shall become operative July 1, 1979.

SEC 2. Section 69546.5 of the Education Code is amended to read:

69546.5 The Student Aid Commission shall distribute federal state student incentive grant funds received which are in excess of amounts received in the 1978–1979 fiscal year according to the following formula; provided that all previously authorized awards which were originally funded by federal funds or designated for renewal for federal funds and which are eligible for renewal have been renewed:

(a) Fifty percent of the additional funds shall be used to adjust the maximum award prescribed in Sections 69536 and 69538 for new and

renewal award winners receiving their initial award after July 1, 1979;

(b) Thirty-five percent shall be used to fund awards prescribed in subdivision (b) of Section 69532 which are in excess of the number of such awards authorized for the 1977–1978 fiscal year;

(c) Fifteen percent shall be used to fund awards prescribed in subdivision (c) of Section 69532 which are in excess of the number of such awards authorized for the 1977–1978 fiscal year.

The Student Aid Commission may recommend variations from such formula to the Department of Finance and to the Legislature if the number or amount of awards in one or more Cal Grant programs is sufficient to meet the needs of students eligible to participate. The Legislature and the Department of Finance shall review such recommendation, and if it is approved by the Department of Finance, such recommendation shall be included in the Governor's Budget prepared pursuant to Section 12 of Article IV of the Constitution.

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

Chapter 1215 of the Statutes of 1978 made various changes in the law relating to the duties of the Student Aid Commission and prescribed a formula for the distribution of specified federal funds. Further amendments to the provisions enacted by Chapter 1215 are necessary to ensure the orderly implementation of that act. In order that these amendments may be operative simultaneously with Chapter 1215, it is necessary that this act take effect immediately.

CHAPTER 209

An act to amend Sections 39363 and 81363 of the Education Code, relating to school districts.

[Approved by Governor July 6, 1979 Filed with Secretary of State July 6, 1979]

The people of the State of California do enact as follows

SECTION 1. Section 39363 of the Education Code is amended to read:

39363 The funds derived from the sale or from a lease with an option to purchase shall be used for capital outlay or for costs of maintenance of school district property that the governing board of the school district determines will not recur within a 10-year period, provided, however, that the proceeds of property sold or leased in accordance with subdivision (a) or (b) of Section 39363 5 may be deposited in the general fund of the district if, prior to such sale or

lease, the school district governing board and the State Allocation Board have determined that the district has no anticipated need for major maintenance which will not recur within a 10-year period or for additional sites or building construction for the five-year period following such sale or lease

SEC. 2. Section 81363 of the Education Code is amended to read:

81363. The funds derived from the sale or from a lease with an option to purchase shall be used for capital outlay or for costs of maintenance of community college district property that the governing board of the district determines will not recur within a 10-year period; provided, however, that the proceeds of property sold or leased in accordance with subdivision (a) or (b) of Section 81363 5 may be deposited in the general fund of the district if, prior to such sale or lease, the community college district governing board has determined that the district has no anticipated need for major maintenance which will not recur within a 10-year period or for additional sites or building construction for the five-year period following such sale or lease.

Community college district governing boards making determinations authorized by this section shall notify the Chancellor's Office of the California Community Colleges, in writing, of such determinations

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CHAPTER 210

An act to add Article 3 (commencing with Section 49330) to Chapter 8 of Part 27 of the Education Code, relating to schools.

[Approved by Governor July 6, 1979. Filed with Secretary of State July 6, 1979]

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

SECTION 1. The Legislature finds and declares that:

(a) Within the past decade violence on school grounds has become pandemic in many areas of the state

(b) Proliferation of weapons and other injurious objects brought onto school grounds by pupils serves to exacerbate instances of violence.

(c) Possession of such weapons or injurious objects by pupils on school grounds serves no public purpose, unless necessary for an assigned academic or extracurricular school program.

It is, therefore, the intent of the Legislature to empower school officials and employees to take custody of any injurious object found in the possession of any pupil or any other person on school grounds.

SEC. 2 Article 3 (commencing with Section 49330) is added to Chapter 8 of Part 27 of the Education Code, to read

Article 3. Injurious Objects

49330. As used in this article "injurious object" shall mean those objects specified in Sections 653k, 12001, 12020 and 12220 of the Penal Code, and objects capable of inflicting substantial bodily damage, not necessary for the academic purpose of the pupil.

As used in this section, "academic purpose" means any school sponsored activity or class of instruction scheduled during the school day.

"Injurious object" does not include any personal possessions or items of apparel which a school age child reasonably may be expected either to have in his or her possession or to wear.

49331. Any certificated employee of any school district and any classified employee of a school district who is designated by the governing board for such purposes may take from the personal possession of any pupil upon school premises or while under the authority of school personnel any injurious object in the possession of the pupil.

49332. The parent or guardian of a pupil from whom an injurious object has been taken pursuant to this section may be notified by school personnel of the taking.

School personnel may retain protective possession of any injurious object taken pursuant to this section until the risk of its use as a weapon has dissipated, unless prior to dissipation of the risk, the parent or guardian requests that the school personnel retain the object, in which case, the school personnel shall retain the object until the parent or guardian or another adult with the written consent of the parent or guardian appears personally to take possession of the injurious object from the school personnel.

49333. Notwithstanding Section 49332, a pupil who brings an injurious object to school, and who presents the object to a certificated or classified employee, may have the object returned to him or her at the conclusion of the school day, provided such injurious object may be lawfully possessed off school grounds.

CHAPTER 211

An act to amend Section 2399.5 of the Business and Professions Code, relating to physicians and surgeons.

[Approved by Governor July 6, 1979 Filed with Secretary of State July 6, 1979]

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

SECTION 1. Section 2399.5 of the Business and Professions Code is amended to read:

2399.5. (a) Prescribing, dispensing or furnishing dangerous

drugs as defined in Section 4211 of the Business and Professions Code without a good faith prior examination and medical indication therefor, constitutes unprofessional conduct within the meaning of this chapter.

(b) No physician and surgeon shall be found to have committed unprofessional conduct within the meaning of subdivision (a) if, at the time drugs were prescribed, dispensed, or furnished:

(1) The physician and surgeon was a designated physician serving in the absence of the patient's physician, provided such drugs were prescribed, dispensed, or furnished only as necessary to maintain the patient until the return of his physician, but in any case no longer than 72 hours; or

(2) The physician and surgeon transmitted the order for such drugs to a registered nurse or licensed vocational nurse in an inpatient facility provided that such physician and surgeon has consulted with a registered nurse or licensed vocational nurse who has reviewed the patient's records and provided that such physician and surgeon was designated as the physician to serve in the absence of the patient's physician; or

(3) The physician and surgeon was a designated physician serving in the absence of the patient's physician and was in possession of or had utilized the patient's records and ordered the renewal of a medically indicated prescription for an amount not exceeding the original prescription in strength or amount or for more than one refilling.

CHAPTER 212

An act to amend Sections 431.30, 465, and 631 of, and to repeal Section 403 of, the Code of Civil Procedure, and to amend Sections 26824 and 71601 of the Government Code, relating to courts.

[Approved by Governor July 6, 1979 Filed with Secretary of State July 6, 1979]

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

SECTION 1. Section 403 of the Code of Civil Procedure is repealed.

SEC 2. Section 431.30 of the Code of Civil Procedure is amended to read

431 30 (a) As used in this section·

(1) "Complaint" includes a cross-complaint.

(2) "Defendant" includes a person filing an answer to a cross-complaint

(b) The answer to a complaint shall contain

(1) The general or specific denial of the material allegations of the complaint controverted by the defendant

(2) A statement of any new matter constituting a defense

(c) Affirmative relief may not be claimed in the answer

(d) If the complaint is not verified, a general denial is sufficient but only puts in issue the material allegations of the complaint If the complaint is verified, the denial of the allegations shall be made positively or according to the information and belief of the defendant.

(e) If the defendant has no information or belief upon the subject sufficient to enable him to answer an allegation of the complaint, he may so state in his answer and place his denial on that ground.

(f) The denials of the allegations controverted may be stated by reference to specific paragraphs or parts of the complaint; or by express admission of certain allegations of the complaint with a general denial of all of the allegations not so admitted; or by denial of certain allegations upon information and belief, or for lack of sufficient information or belief, with a general denial of all allegations not so denied or expressly admitted.

(g) The defenses shall be separately stated, and the several defenses shall refer to the causes of action which they are intended to answer, in a manner by which they may be intelligibly distinguished.

SEC. 3. Section 465 of the Code of Civil Procedure is amended to read

465 All pleadings subsequent to the complaint, must be filed with the clerk or judge, and copies thereof served upon the adverse party or his attorney.

SEC. 4 Section 631 of the Code of Civil Procedure is amended to read

631 Trial by jury may be waived by the several parties to an issue of fact in any of the following ways.

1. By failing to appear at the trial;

2 By written consent filed with the clerk or judge;

3. By oral consent, in open court, entered in the minutes or docket;

4. By failing to announce that a jury is required, at the time the cause is first set upon the trial calendar if it be set upon notice or stipulation, or within five days after notice of setting if it be set without notice or stipulation; provided, that in justice courts such waiver may be made by failure of either party to demand a jury within two days after service upon him of the notice provided for in Section 594 of this code; provided further, that in any superior court action if a jury is demanded by either party in the memorandum to set cause for trial and such party thereafter by announcement or by operation of law waives a trial by jury, then in said event any and all adverse party or parties shall be given 10 days' written notice by the clerk of the court of such waiver, whereupon, notwithstanding any rule of the court to the contrary, such adverse party or parties shall have not exceeding five days immediately following the receipt of such notice of such waiver, within which to file and serve a demand for a trial by jury and deposit advance jury fees for the first day's trial

whenever such deposit is required by rule of court, and if it is impossible for the clerk of the court to give such 10 days' notice by reason of the trial date, or if for any cause said notice is not given, the trial of said action shall be continued by the court for a sufficient length of time to enable the giving of such notice by the clerk of the court to such adverse party.

Regardless of anything contained in the foregoing to the contrary, the court may in its discretion, upon such terms as may be just, allow a trial by jury to be had, although there has been a waiver of such a trial.

5. By failing to deposit with the clerk, or judge, a sum equal to the amount of one day's jury fees payable under the law, 14 days prior to the date set for trial.

6. By failing to deposit with the clerk or judge, promptly after the impanelment of the jury, a sum equal to the mileage or transportation (if any be allowed by law) of the jury accrued up to that time;

7. By failing to deposit with the clerk or judge, at the beginning of the second and each succeeding day's session a sum equal to one day's fees of the jury, and the mileage or transportation, if any there be.

8. When the party who has demanded trial by jury either waives such trial upon or after the assignment for trial to a specific department of the court, or upon or after the commencement of the trial, or fails to deposit the fees as provided in subdivision 6 or 7; by the other party either failing promptly to demand trial by jury before the judge in whose department such waiver, other than for the failure to deposit such fees, was made, or by his failing promptly to deposit the fees provided in subdivision 6 or 7.

The court may, in its discretion upon such terms as may be just, allow a trial by jury to be had although there has been a waiver of such a trial.

SEC. 5 Section 26824 of the Government Code is amended to read:

26824. The fee for filing a notice of appeal from a municipal or justice court in a civil action or a special proceeding is fifteen dollars ($15). The Judicial Council may make rules governing the time and method of payment and providing for excuse.

SEC. 6. Section 71601 of the Government Code is amended to read:

71601 A person is ineligible to be a judge of a justice court unless he is a member of the State Bar or a retired judge of a court of record.

CHAPTER 213

An act to amend Section 33422 of the Health and Safety Code, relating to redevelopment.

[Approved by Governor July 6, 1979. Filed with Secretary of State July 6, 1979]

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

SECTION 1. Section 33422 of the Health and Safety Code is amended to read:

33422. Any work of grading, clearing, demolition, or construction undertaken by the agency shall be done by contract after competitive bids if the cost of such work exceeds the amount specified in Section 37902 of the Government Code, as that section presently exists or may be hereafter amended. With respect to work of grading, clearing, demolition, or construction which is not in excess of such amount, the agency may contract the work without competitive bids, and in contracting such work may give priority to the residents of such redevelopment project areas and to persons displaced from such areas as a result of redevelopment activities.

CHAPTER 214

An act to amend Section 1767.7 of the Welfare and Institutions Code, relating to the Youth Authority.

[Approved by Governor July 6, 1979 Filed with Secretary of State July 6, 1979]

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

SECTION 1. Section 1767.7 of the Welfare and Institutions Code is amended to read:

1767.7. A sum may be withdrawn by the authority from the funds available for the support of the authority without at the time furnishing vouchers and itemized statements. This sum shall be used as a revolving fund for payments for the care of persons paroled to private homes as provided in Section 1767.5. At the close of each fiscal year, or at any other time, upon demand of the Department of Finance the money so drawn shall be accounted for and substantiated by vouchers and itemized statements submitted to and audited by the State Controller.

CHAPTER 215

An act to amend Section 9326 of the Elections Code, relating to Republican County Central Committees.

[Approved by Governor July 6, 1979 Filed with Secretary of State July 6, 1979]

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

SECTION 1 Section 9326 of the Elections Code is amended to read:

9326. A committee may authorize each elected member and each ex officio member of that committee to appoint an alternate member An ex officio member who is also an incumbent officeholder of any of the offices listed in Sections 9324 and 9325 at the time of the meeting of the committee may appoint an alternate member without authorization from that committee, if the member desires to appoint an alternate.

Such alternate member shall have the right to vote only with the written authorization of the member who appointed him. An alternate member of a committee shall be subject to the rules and regulations of the committee.

An alternate member must meet the same qualifications as the regular member and may vote only in the absence of the member who appointed him, except that an alternate member appointed by an incumbent State Senator, Assemblyman, or Representative in Congress need not reside in the district of the appointing power but need only reside in the county of jurisdiction of the committee.

SEC. 2. Section 9326 of the Elections Code is amended to read

9326. A county Republican Party may authorize each elected member and each ex officio member of that county Republican Party to appoint an alternate member. An ex officio member who is also an incumbent officeholder of any of the offices listed in Sections 9324 and 9325 at the time of the meeting of the county Republican Party may appoint an alternate member without authorization from that county Republican Party, if the member desires to appoint an alternate.

Such alternate member shall have the right to vote only with the written authorization of the member who appointed him. An alternate member of a county Republican Party shall be subject to the rules and regulations of the county Republican Party.

An alternate member must meet the same qualifications as the regular member and may vote only in the absence of the member who appointed him, except that an alternate member appointed by an incumbent State Senator, Assemblyman, or Representative in Congress need not reside in the district of the appointing power but need only reside in the county or jurisdiction of the county Republican Party

SEC. 3. It is the intent of the Legislature, if this bill and Senate Bill No. 896 are both chaptered and amend Section 9326 of the Elections Code, and this bill is chaptered after Senate Bill No. 896, that the amendments to Section 9326 proposed by both bills be given effect and incorporated in Section 9326 in the form set forth in Section 2 of this act. Therefore, Section 2 of this act shall become operative only if this bill and Senate Bill No. 896 are both chaptered, both amend Section 9326, and Senate Bill No. 896 is chaptered before this bill, in which case Section 1 of this act shall not become operative.

CHAPTER 216

An act to amend Sections 597, 597.5 and 598 of the Code of Civil Procedure, relating to trial procedure.

[Approved by Governor July 6, 1979 Filed with Secretary of State July 6, 1979]

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

SECTION 1. Section 597 of the Code of Civil Procedure is amended to read:

597 When the answer pleads that the action is barred by the statute of limitations, or by a prior judgment, or that another action is pending upon the same cause of action, or sets up any other defense not involving the merits of the plaintiff's cause of action but constituting a bar or ground of abatement to the prosecution thereof, the court may, either upon its own motion or upon the motion of any party, proceed to the trial of such special defense or defenses before the trial of any other issue in the case, and if the decision of the court, or the verdict of the jury, upon any special defense so tried (other than the defense of another action pending) is in favor of the defendant pleading the same, judgment for such defendant shall thereupon be entered and no trial of other issues in the action shall be had unless such judgment shall be reversed on appeal or otherwise set aside or vacated; and where the defense of another action pending is sustained (and no other special defense is sustained) an interlocutory judgment shall be entered in favor of the defendant pleading the same to the effect that no trial of other issues shall be had until the final determination of such other action, and the plaintiff may appeal from such interlocutory judgment in the same manner and within the same time as is now or may be hereafter provided by law for appeals from judgments. If the decision of the court, or the verdict of the jury, upon the special defense or defenses so tried shall be in favor of the plaintiff, trial of the other issues shall thereafter be had either upon the court's own motion or upon the motion of any party, and judgment shall be entered thereon in the same manner and with the same effect as if all the issues in the case

had been tried at one time. In such event any and all decisions or verdicts upon such special defense or defenses, and all rulings on the trial thereof shall be deemed excepted to and may be reviewed on motion for a new trial or upon appeal from such judgment.

The provisions of this section shall also apply to the trial of special defenses pleaded in an answer to a cross-complaint, and if the decision of the court or the verdict of the jury upon the special defense or defenses shall be in favor of the cross-defendant, no further trial shall be had upon the issues raised by the cross-complaint, but trial of the other issues in the action shall thereafter be had either upon the court's own motion or upon the motion of any party, and after the trial thereof such judgment shall be entered in the action as shall be justified by the decision or verdict on such other issues, considered in connection with the decision or verdict upon the trial of such affirmative defense raised in the answer to the cross-complaint.

SEC. 2. Section 597.5 of the Code of Civil Procedure is amended to read:

597.5. In an action against a physician or surgeon, dentist, registered nurse, dispensing optician, optometrist, registered physical therapist, podiatrist, licensed psychologist, osteopath, chiropractor, clinical laboratory bioanalyst, clinical laboratory technologist, veterinarian, or a licensed hospital as the employer of any such person, based upon such person's alleged professional negligence, or for rendering professional services without consent, or for error or omission in such person's practice, if the answer pleads that the action is barred by the statute of limitations, and if any party so moves or the court upon its own motion requires, the issues raised thereby must be tried separately and before any other issues in the case are tried. If the issue raised by the statute of limitations is finally determined in favor of the plaintiff, the remaining issues shall then be tried.

SEC. 3. Section 598 of the Code of Civil Procedure is amended to read:

598. The court may, when the convenience of witnesses or the ends of justice would be promoted thereby, either upon its own motion or upon the motion of any party, after notice and hearing, make and order, no later than the close of pretrial conference in cases in which such pretrial conference is to be held, or, in other cases, no later than 30 days before the trial date, that the trial of any issue or any part thereof shall precede the trial of any other issue or any part thereof in the case, except for special defenses which may be tried first pursuant to Sections 597 and 597.5. Where trial of the issue of liability as to all causes of action precedes the trial of other issues or parts thereof, and the decision of the court, or the verdict of the jury upon such issue so tried is in favor of any party on whom liability is sought to be imposed, judgment in favor of such party shall thereupon be entered and no trial of other issues in the action as against such party shall be had unless such judgment shall be

reversed upon appeal or otherwise set aside or vacated.

If the decision of the court, or the verdict of the jury upon the issue of liability so tried shall be against any party on whom liability is sought to be imposed, or if the decision of the court or the verdict of the jury upon any other issue or part thereof so tried does not result in a judgment being entered pursuant to this chapter, then the trial of the other issues or parts thereof shall thereafter be had at such time, and if a jury trial, before the same or another jury, as ordered by the court either upon its own motion or upon the motion of any party, and judgment shall be entered in the same manner and with the same effect as if all the issues in the case had been tried at one time.

SEC. 4. Section 598 of the Code of Civil Procedure is amended to read:

598. The court may, when the convenience of witnesses, the ends of justice, or the economy and efficiency of handling the litigation would be promoted thereby, either upon its own motion or upon the motion of any party, after notice and hearing, make an order, no later than the close of pretrial conference in cases in which such pretrial conference is to be held, or, in other cases, no later than 30 days before the trial date, that the trial of any issue or any part thereof shall precede the trial of any other issue or any part thereof in the case, except for special defenses which may be tried first pursuant to Sections 597 and 597.5. Where trial of the issue of liability as to all causes of action precedes the trial of other issues or parts thereof, and the decision of the court, or the verdict of the jury upon such issue so tried is in favor of any party on whom liability is sought to be imposed, judgment in favor of such party shall thereupon be entered and no trial of other issues in the action as against such party shall be had unless such judgment shall be reversed upon appeal or otherwise set aside or vacated.

If the decision of the court, or the verdict of the jury upon the issue of liability so tried shall be against any party on whom liability is sought to be imposed, or if the decision of the court or the verdict of the jury upon any other issue or part thereof so tried does not result in a judgment being entered pursuant to this chapter, then the trial of the other issues or parts thereof shall thereafter be had at such time, and if a jury trial, before the same or another jury, as ordered by the court either upon its own motion or upon the motion of any party, and judgment shall be entered in the same manner and with the same effect as if all the issues in the case had been tried at one time.

SEC. 5. It is the intent of the Legislature, if this bill and Assembly Bill No. 351 are both chaptered and become effective January 1, 1980, both bills amend Section 598 of the Code of Civil Procedure, and this bill is chaptered after Assembly Bill No. 351, that the amendments to Section 598 proposed by both bills be given effect and incorporated in Section 598 in the form set forth in Section 4 of this act. Therefore, Section 4 of this act shall become operative only if this

bill and Assembly Bill No. 351 are both chaptered and become effective January 1, 1980, both amend Section 598, and this bill is chaptered after Assembly Bill No. 351, in which case Section 3 of this act shall not become operative

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CHAPTER 217

An act to amend and repeal Section 5203.5 of the Education Code, relating to elections.

[Approved by Governor July 6, 1979 Filed with Secretary of State July 6, 1979]

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

SECTION 1. Section 5203 5 of the Education Code is amended to read·

5203.5. If the Charter of the City of Sacramento is amended so that it no longer provides for a board of education of the Sacramento City Unified School District, a new board of education composed of seven members is created under this section immediately upon the effective date of such amendment.

The manner in which, the times at which, and the terms for which the members of the board of education created pursuant to this section shall be elected or appointed, and their qualifications, compensation, and removal, shall be governed by the general provisions of law governing school district governing boards; except that, in order to provide for an orderly transition, the members of the board whose terms of office would have ended on December 31, 1981, shall end on the last Friday in November, 1981, and those members of the board whose terms of office would have ended on December 31, 1983, shall end on the last Friday in November, 1983.

This section shall remain in effect only until January 1, 1984, and as of such date is repealed, unless a later enacted statute, which is chaptered before such date, deletes or extends such date.

CHAPTER 218

An act to amend Section 87483 of the Education Code, relating to certificated employees, and declaring the urgency thereof, to take effect immediately

[Approved by Governor July 6, 1979 Filed with Secretary of State July 6, 1979]

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

SECTION 1. Section 87483 of the Education Code is amended to read:

87483. Notwithstanding any other provision, the governing board of a community college district may establish regulations which allow their certificated employees to reduce their workload from full-time to part-time duties.

Such regulations shall include but shall not be limited to the following if such employees wish to reduce their workload and maintain retirement benefits pursuant to Section 22724 of this code or Section 20815 of the Government Code:

(a) The employee must have reached the age of 55 prior to reduction in workload.

(b) The employee must have been employed full time in a position requiring certification for at least 10 years of which the immediately preceding five years were full-time employment.

(c) During the period immediately preceding a request for a reduction in workload, the employee must have been employed full time in a position requiring certification for a total of at least five years without a break in service. For purposes of this subdivision, sabbaticals and other approved leaves of absence shall not constitute a break in service. Time spent on a sabbatical or other approved leave of absence shall not be used in computing the five-year full-time service requirement prescribed by this subdivision.

(d) The option of part-time employment must be exercised at the request of the employee and can be revoked only with the mutual consent of the employer and the employee.

(e) The employee shall be paid a salary which is the pro rata share of the salary he would be earning had he not elected to exercise the option of part-time employment but shall retain all other rights and benefits for which he makes the payments that would be required if he remained in full-time employment.

The employee shall receive health benefits as provided in Section 53201 of the Government Code in the same manner as a full-time employee

(f) The minimum part-time employment shall be the equivalent of one-half of the number of days of service required by the employee's contract of employment during his final year of service in a full-time position.

(g) Notwithstanding the provisions of Section 22724 of this code, the following contributions, shall be made to the Teachers' Retirement Fund:

(1) The member shall contribute the amount that would have been contributed if the member was employed full time.

(2) The employer shall contribute 13 percent of the salary that would have been paid the member had the member been employed full time.

SEC. 2. Section 87483 of the Education Code, as amended by

Section 1 of this act, is amended to read:

87483. Notwithstanding any other provision, the governing board of a community college district may establish regulations which allow their certificated employees to reduce their workload from full-time to part-time duties.

Such regulations shall include but shall not be limited to the following if such employees wish to reduce their workload and maintain retirement benefits pursuant to Section 22724 of this code or Section 20815 of the Government Code:

(a) The employee must have reached the age of 55 prior to reduction in workload.

(b) The employee must have been employed full time in a position requiring certification for at least 10 years of which the immediately preceding five years were full-time employment.

(c) During the period immediately preceding a request for a reduction in workload, the employee must have been employed full time in a position requiring certification for a total of at least five years without a break in service. For purposes of this subdivision, sabbaticals and other approved leaves of absence shall not constitute a break in service. Time spent on a sabbatical or other approved leave of absence shall not be used in computing the five-year full-time service requirement prescribed by this subdivision.

(d) The option of part-time employment must be exercised at the request of the employee and can be revoked only with the mutual consent of the employer and the employee.

(e) The employee shall be paid a salary which is the pro rata share of the salary he would be earning had he not elected to exercise the option of part-time employment but shall retain all other rights and benefits for which he makes the payments that would be required if he remained in full-time employment.

The employee shall receive health benefits as provided in Section 53201 of the Government Code in the same manner as a full-time employee.

(f) The minimum part-time employment shall be the equivalent of one-half of the number of days of service required by the employee's contract of employment during his final year of service in a full-time position.

(g) Notwithstanding the provisions of Section 22724 of this code and with respect to members of the State Teachers' Retirement System, the following contributions, shall be made to the Teachers' Retirement Fund:

(1) The member shall contribute the amount that would have been contributed if the member was employed full time

(2) The employer shall contribute 13 percent of the salary that would have been paid the member had the member been employed full time

(h) With respect to members of the Public Employees' Retirement System, the following contributions shall be made to the Public Employees' Retirement Fund·

(1) The member shall contribute the amount that would have been contributed if the member was employed full time.

(2) Contributions based on full salary in accordance with Section 20740 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 that the provisions of this act may go into effect at the commencement of the 1979–80 school year, it is necessary that this act take effect immediately.

SEC. 4. It is the intent of the Legislature, if this bill and Senate Bill No. 248 are both chaptered and become effective on or before January 1, 1980, both bills amend Section 87483 of the Education Code, and this bill is chaptered after Senate Bill No. 248, that Section 87483 of the Education Code, as amended by Section 1 of this act shall remain operative only until the effective date of Senate Bill No. 248, and that on the effective date of Senate Bill No. 248 Section 87483 of the Education 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 87483 proposed by Senate Bill No. 248. Therefore, Section 2 of this act shall become operative only if this bill and Senate Bill No. 248 are both chaptered and become effective on or before January 1, 1980, both bills amend Section 87483, and this bill is chaptered after Senate Bill No. 248, in which case Section 2 of this act shall become operative on the effective date of Senate Bill No. 248.

CHAPTER 219

An act to add Sections 23411 and 24006 to the Education Code, relating to the State Teachers' Retirement System, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 6, 1979 Filed with Secretary of State July 6, 1979.]

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

SECTION 1. Section 23411 is added to the Education Code, to read:

23411. The employing school district or other employing agency shall pay the present value of the additional benefit provided under Section 24006. The present value amounts shall be determined by the board.

The amount is due and payable to the Teachers' Retirement Fund within 30 days following the effective date of the member's retirement and is delinquent thereafter. The board may assess a

penalty on delinquent payments in accordance with the provisions affecting payment of employee and employer contributions.

SEC. 2. Section 24006 is added to the Education Code, to read:

24006. Upon retirement for service after the effective date of this section, and before January 1, 1983, any member who is an employee of a community college with 25 years of credited service may retire at age 50 or older and receive an annual allowance equal to 2 percent of final compensation for each year of credited service with the allowance reduced by one-quarter of 1 percent for each full month or fraction of a month which will elapse until the member would have reached age 55 and one-half of 1 percent for each full month or fraction thereof between age 55 and age 60.

This section shall not be applicable to any school district or other employing agency until such district or agency notifies the board, in writing of its election to be subject thereto.

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 for this act to be applicable to retirements during this calendar year, it must take effect immediately.

CHAPTER 220

An act to amend Section 30005 of, and to add Section 30630.5 to, the Public Utilities Code, relating to transit districts.

[Approved by Governor July 6, 1979 Filed with Secretary of State July 6, 1979.]

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

SECTION 1. Section 30005 of the Public Utilities Code is amended to read:

30005. (a) "Rapid transit," as used in this part, means the transportation of passengers only and their incidental baggage by means other than by chartered bus, sightseeing bus, taxi, or any other motor vehicle not on an individual passenger farepaying basis, except as otherwise provided in subdivision (b).

(b) Nothing in this section shall be construed to prohibit the district from any of the following:

(1) Leasing its buses to private certified public carriers.

(2) Providing school bus service for the transportation of pupils between their homes and schools.

(3) Providing charter bus services to governmental agencies, if comparable service is unavailable through privately operated bus companies, and to special events, other than regular and preseason scheduled professional and amateur sporting events.

SEC. 2. Section 30630.5 is added to the Public Utilities Code, to read:

30630 5. The district may operate charter bus service, subject to the following limitations:

(a) No bus equipment which is designed solely for charter service shall be purchased. A bus equipped with a toilet or underfloor baggage compartment shall be deemed to be bus equipment which is designed solely for charter service.

(b) The board shall hold a public hearing prior to adopting a charter rate schedule or any amendment thereto. Notice of such hearing shall be mailed to each charter-party carrier operating within the district at least 30 days prior to the date of such hearing. The notice shall include the proposed charter rate schedule. At the close of the public hearing, the board may adopt charter rate schedules which shall not be less than the average for the three largest private charter party carriers operating similar service in the district.

(c) Charter service operations by the district shall originate and terminate within the area served by the district, unless a private charter-party carrier requests the district to provide service beyond such area.

CHAPTER 221

An act to add and repeal Sections 1623.5, 1624.5, 42100.5, 42103.5, 42127.5, 85000.5, 85003.5, and 85023.5 of the Education Code, relating to public school budgets, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 6, 1979 Filed with Secretary of State July 6, 1979]

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

SECTION 1 Section 1623.5 is added to the Education Code, to read:

1623.5. On or before the 50th day following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than September 7, the county board of education shall hold a public hearing on the county school service fund budget. Notice of the public hearing shall be published at least once in a newspaper of general circulation published within the county not less than 10 days prior to the date set for the hearing. The cost of publication shall be a proper and legal charge against the county school service fund and shall not exceed the rate fixed by the board of supervisors for official advertising The published notice shall include the time, place, and

purpose of the public hearing, and such other information as may be determined by the county board of education, and shall state that any taxpayer directly affected by the county school service fund budget may appear before the county board of education and speak to the proposed budget or any item therein.

Following the public hearing, the final budget shall be adopted by the county board of education and filed with the Superintendent of Public Instruction, the board of supervisors, and the county auditor.

This section shall remain in effect only until June 30, 1981, and as of such date is repealed, unless a later enacted statute, which is chaptered before June 30, 1981, deletes or extends such date.

SEC. 2. Section 1624.5 is added to the Education Code, to read:

1624.5. On or before the 55th day following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than September 12, the county board of education shall file with the board of supervisors a certified statement showing the amount of money to be raised by a county tax for purposes of this chapter. The board of supervisors shall fix a rate for the county tax sufficient to produce the amount specified in the statement and shall, at the time of levying other county taxes, levy the tax so fixed.

The proceeds of the tax levied pursuant to this section shall be credited to the single county school service fund of the county and any expenses of the county superintendent of schools, the county board of education, and the county committee on school district organization required by Section 1510 or any other sections of this code required to be paid from the county general fund shall not be paid from such fund but shall be paid from the money in the single county school service fund.

This section shall remain in effect only until June 30, 1981, and as of such date is repealed, unless a later enacted statute, which is chaptered before June 30, 1981, deletes or extends such date.

SEC. 3. Section 42100.5 is added to the Education Code, to read:

42100.5. On or before the 55th day following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than September 12, the governing board of each school district shall prepare and keep on file for public inspection a statement of all receipts and expenditures of the district for the preceding fiscal year and a statement of the estimated total expenses for the district for the current fiscal year.

This section shall remain in effect only until June 30, 1981, and as of such date is repealed, unless a later enacted statute, which is chaptered before June 30, 1981, deletes or extends such date.

SEC. 4. Section 42103.5 is added to the Education Code, to read:

42103.5. Except in districts where no district tax is levied and in elementary districts employing but one teacher, the publication

budget for the ensuing school year to which it is intended to apply, showing program expenditures, cash balances, and all the appropriations from the state as required to be tabulated in Sections 42122 and 42123 for the ensuing and last preceding fiscal year, and the district tax requirement for the school year to which the publication budget is intended to apply and for the last preceding school year, including a summary of the district tax requirements for the ensuing fisal year to be derived by levies on the secured roll as shown on the budget form prescribed for this purpose by the Superintendent of Public Instruction, shall be published by the county superintendent of schools at least once in a newspaper of general circulation published within the district, or if there is no such newspaper, then in any newspaper of general circulation in the district, prior to its adoption. The cost of the publication shall be a proper and legal charge against the school district or districts for which the publication is made, and shall not exceed the rate fixed by the board of supervisors for official advertising. Publication shall be made by the 37th day following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than August 26, and shall contain a notice that a public hearing will be held before the governing board of the school district, in a schoolhouse in the district, or in some other place conveniently accessible to the residents of the district, between the 40th and 50th days following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than September 7, at which any taxpayer in the district may appear and object to the proposed budget or any item of the budget. The hearing may be concluded on such publication budget when there are no requests on file for further hearing. The budget shall not be finally adopted by the governing board of the district until after the public hearing has been held. In the case of a school district or districts in which the average daily attendance of all such districts combined is in excess of 200,000, governed by the same governing board, the public hearing between the 40th and 50th days following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than September 7, need not be held if there has been at least one public meeting on the publication budget prior to that time at which public meeting any changes proposed to be made in the publication budget for the final budget shall have been presented.

This section shall remain in effect only until June 30, 1981, and as of such date is repealed, unless a later enacted statute, which is chaptered before June 30, 1981, deletes or extends such date.

SEC. 5. Section 42127.5 is added to the Education Code, to read:

42127.5. (a) On or before the first day in July in each year, each school district shall file a tentative budget with the county superintendent of schools.

(b) On or before the 20th day following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than August 9, in each year, the county superintendent of schools:

(1) Shall examine and may make technical corrections to the tentative budget, and indicate changes the county superintendent deems desirable or necessary to determine the tax requirements; and

(2) Shall make any recommendations the county superintendent deems necessary to insure that the proposed expenditures do not exceed the anticipated revenues and that the anticipated revenues are realistic, and shall transmit to the governing board a written explanation of the reasons for such changes.

(c) On or before the 25th day following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than August 14, in each year, the governing board shall make such changes in the tentative budget as it deems necessary or desirable and shall return the budget to the county superintendent of schools. Such budget shall constitute the publication budget for the period to which it is intended to apply. A copy of this publication school budget shall be sent to the county auditor in such form.

(d) On or before the 50th day following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than September 7, the governing board of each school district in which a public hearing is required in Section 42103 shall adopt a final budget and shall file such budget with the county superintendent of schools, the county auditor, the county board of supervisors, and the Superintendent of Public Instruction. In the case of districts which are not required to hold a public hearing, the publication budget as approved by the governing board shall be filed with the county superintendent of schools, the county auditor, the county board of supervisors, and the Superintendent of Public Instruction immediately after its approval.

(e) On or before the 60th day following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than September 17, the county superintendent shall approve the adopted budget for each school district as officially adopted and submitted by its governing board, and shall file one copy of the adopted budget of each school district with the board of supervisors, one copy with the auditor of his county, and one copy with the Superintendent of

Public Instruction, together with a statement showing the amount of school district taxes required by each school district of the county.

This section shall remain in effect only until June 30, 1981, and as of such date is repealed, unless a later enacted statute, which is chaptered before June 30, 1981, deletes or extends such date.

SEC. 6 Section 85000.5 is added to the Education Code, to read:

85000 5. On or before the 55th day following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than September 12, of each year, the governing board of each community college district shall prepare and keep on file for public inspection a statement of all receipts and expenditures of the district for the preceding fiscal year and a statement of the estimated total expenses for the district for the current fiscal year.

This section shall remain in effect only until June 30, 1981, and as of such date is repealed, unless a later enacted statute, which is chaptered before June 30, 1981, deletes or extends such date

SEC 7. Section 85003.5 is added to the Education Code, to read:

85003.5. Except in community college districts where no district tax is levied, the publication budget for the ensuing school year to which it is intended to apply, showing program expenditures, cash balances, and all the appropriations from the state as required to be tabulated in Section 85021 for the ensuing and last preceding fiscal year, and the district tax requirement for the school year to which the publication budget is intended to apply and for the last preceding school year, including a summary of the district tax requirements for the ensuing fiscal year to be derived by levies on the secured roll as shown on the budget form prescribed for this purpose by the board of governors, shall be published by the county superintendent of schools at least once in a newspaper of general circulation published within the district, or if there is no such newspaper, then in any newspaper of general circulation in the district, prior to its adoption. The cost of the publication shall be a proper and legal charge against the community college district or districts for which the publication is made, and shall not exceed the rate fixed by the board of supervisors for official advertising. Publication shall be made by the 37th day following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than August 26, and shall contain a notice that a public hearing will be held before the governing board of the community college district, in a schoolhouse in the district, or in some other place conveniently accessible to the residents of the district, between the 40th and 50th days following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than September 7, at which any taxpayer in the district may appear

and object to the proposed budget or any item of the budget. The hearing may be concluded on such publication budget when there are no requests on file for further hearing. The budget shall not be finally adopted by the governing board of the district until after the public hearing has been held. In the case of a community college district or districts in which the average daily attendance of all such districts combined is in excess of 200,000, governed by the same governing board, the public hearing during the first week in August need not be held if there has been at least one public meeting on the publication budget prior to that time at which public meeting any changes proposed to be made in the publication budget for the final budget shall have been presented.

This section shall remain in effect only until June 30, 1981, and as of such date is repealed, unless a later enacted statute, which is chaptered before June 30, 1981, deletes or extends such date.

SEC. 8. Section 85023.5 is added to the Education Code, to read:

85023.5. (a) On or before the first day of July in each year, each community college district shall file a tentative budget with the county superintendent of schools.

(b) On or before the 20th day following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than August 9, in each year, the county superintendent of schools:

(1) Shall examine and may make technical corrections to the tentative budget, and indicate changes the county superintendent deems desirable or necessary to determine the tax requirements; and

(2) Shall make any recommendations the county superintendent deems necessary to insure that the proposed expenditures do not exceed the anticipated revenues and that the anticipated revenues are realistic, and shall transmit to the governing board of the community college district a written explanation of the reasons for such changes.

(c) On or before the 25th day following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than August 14, in each year, the governing board shall make such changes in the tentative budget as it deems necessary or desirable and shall return the budget to the county superintendent of schools. Such budget shall constitute the publication budget for the period to which it is intended to apply. A copy of this publication district budget shall be sent to the county auditor in such form.

(d) On or before the 50th day following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than September 7, the governing board of each community college district shall adopt a final budget and shall file such budget with the

county superintendent of schools, the county auditor, the county board of supervisors, and the Chancellor of the California Community Colleges.

(e) On or before the 60th day following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than September 17, the county superintendent shall approve the adopted budget for each community college district as officially adopted and submitted by its governing board, and shall file one copy of the adopted budget of each community college district with the board of supervisors, one copy with the auditor of his county, and one copy with the office of the Chancellor of the California Community Colleges, together with a statement showing the amount of community college district taxes required by each community college district of the county.

This section shall remain in effect only until June 30, 1981, and as of such date is repealed, unless a later enacted statute, which is chaptered before June 30, 1981, deletes or extends such date.

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

The adoption of Proposition 13 (Article XIII A of the California Constitution) by the voters of California at the June 6, 1978, primary election has, in certain circumstances, resulted in school districts having a shortage of funds to meet operating and certain debt service expenses. Furthermore, many public school entities, faced with the uncertainties of future financial support, are as a practical matter unable to formulate a final budget for the 1979–80 fiscal year by August 10 of 1979. Thus, in order to facilitate the orderly administration and operation of the public schools of California in the 1979–80 school year, it is necessary that this act take effect immediately.

CHAPTER 222

An act to add Section 2806 to the Labor Code, relating to employment.

[Approved by Governor July 6, 1979 Filed with Secretary of State July 6, 1979]

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

SECTION 1. Section 2806 is added to the Labor Code, to read:

2806. No employer, whether private or public, shall discontinue coverage for medical, surgical, or hospital benefits for employees

unless the employer has notified and advised all covered employees in writing of any discontinuation of coverage, inclusive of nonrenewal and cancellation, but not inclusive of employment termination or cases in which substitute coverage has been provided, at least 15 days in advance of such discontinuation.

If coverage is provided by a third party, failure of the employer to give the necessary notice shall not require the third party to continue the coverage beyond the date it would otherwise terminate.

This section shall not apply to any employee welfare benefit plan which is subject to the Employee Retirement Income Security Act of 1974

CHAPTER 223

An act to add Section 54956.5 to the Government Code, relating to public meetings

[Approved by Governor July 9, 1979 Filed with Secretary of State July 9, 1979]

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

SECTION 1. Section 54956.5 is added to the Government Code, to read·

54956 5. In the case of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities, a legislative body may hold a special meeting without complying with the 24-hour notice requirement of Section 54956.

For purposes of this section, "emergency situation" means any of the following:

(a) Work stoppage or other activity which severely impairs public health, safety, or both, as determined by a majority of the members of the legislative body

(b) Crippling disaster which severely impairs public health, safety, or both, as determined by a majority of the members of the legislative body.

However, each local newspaper of general circulation and radio or television station which has requested notice of special meetings pursuant to Section 54956 shall be notified by the presiding officer of the legislative body, or designee thereof, one hour prior to the special meeting by telephone and shall exhaust all telephone numbers provided in the most recent request of such newspaper or station for notification of special meetings In the event that telephone services are not functioning the notice requirements of this section shall be deemed waived, and the legislative body, or designee thereof, shall notify such newspapers, radio stations, or television stations of the fact of the holding of the special meeting, the purpose of the

meeting, and any action taken at the meeting as soon after the meeting as possible.

Notwithstanding the provisions of Section 54957, the legislative body shall not meet in executive session during a meeting called pursuant to this section.

All special meeting requirements, as prescribed in Section 54956 shall be applicable to a meeting called pursuant to this section, with the exception of the 24-hour notice requirement.

The minutes of a meeting called pursuant to this section, a list of persons who the presiding officer of the legislative body, or designee thereof, notified or attempted to notify, a copy of the roll call vote, and any actions taken at such meeting shall be posted for a minimum of 10 days in a public place as soon after the meeting as possible.

CHAPTER 224

An act to add Section 39675 to the Education Code, relating to school districts.

[Approved by Governor July 9, 1979. Filed with Secretary of State July 9, 1979]

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

SECTION 1. Section 39675 is added to the Education Code, to read:

39675. The governing board of any school district may contract with a private licensed security agency to insure the safety of school district personnel and pupils and the security of the real and personal property of the school district when the personnel normally required to provide such service fail to do so because of an emergency including, but not limited to, war, epidemic, fire, flood, or work stoppage; or when such an emergency necessitates additional security services.

This section shall apply only if the governing board adopts a resolution making a specific finding that an emergency exists.

CHAPTER 225

An act to amend Section 26912 of the Government Code, relating to public funds, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 9, 1979 Filed with Secretary of State July 9, 1979]

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

SECTION 1. Section 26912 of the Government Code is amended to read:

26912. (a) For the purposes of this section, a local agency includes a city, county, city and county, and special district, as such terms are defined in Article 1 (commencing with Section 2201) of Chapter 3 of Part 4 of Division 1 of the Revenue and Taxation Code, if such local agency levied a property tax during the 1977–78 fiscal year or if a property tax was levied for such local agency for such fiscal year, except that the Bay Area Pollution Control District shall be considered a local agency.

(b) For the 1978–79 fiscal year only, the amount of revenue derived from levying a tax pursuant to subdivision (b) of Section 2237 of the Revenue and Taxation Code shall be allocated by the county auditor, subject to the allocation and payment of funds, as provided for in subdivision (b) of Section 33670 of the Health and Safety Code, to each local agency, school district, county superintendent of schools, and community college district in the following manner:

(1) (A) The auditor shall determine the local agency share of 1978–79 property tax revenue by dividing the amount of property tax revenue received by all local agencies in 1977–78 by the total amount of property tax revenue received by all local agencies, school districts, community college districts, and county superintendents of schools in the 1977–78 fiscal year, and multiplying the quotient by the total amount of revenue generated pursuant to subdivision (b) of Section 2237 of the Revenue and Taxation Code.

(B) For each local agency, the county auditor shall compute a factor equal to the average amount of property tax revenue received in the three fiscal years prior to the 1978–79 fiscal year by each local agency within the county, divided by the average amount of property tax revenue received by all such agencies during the three fiscal years prior to the 1978–79 fiscal year. The county auditor shall multiply the factor for each local agency by the amount of revenue determined pursuant to subparagraph (A).

(C) Notwithstanding subparagraph (B), in each case where a local agency has been formed in the past three years and has assumed the duties of another local agency, it shall be entitled to the average amount of revenue for the prior three years of the local agency from whom it assumed its duties.

(D) For the purposes of subparagraphs (A) and (B), local agency shall not include a local agency formed after January 1, 1976.

(2) (A) The county auditor shall determine the school share of the 1978–79 fiscal year property tax revenue by subtracting the local agency share, as determined under subparagraph (A) of paragraph (1) of this subdivision, from the total amount of revenue generated pursuant to subdivision (b) of Section 2237 of the Revenue and Taxation Code.

(B) For each school district, county superintendent of schools,

and community college district, the county auditor shall compute a factor equal to the amount of property tax revenue received in the 1977–78 fiscal year by such district and the county superintendent of schools within the county divided by the total amount of property tax revenue received by all such districts and the county board of education in the 1977–78 fiscal year. The county auditor shall multiply the factor for each school district, county superintendent of schools, and community college district by the amount of revenue determined pursuant to subparagraph (A). For the purpose of this paragraph, local agencies formed after January 1, 1976, shall be considered school districts.

(3) For the purpose of this subdivision, the amount of proceeds of any property tax actually and separately levied for the specific purpose of making annual payments for the interest and principal on outstanding general obligation bonds or other indebtedness approved by the voters prior to July 1, 1978, including tax rates levied pursuant to Part 10 (commencing with Section 15000) of Division 1 of Sections 39308, 39311, 81338, and 81341 of the Education Code, shall be excluded from all calculations.

(4) The amounts computed under this subdivision shall be the amount of property tax revenue to be allocated to each local agency for the 1978–79 fiscal year.

(5) As used in this section, "property tax revenue" includes the amount of state reimbursement for the homeowners' and business inventory exemptions.

(c) For the 1978–79 fiscal year only, the amount of state reimbursement to each county with respect to property tax losses pursuant to the homeowners' exemption under Section 218 of the Revenue and Taxation Code, the business inventory exemption under Section 219 of the Revenue and Taxation Code, and the special treatment accorded livestock, motion pictures and wine and brandy under Sections 5523, 988, and 992, respectively, of the Revenue and Taxation Code, shall be allocated by each county auditor, subject to the allocation and payment of funds, as provided in subdivision (b) of Section 33670 of the Health and Safety Code, to local agencies, school districts, county superintendents of schools, and community college districts within the county pursuant to the proportions established in subdivision (b). This subdivision shall not apply to reimbursements with respect to tax rates levied to pay the interest or principal on outstanding general obligation bonds or other indebtedness approved by the voters prior to July 1, 1978.

(d) For local agencies, school districts, and community college districts located in more than one county, the county auditor of each county in which such local agency or district is located shall, for the purposes of computing the amount for such local agency or district pursuant to paragraphs (1) and (2) of subdivision (b), treat the portion of the local agency or district located within that county as a local agency or district

SEC 2 The amendments to Section 26912 of the Government

Code made by this act do not constitute a change in, but are declaratory of, the existing law.

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

Following the approval of Proposition 13 (Article XIII A, California Constitution) by the voters of California at the June 6, 1978, Primary Election, urgency legislation (Chapters 292 and 332, Statutes of 1978) was enacted to implement such proposition. Included in such legislation were provisions providing a method for allocation of property tax revenues for the 1978–79 fiscal year. Uncertainties in the application of such provisions require immediate clarification in order to enable proper distribution of such funds.

CHAPTER 226

An act to amend Section 1419.7 of the Labor Code, relating to discriminatory practices

[Approved by Governor July 9, 1979 Filed with Secretary of State July 9, 1979]

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

SECTION 1. Section 1419.7 of the Labor Code is amended to read:

1419.7. The division may also provide assistance to communities and persons therein in resolving disputes, disagreements, or difficulties relating to discriminatory practices based on race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, sex, or age which impair the rights of persons in such communities under the Constitution or laws of the United States or of this state. The services of the division may be made available in cases of such disputes, disagreements, or difficulties only when, in its judgment, peaceful relations among the citizens of the community involved are threatened thereby. The division's services are to be made available only upon the request of an appropriate state or local public body, or upon the request of any person directly affected by any such dispute, disagreement, or difficulty.

The assistance of the division pursuant to this section shall be limited to endeavors at investigation, conference, conciliation, and persuasion.

CHAPTER 227

An act to amend Section 4440 of the Public Resources Code, relating to fire protection.

[Approved by Governor July 9, 1979 Filed with Secretary of State July 9, 1979.]

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

SECTION 1. Section 4440 of the Public Resources Code is amended to read:

4440. (a) Flammable residue from a forest products manufacturing plant may be accumulated in piles when the area surrounding such piles is cleared and kept clear of all flammable vegetation and debris, including trees, snags, brush, grass, slash, and litter in accordance with one of the following procedures:

(1) Clearing to a distance of 150 feet from the periphery of the piles of flammable residue and all structures and lumber piles which are situated within 50 feet of such residue piles.

(2) Clearing to a distance of 100 feet from the periphery of the piles of flammable residue and all structures and lumber piles which are situated within 50 feet of such residue piles, and maintaining at all times a firebreak 10 feet or more in width cleared of all flammable material and constructed in a continuous line surrounding the accumulation at a distance of not less than 50 feet nor more than 300 feet from the periphery of the clearing surrounding the accumulation. All snags and dead trees between the firebreak and the periphery of the clearing shall be felled.

(b) Disposal by fire, if contemplated, is a responsibility of the operator or landowner or jointly and shall be accomplished in conformance with Section 4423 and all other applicable provisions of law.

CHAPTER 228

An act to amend and renumber Section 13517 as added to the Penal Code by Chapter 963 of the Statutes of 1978, relating to peace officers, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 9, 1979 Filed with Secretary of State July 9, 1979.]

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

SECTION 1. Section 13517 as added to the Penal Code by Chapter 963 of the Statutes of 1978 is amended to read:

13518. (a) All policemen, sheriffs, deputy sheriffs, members of the California State Police, and members of the California Highway Patrol shall be trained to administer first aid, including, but not limited to, cardiopulmonary resuscitation. Satisfactory completion of a refresher course in cardiopulmonary resuscitation and other first aid every three years shall also be required. This section shall not apply to policemen, sheriffs, deputy sheriffs, members of the California State Police, and members of the California Highway Patrol whose permanently assigned duties are primarily clerical or administrative.

(b) The course of training leading to the basic certificate issued by the commission shall, on and after July 1, 1979, include adequate instruction in the procedures described in subdivision (a). No reimbursement shall be made to local agencies based on attendance on or after such date at any such course which does not comply with the requirements of this subdivision.

(c) As used in this section, "primarily clerical or administrative" means the performance of clerical or administrative duties for a minimum of 90 percent of the time worked within a pay period.

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 prevent the expenditure of funds and the diversion of critical law enforcement manpower, it is necessary that this act take effect immediately.

CHAPTER 229

An act to amend Sections 831 and 13510.5 of, and to repeal Section 13515 of, the Penal Code, and to amend Section 40600 of the Vehicle Code, relating to peace officers and custodial officers.

[Approved by Governor July 9, 1979. Filed with Secretary of State July 9, 1979.]

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

SECTION 1. Section 831 of the Penal Code is amended to read:

831 (a) A custodial officer is a public officer, not a peace officer, employed by a law enforcement agency of a city who has the authority and responsibility for maintaining custody of prisoners and performs tasks related to the operation of a local detention facility used for the detention of persons usually pending arraignment or upon court order either for their own safekeeping or for the specific purpose of serving a sentence therein.

(b) A custodial officer shall have no right to carry or possess firearms in the performance of his prescribed duties.

(c) Every person, prior to actual assignment as a custodial officer, shall have satisfactorily completed the Commission on Peace Officer Standards and Training courses specified in Section 832 and the jail operations training course created under the minimum standards for local detention facilities established by the Board of Corrections pursuant to Section 6030.

(d) At any time 20 or more custodial officers are on duty, there shall be at least one peace officer, as described in Section 830.1, on duty at the same time to supervise the performance of the custodial officers.

(e) This section shall not be construed to confer any authority upon any custodial officer except while on duty.

(f) A custodial officer may use reasonable force in establishing and maintaining custody of persons delivered to him by a law enforcement officer; may make arrests for misdemeanors and felonies within the local detention facility pursuant to a duly issued warrant; may release without further criminal process persons arrested for intoxication; and may release misdemeanants on citation to appear in lieu of or after booking.

SEC. 2. Section 13510.5 of the Penal Code is amended to read:

13510.5. For the purpose of maintaining the level of competence of state law enforcement officers, the commission shall adopt, and may, from time to time amend, rules establishing minimum standards for training of peace officers as defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2, who are employed by any railroad company, the California State Police Division, the University of California Police Department, a California State University and Colleges police department, the Department of Alcoholic Beverage Control, the Division of Investigation of the Department of Consumer Affairs, the Wildlife Protection Branch of the Department of Fish and Game, the Division of Forestry of the Department of Conservation, the Department of Motor Vehicles, the California Horse Racing Board, the State Fire Marshal, the Bureau of Food and Drug, the Division of Labor Law Enforcement, the Director of Parks and Recreation, the State Department of Health Services, the State Department of Social Services, the State Department of Mental Health, the State Department of Developmental Services, the State Department of Alcohol and Drug Abuse, the Office of Statewide Health Planning and Development, and the Department of Justice. All such rules shall be adopted and amended pursuant to Chapter 4.5 (commencing with Section 11371) of Part 1, Division 3, Title 2 of the Government Code.

SEC. 3. Section 13515 of the Penal Code is repealed.

SEC. 4. Section 40600 of the Vehicle Code is amended to read.

40600. (a) Notwithstanding any other provision of law, a peace officer who has successfully completed a course or courses of instruction, approved by the Commission on Peace Officer Standards and Training, in the investigation of traffic accidents may prepare in

triplicate, on a form approved by the Judicial Council, a written notice of violation when the peace officer has reasonable cause to believe that any person involved in a traffic accident has violated a provision of this code not declared to be a felony or a violation of a local ordinance and the violation was a factor in the occurrence of the traffic accident.

(b) A notice of violation shall contain the name and address of the person, the license number of his vehicle, if any, the name and address, when available, of the registered owner or lessee of the vehicle, the offense charged, and the time and place when and where he may appear in court or before a person authorized to receive a deposit of bail. The time specified shall be at least 10 days after such notice of violation is delivered.

(c) The preparation and delivery of a notice of violation does not constitute an arrest.

(d) For the purposes of this article, a peace officer will be deemed to have reasonable cause to issue a written notice of violation if, as a result of his investigation, he has evidence, either testimonial or real, or a combination of testimonial and real, that would be sufficient to issue a written notice to appear if he had personally witnessed the events he investigated.

(e) As used in this section, "peace officer" means a member of the California Highway Patrol; a sheriff, undersheriff, or deputy sheriff of a county; a policeman of a city; or a policeman of a district authorized by statute to maintain a police department.

(f) The provisions of this article shall have no application to the procedures specified in Article 2 (commencing with Section 40500).

(g) This section shall apply to the procedures specified in Chapter 2.5 (commencing with Section 40650) of this division except that the notice of violation shall be as set forth and approved by the Traffic Adjudication Board.

CHAPTER 230

An act to add Section 61601.7 to the Government Code, relating to the Golden Hills Community Services District, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 9, 1979 Filed with Secretary of State July 9, 1979]

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

SECTION 1. Section 61601.7 is added to the Government Code, to read:

61601.7. Notwithstanding the provisions of Sections 61600 and 61601, whenever the Board of Directors of the Golden Hills Community Services District determines by resolution that it is

feasible, economically sound, and in the public interest for such district to exercise its power for the purpose of enforcing the covenants, conditions, and restrictions adopted for each tract within the boundaries of the district, and to assume the duties of the architectural control committee for each tract within the boundaries of the district and for such other tracts as may be annexed from time to time, for the purpose of maintaining uniform standards of development within the district as adopted in the covenants, conditions, and restrictions, the board shall adopt such additional purpose by resolution entered in the minutes and such power of such district may be exercised thereafter.

Such board may thereafter divest the district of the power to carry on such activities in the same manner as it may acquire such power.

For the purposes of this section, "tract" means any parcel of land for which the county has authorized development.

SEC. 2. The Legislature finds and declares that the Golden Hills Community Services District has a special need for the power to enforce the covenants, conditions, and restrictions adopted for each tract within the boundaries of the district and to assume the duties of the architectural control committee for each tract within the boundaries of the district and for such other tracts as may be annexed from time to time, for the purpose of maintaining uniform standards of development within the district as adopted in such covenants, conditions, and restrictions. It is, therefore, hereby declared that a general law cannot be made applicable and that enactment of Section 61601.7 of the Government Code is necessary for the solution of problems existing in the Golden Hills Community Services District.

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 existing members of the property owners association who are carrying out the duties of the architectural control committee have given notice that they will terminate such service on June 30, 1979 In order that uniform standards of development and enforcement of covenants, conditions, and restrictions on land use are maintained, it is, therefore, necessary that this act take immediate effect.

CHAPTER 231

An act to add Section 13510.1 to the Penal Code, relating to peace officers

[Approved by Governor July 9, 1979 Filed with Secretary of State July 9, 1979]

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

SECTION 1. Section 13510.1 is added to the Penal Code, to read:

13510.1. (a) The commission shall establish a certification program for peace officers specified in Sections 13510 and 13522 and for the California Highway Patrol.

(b) Basic, intermediate, advanced, supervisory, management, and executive certificates shall be established for the purpose of fostering professionalization, education, and experience necessary to adequately accomplish the general police service duties performed by peace officer members of city police departments, county sheriffs' departments, districts, university and state university and college departments, or by the California Highway Patrol.

(c) Certificates shall be awarded on the basis of a combination of training, education, experience, and other prerequisites, as determined by the commission.

(d) Persons who are determined by the commission to be eligible peace officers may make application for such certificates, provided they are employed by an agency which participates in the Peace Officer Standards and Training (POST) program.

(e) Certificates remain the property of the commission and the commission shall have the power to cancel any certificate.

(f) The commission shall cancel certificates issued to persons who have been convicted of, or entered a plea of guilty or nolo contendere to, a crime classified by statute or the Constitution as a felony

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CHAPTER 232

An act relating to the Public Employees' Retirement System, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Became law without Governor's signature July 10, 1979 Filed with Secretary of State July 10, 1979]

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

SECTION 1 The sum of thirty-four thousand forty-one dollars ($34,041) is hereby appropriated from the General Fund to the Board of Administration of the Public Employees' Retirement System to be transferred to and in augmentation of Item 122 of the Budget Act of 1978 for the use and support of the Board of Administration of the Public Employees' Retirement System during the 1978–79 fiscal year.

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

immediate effect. The facts constituting such necessity are:

In order to provide for deficiencies in funds available to the Public Employees' Retirement System for administrative expenses during the 1978–79 fiscal year, it is necessary that this act become effective immediately.

CHAPTER 233

An act to amend Section 20870 of the Business and Professions Code, relating to petroleum dealers.

[Approved by Governor July 10, 1979 Filed with Secretary of State July 10, 1979]

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

SECTION 1. Section 20870 of the Business and Professions Code is amended to read:

20870. It is unlawful for any distributor or for any broker to sell any product to a retailer or to any person, when the quantity distributed in any single delivery to a single location is 5,000 or more gallons, as, or purporting to be, gasoline or diesel fuel, unless, the distributor or broker, as the case may be, offers to invoice the purchaser for such gasoline or diesel fuel on the basis of temperature-corrected gallonage to 60 degrees Fahrenheit for all such deliveries to the purchaser over a period of twelve (12) consecutive months and settles his accounts with the purchaser on the same basis.

SEC. 2. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, there shall be no appropriation made by this act pursuant to these sections 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 agencies and school districts which, in the aggregate, do not result in significant identifiable cost changes. Paragraph (2) of subdivision (c) of Section 2253.2 of that code precludes the State Board of Control from considering claims for costs incurred by the creation of a new crime or infraction or by changes in the penalty for a crime or infraction, but the Department of Finance shall make the report required by Section 2246 of that code on costs mandated by this act.

CHAPTER 234

An act to amend Section 2356 of, and to add Section 2307.1 to, the Civil Code, relating to agency.

[Approved by Governor July 10, 1979 Filed with Secretary of State July 10, 1979]

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

SECTION 1. Section 2307.1 is added to the Civil Code, to read:

2307.1. When a principal designates another his attorney in fact or agent by a power of attorney in writing, signed by the principal and acknowledged, and the writing contains the words "This power of attorney shall not be affected by the subsequent disability or incapacity of the principal until one year after the disability or incapacity occurs, or such lesser period specified by the principal," or similar words showing the intent of the principal that the authority conferred shall be exercisable notwithstanding his or her later disability or incapacity, then the authority of the attorney in fact or agent is exercisable by him or her as provided in the power on behalf of the principal until one year after the disability or incapacity occurs, or such lesser period specified by the principal, notwithstanding later disability or incapacity of the principal at law, provided, however, that the authority of the attorney in fact or agent under a power created pursuant to this section to engage in any transaction involving the sale, conveyance, exchange, transfer, partition, lease, or encumbrance of real property, or any rights or security interest therein, shall be limited to real property which comprises the principal place of residence of the principal. A principal may limit the time period that a power of attorney survives that disability or incapacity to a period less than one year.

All acts done by the attorney in fact or agent, pursuant to the power during any period of disability or incapacity, have the same effect and inure to the benefit of and bind the principal or his or her heirs, devisees, and personal representatives as if the principal were competent and not disabled. Any bona fide purchaser or encumbrancer for value may conclusively rely upon, and need not inquire into, the capacity of the principal at the time a durable power of attorney is created pursuant to this section.

If a conservator or guardian shall thereafter be appointed for the property or estate of the principal, the attorney in fact or agent shall, during the continuance of the appointment, account to the conservator or guardian rather than the principal. The conservator or guardian has the same power the principal would have had if he or she were not disabled or incapacitated to revoke, suspend, or terminate all or any part of the power of attorney or agency

SEC 2 Section 2356 of the Civil Code is amended to read:

2356 (a) Unless the power of an agent is coupled with an

interest in the subject of the agency, it is terminated by: (1) its revocation by the principal; (2) his death; or, (3) his incapacity to contract, except for a power of attorney created pursuant to Section 2307.1, which power terminates upon the expiration of one year from the occurrence of disability or incapacity of the principal, or of such lesser period specified by the principal.

(b) However, any bona fide transaction entered into with such agent by any person acting without actual knowledge of such revocation, death, or incapacity shall be binding upon the principal, his heirs, devisees, legatees, and other successors in interest

Under this subdivision, in the case of an agent of a principal who is an absentee as defined in Section 1751.5 of the Probate Code, while the absentee continues in his missing status, and until receipt by the parties of notice from the secretary of the department or head of the agency concerned, or his delegate, of the termination of such missing status by the making of a finding of the death of the absentee, the parties shall be deemed to be without actual knowledge of any such revocation, death, or incapacity of the principal.

(c) Nothing in this section shall affect the provisions of Section 1216

CHAPTER 235

An act to amend Sections 40508, 40509, 40510, 40514, and 40515 of, and to add Section 40506 5 to, the Vehicle Code, relating to vehicles.

[Approved by Governor July 10, 1979 Filed with Secretary of State July 10, 1979]

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

SECTION 1 Section 40506.5 is added to the Vehicle Code, to read

40506.5 Prior to the date upon which he promised to appear and without depositing bail, the defendant may request a continuance of his written promise to appear. The judge of a municipal or justice court may authorize the clerk to grant the continuance.

SEC 2 Section 40508 of the Vehicle Code is amended to read.

40508. (a) Any person willfully violating his written promise to appear or a lawfully granted continuance of his promise to appear in court or before a person authorized to receive a deposit of bail is guilty of a misdemeanor regardless of the disposition of the charge upon which he was originally arrested

(b) Any person willfully failing to pay a lawfully imposed fine for a violation of any provision of this code or a local ordinance adopted pursuant to this code within the time authorized by the court and without lawful excuse having been presented to the court on or before the date the fine is due is guilty of a misdemeanor regardless

of the full payment of the fine after such time.

(c) If a person convicted of an infraction fails to pay a fine or any installment thereof within the time authorized by the court, the court may, except as otherwise provided in this paragraph, impound the person's driver's license and order him not to drive for a period not to exceed 30 days. Before returning the license to the person the court shall endorse on the reverse side of the license that the person was ordered not to drive, the period for which such order was made, and the name of the court making the order. If the defendant satisfies the court that impounding his driver's license and ordering him not to drive will affect his livelihood, the court shall order that the person limit his driving for a period not to exceed 30 days to such driving as is essential in the court's determination to the person's employment, including his driving to and from his place of employment if other means of transportation are not reasonably available. The court shall provide for the endorsement of such limitation on the person's license. The impounding of the license and ordering the person not to drive or the order limiting the person's driving does not constitute a suspension of the license, but a violation of the order constitutes contempt of court.

SEC. 3. Section 40509 of the Vehicle Code is amended to read:

40509. (a) Whenever any person has for a period of 15 or more days violated his written promise to appear or a lawfully granted continuance of his promise to appear in court or before the person authorized to receive a deposit of bail or violated an order to appear in court or to pay a fine pursuant to subdivision (a) of Section 42003, the magistrate or clerk of the court may give notice of such fact to the department. Such notice shall be given not less than 30 days nor more than 60 days after issuance of a warrant. Whenever thereafter the case in which such promise was given is adjudicated or the person who has violated the court order appears in court or otherwise satisfies the order of the court, the magistrate or clerk of the court hearing the case shall sign and file with the department a certificate to that effect.

(b) Whenever any person has for a period of 15 or more days willfully failed to pay a lawfully imposed fine within the time authorized by the court, the magistrate or clerk of such court may give notice of such fact to the department for any violation which is required to be reported pursuant to Section 1803. Whenever thereafter the fine is fully paid, the magistrate or clerk of such court shall sign and file with the department a certificate showing that the fine has been paid.

SEC. 4. Section 40510 of the Vehicle Code is amended to read:

40510. The defendant may, prior to the date upon which he promised to appear or prior to the expiration of any lawful continuance of such date, deposit bail with the magistrate or the person authorized to receive a deposit of bail.

For any offense which is not declared to be a felony, such deposit of bail may be by the personal check of the person who has signed

a written promise to appear, if he furnishes to the person authorized to receive a deposit of bail satisfactory evidence of residence in this state and if such personal check is drawn on a banking institution located in this state.

SEC. 5 Section 40514 of the Vehicle Code is amended to read:

40514. No warrant shall issue on the charge for the arrest of a person who has given his written promise to appear in court or before a person authorized to receive a deposit of bail, unless he has violated the promise, the lawfully granted continuance of his promise, or has failed to deposit bail, to appear for arraignment, trial or judgment, or to comply with the terms and provisions of the judgment, as required by law.

SEC. 6. Section 40515 of the Vehicle Code is amended to read:

40515. (a) When a person signs a written promise to appear or is granted a continuance of his promise to appear at the time and place specified in the written promise to appear or the continuance thereof, and has not posted bail, the magistrate may issue and have delivered for execution a warrant for his arrest within 20 days after his failure to appear before the magistrate, or if the person promises to appear before an officer authorized to accept bail other than a magistrate and fails to do so on or before the date on which he promised to appear, then, within 20 days after the delivery of the written promise to appear by the officer to a magistrate having jurisdiction over the offense.

(b) When the person violates his promise to appear before an officer authorized to receive bail other than a magistrate, the officer shall immediately deliver to a magistrate having jurisdiction over the offense charged the written promise to appear and the complaint, if any, filed by the arresting officer.

CHAPTER 236

An act to amend Section 48980 of, and to add Sections 46015 and 48205 to, the Education Code, relating to school absences.

[Approved by Governor July 10, 1979 Filed with Secretary of State July 10, 1979]

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

SECTION 1. Section 46015 is added to the Education Code, to read:

46015. Except as otherwise provided in this article, the absences allowed under Section 48205 shall be deemed to be absences in computing average daily attendance and shall not generate state apportionment payments.

SEC. 2. Section 48205 is added to the Education Code, to read:

48205. Notwithstanding Section 48200, a pupil shall be excused

from school for justifiable personal reasons, including but not limited to, an appearance in court, observance of a holiday or ceremony of his or her religion, or an employment conference, when the pupil's absence has been requested in writing by the parent or guardian and approved by the principal or a designated representative pursuant to uniform standards established by the governing board.

A pupil absent from school under this section shall be allowed to complete all assignments and tests missed during the absence which can be reasonably provided and, upon satisfactory completion, shall be given full credit therefor. The teacher of any class from which a pupil is absent shall determine, pursuant to the regulations of the governing board of the school district, what assignments the pupil shall make up and in what period of time the pupil shall complete such assignments. The tests and assignments shall be reasonably equivalent to, but not necessarily identical to, the tests and assignments which the pupil missed during the absence.

SEC. 3. Section 48980 of the Education Code is amended to read:

48980. At the beginning of the first semester or quarter of the regular school term, the governing board of each school district shall notify the parent or guardian of its minor pupils regarding the right of the parent or guardian under Sections 46014, 48205, 49403, 49423, 49451, 49472, 51240, 51550, and 56031

SEC. 4. No appropriation is made by this act pursuant to Section 2231 or 2234 of the Revenue and Taxation Code for the reimbursement of any school district 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. It is recognized, however, that such school district may pursue any other remedies available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code

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CHAPTER 237

An act to repeal and add Section 42243 5 of, and to repeal Sections 59021, 59022, 59121, 59122, 59221, and 59222 of, the Education Code, relating to school finance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1979 Filed with Secretary of State July 10, 1979]

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

SECTION 1 Section 42243 5 of the Education Code is repealed.

SEC. 2. Section 42243.5 is added to the Education Code, to read.

42243 5 Commencing in the 1979–80 fiscal year, the revenue limit of a school district shall be decreased pursuant to this section

(a) The county superintendent of schools shall determine the

amount of district contributions from local tax revenues pursuant to former Sections 59021, 59121, and 59221 in the 1972–73 fiscal year.

(b) The county superintendent of schools shall reduce the amount computed in subdivision (a) from the school district's revenue limit based computed pursuant to Section 42238.

SEC. 3. Section 59021 of the Education Code is repealed.

SEC. 4. Section 59022 of the Education Code is repealed.

SEC. 5. Section 59121 of the Education Code is repealed.

SEC 6. Section 59122 of the Education Code is repealed.

SEC. 7. Section 59221 of the Education Code is repealed.

SEC. 8. Section 59222 of the Education Code is repealed.

SEC. 9. There is hereby appropriated from the General Fund in the State Treasury the sum of one million two hundred sixteen thousand dollars ($1,216,000) in augmentation of Item 313 of the Budget Act of 1979, to be allocated by the Superintendent of Public Instruction, upon the approval of the Department of Finance, among the California School for the Deaf, the California School for the Blind, and the California diagnostic schools for neurologically handicapped children.

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:

Because of the enactment of Article XIIIA of the California Constitution, school districts may no longer levy taxes in the amounts which were permitted in the past. In order that funding may be made available to reimburse state special schools in the 1979-80 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 238

An act to amend Section 39807.5 of the Education Code, relating to school districts.

[Approved by Governor July 10, 1979 Filed with Secretary of State July 10, 1979]

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

SECTION 1. Section 39807.5 of the Education Code is amended to read.

39807.5. When the governing board of any school district provides for the transportation of pupils to and from schools in accordance with the provisions of Section 39800, the governing board of the district may require the parents and guardians of all or some of the pupils transported, to pay a portion of the cost of such transportation in an amount determined by the governing board provided that such district does not qualify to receive

reimbursement from the State School Fund for transportation under Article 10 (commencing with Section 41850) of Chapter 5 of Part 24 of this division in the year in which the requirement to pay is made. The amount determined by the board shall be no greater than the actual cost of providing such transportation to a pupil on such a common carrier or municipally owned transit system. The governing board shall exempt from such charges pupils of parents and guardians who are indigent as set forth in rules and regulations adopted by the board. No charge under this section shall be made for the transportation of handicapped children. Nothing in this section shall be construed to sanction, perpetuate, or promote the racial or ethnic segregation of pupils in the schools.

SEC. 2. Section 1 of this act shall not become operative if Assembly Bill 1595 is chaptered and becomes effective on or before January 1, 1980, whether this act is chaptered prior or subsequent to Assembly Bill 1595

CHAPTER 239

An act to amend Sections 40484, 40800, 41703, 42359.5, and 42402 of, and to add Section 40526 to, the Health and Safety Code, relating to air pollution, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1979 Filed with Secretary of State July 10, 1979.]

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

SECTION 1. Section 40484 of the Health and Safety Code is amended to read.

40484. In the appointment of persons to the south coast district staff, the south coast district board shall employ the personnel of the Southern California Air Pollution Control District.

On February 1, 1977, all employees of the Southern California Air Pollution Control District shall be employed by the south coast district and shall be entitled to similar positions on the south coast district staff. Except as otherwise provided in this article, they shall have permanent merit system employee status and shall perform the similar duties for the south coast district as for the Southern California Air Pollution Control District.

SEC. 2. Section 40526 is added to the Health and Safety Code, to read:

40526 The south coast district board may borrow money and incur indebtedness in anticipation of the revenue for the current year in which the indebtedness is incurred or for the ensuing year. Such indebtedness shall not exceed the total amount of the estimated revenue for either the current year or the ensuing year.

SEC. 3. Section 40800 of the Health and Safety Code is amended to read:

40800. There is continued in existence and shall be, in each district, one or more hearing boards consisting of five members each, as specified in Section 40801, appointed by the district board.

The district board may also appoint one alternate for each member. The alternate shall have the same qualifications, specified in Section 40801, as the member for whom such person is the alternate. The alternate may serve only in the absence of the member, and for the same term as the member.

An alternate shall not hold any of the single member hearings authorized by subdivision (c) of Section 40824, subdivision (c) of Section 40825, Section 42351.5, or Section 42359.5.

SEC. 4. Section 41703 of the Health and Safety Code is amended to read:

41703. If a district board adopts a rule or regulation of emission standards to take effect as of a future date, the rule or regulation shall also require any person who owns or operates a source of air contaminants whose emissions exceed such standards to submit to the hearing board, for a public hearing, after notice pursuant to Section 40826, a schedule of increments of progress by which the source emissions will be brought into compliance by the time such standards take effect.

If the rule or regulation itself includes a schedule of increments of progress, the person shall apply for a modification in accordance with Section 42357 in the event he cannot comply with the schedule in the rule or regulation, except that an application for a change in the final compliance date shall be subject to the requirements for a variance, as provided in Section 42352.

SEC. 5. Section 42359.5 of the Health and Safety Code is amended to read:

42359.5. (a) Notwithstanding any other provision of this article or of Article 2 (commencing with Section 40820) of Chapter 8 of Part 3, the chairman of a district hearing board, or any other member of the hearing board designated thereby, may issue, without notice and hearing, an emergency variance to an applicant.

(b) An emergency variance may be issued for good cause, including, but not limited to, a breakdown condition. The district board in consultation with its air pollution control officer and the hearing board may adopt rules and regulations, not inconsistent with this subdivision, to further specify the conditions, and to what extent, an emergency variance may be granted.

The emergency variance shall not remain in effect longer than 30 days and shall not be granted when sought to avoid the provisions of Section 40824 or 42351.

SEC. 6. Section 42402 of the Health and Safety Code is amended to read:

42402. Any person who intentionally or negligently violates Section 41700 or 41701 or any rule or regulation of a district or of the

state board issued pursuant to this part, shall be liable for a civil penalty not to exceed five hundred dollars ($500) for each day in which such violation occurs Any action brought under this section for recovery of a civil penalty shall preclude prosecution under Section 42400 for the same offense.

SEC. 7. Notwithstanding Section 2231 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to that section nor shall there be an appropriation made by this act because this act is in accordance with the request of a local government entity or entities which desires legislative authority to carry out the program specified in this act.

SEC. 8. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In order to prevent unnecessary delays in implementing air quality planning, to provide adequate measures for enforcement of pollution monitoring requirements, and to permit orderly local government fiscal budgeting it is, therefore, necessary that this act take immediate effect.

CHAPTER 240

An act to amend Sections 20165, 20685, 20750.9, 20803, 21033, 21102, 21200 3, 21330, and 21331 of, and to add Sections 20803.2, 20809.1, and 20809.2 to, the Government Code, relating to the Public Employees' Retirement System.

[Approved by Governor July 10, 1979 Filed with Secretary of State July 10, 1979]

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

SECTION 1. Section 20165 of the Government Code is amended to read·

20165. If more or less than the correct amount of contribution required of members, the state, or any contracting agency, is paid, proper adjustment shall be made in connection with subsequent payments, or such adjustments may be made by direct cash payments between the member, state, or contracting agency concerned and the board. Adjustments to correct any other errors in payments to or by the board, including adjustments of contributions, with interest, which are found to be erroneous as the result of corrections of dates of birth, may be made in the same manner. Adjustments to correct overpayment of a retirement allowance may also be made by adjusting the allowance so that the retired person or the retired person and his beneficiary, as the case may be, will receive the actuarial equivalent of the allowance to which the

member is entitled. Losses or gains resulting from error in amounts within the limits set by the State Board of Control for automatic writeoff, and losses or gains in greater amounts specifically approved for writeoff by the State Board of Control, shall be debited or credited, as the case may be, to the reserve against deficiencies in interest earned in other years, losses under investments, and other contingencies.

No adjustment shall be made because less than the correct amount of normal contributions was paid by a member if, upon application of the member made within 90 days of discovery of the error by the system, the board finds that the error was not known to the member and was not the result of erroneous information provided by him to the system or to his employer and such failure to adjust will not preclude action under Section 20180 correcting the date upon which the person became a member.

The actuarial equivalent under this section shall be computed on the basis of the mortality tables and actuarial interest rate in effect under the system on December 1, 1970, for retirements effective through December 31, 1979. Commencing with retirements effective January 1, 1980, and at corresponding 10-year intervals thereafter, or more frequently at the board's discretion, the board shall change the basis for calculating actuarial equivalents under this article to agree with the interest rate and mortality tables in effect at the commencement of each such 10-year or succeeding interval.

SEC. 2. Section 20685 of the Government Code is amended to read:

20685. (a) If a basic death benefit has become or becomes payable before the payment of the total amount the member elected to pay under any election with respect to normal contributions permitted under this part, the member's entire compensation, or the service upon which that total amount was based, as the case may be, shall be included in the computation of the portion of the death benefit which is provided in subdivision (b) of Section 21361, and the unpaid balance of the total amount shall not be paid to this system, nor shall it be included in the member's accumulated contributions which constitute a part of the basic death benefit.

(b) Any balance of any such total amount remaining unpaid at the death of the member on account of whom a special death benefit is payable or at the retirement of a member for industrial disability shall become due and payable forthwith, except that the survivor of a member who died under circumstances under which a special death benefit is payable and who had authorized payroll deductions, in accordance with Section 20654, may elect to continue such deductions from the survivor allowance in lieu of the lump-sum payment otherwise required. If the balance is not paid, the portion of such unpaid amount representing contributions on compensation earned in the membership applicable to the member at the time of injury resulting in death shall be deducted from the benefit otherwise payable and the system shall be discharged from any

liability for any annuity or benefit with respect to any remainder of such unpaid contribution.

(c) Any balance of such total amount remaining unpaid at the time of retirement for service or ordinary disability, or at death, with respect to which a benefit is payable under Section 21365.5 shall become due and payable forthwith, except that the survivor of a member who died under circumstances under which a benefit under Section 21365.5 is payable and who had authorized payroll deductions, in accordance with Section 20654, may elect to continue such deductions from the survivor allowance in lieu of a lump-sum payment of the balance due. If the balance is not paid, the service credit included in the election shall be reduced proportionately and any prior service dependent on completion of payments eliminated for purposes of computing the allowance but not for purposes of determining entitlement to an allowance.

(d) Notwithstanding any provision of subdivision (b) or (c), a member who retires after January 1, 1976, before payment of the total amount which he elected to pay, may elect to pay the balance due by deductions from his retirement allowance equal to those which he authorized as payroll deductions in accordance with Section 20654. In such case service credit included in the election shall not be reduced, nor shall any prior service dependent on completion of payments be eliminated for purposes of computing the allowance. Any balance of such total amount remaining unpaid upon the death of such member shall be treated in the same manner as unpaid balances are treated if a special death benefit is payable, except that the survivor of a retired member who had authorized deductions from his retirement allowance in accordance with this subdivison, and who is eligible for a monthly allowance, may elect to continue such deductions from his allowance in lieu of the lump-sum payment otherwise required.

SEC. 3. Section 20750.9 of the Government Code is amended to read:

20750.9. The rates of contribution fixed under this chapter shall be effective on the operative date of the amendments to this section at the 1971 Regular Session; provided that if such rate is greater than the current rate of a contracting agency, its effectivity shall be deferred and the current rate continued with respect to such agency on request of its governing body until July 1, 1972, in which case an amount equal to the additional contributions which would have been made by the contracting agency had such deferral not occurred shall be transferred from the contributions of the contracting agency held for liability to be funded pursuant to Section 20750.8 to the contributions held for liabilities of all employers in accordance with Section 20758. Rates of contributions as fixed under this chapter shall be adjusted thereafter from time to time by the board pursuant to actuarial valuation of the liability for benefits on account of the employees of all public employers. Any adjustment of such rate of contribution shall be effective on the July 1 following notice as

provided in this section The board shall report such adjustment to the Governor, the Legislature, and the governing body of every other public employer before March 1 of the fiscal year preceding that in which the adjustment becomes effective.

SEC. 4 Section 20803 of the Government Code is amended to read:

20803. "Local safety service" means state service rendered as a local firefighter, local police officer, county peace officer, local safety officer, or positions defined as local safety member in Section 20019.3 except as provided in this article and Article 4.

SEC. 5. Section 20803.2 is added to the Government Code, to read:

20803.2. Past local miscellaneous service shall be converted to local safety service if the past service:

(a) Was rendered by a current employee of the same agency for which the miscellaneous service was performed; and

(b) Was rendered in a position that has subsequently been reclassified as a local safety position; and

(c) Is credited to an employee who has other local safety service credit for service performed with the agency.

SEC. 6. Section 20809.1 is added to the Government Code, to read:

20809.1. A member who is receiving military retirement pay based on 20 or more years of active duty with the armed forces shall be deemed to have received credit in a publicly supported retirement system for all service performed with the armed forces. Credit toward military retirement pay which is earned by a combination of active duty and nonactive duty with a reserve component of the armed forces and where the retirement pay is payable only upon the attainment of a specified age shall not be deemed credit in a publicly supported retirement system.

SEC. 7. Section 20809.2 is added to the Government Code, to read:

20809.2. A member who is receiving disability retirement pay which is paid by one of the armed forces shall be deemed to be receiving military retirement pay based on active duty, regardless of the number of years of active duty served. A member who is receiving disability compensation from the Veterans' Administration and is not receiving retirement pay from one of the armed forces shall not be considered to be receiving military retirement pay.

SEC. 8. Section 21033 of the Government Code is amended to read·

21033. If the retirement allowance of any person retired for disability is canceled for any cause other than reentrance into state service, and if he does not reenter state service, an amount which is the actuarial equivalent of his annuity at cancellation, based on a disabled life, but not exceeding the amount of his accumulated contributions at the time of his retirement for disability, shall be credited to his individual account, and shall be refunded to him

unless he elects, under Section 20393, to allow his accumulated contributions to remain in the retirement fund.

The actuarial equivalent under this section shall be computed on the basis of the mortality tables and actuarial interest rate in effect under the system on December 1, 1970, for retirements effective through December 31, 1979. Commencing with retirements effective January 1, 1980, and at corresponding 10-year intervals thereafter, or more frequently at the board's discretion, the board shall change the basis for calculating actuarial equivalents under this article to agree with the interest rate and mortality tables in effect at the commencement of each such 10-year or succeeding interval.

SEC. 9. Section 21102 of the Government Code is amended to read:

21102. When any person is reinstated from retirement under this article, his retirement allowance shall be canceled forthwith, and he shall become a member of this system as of the date of reinstatement. His individual account shall be credited with an amount which is the actuarial equivalent of his annuity at the date of reinstatement, not to exceed the amount of his accumulated contributions as it was at the date of retirement. His future rate of contributions and his retirement allowance upon subsequent retirement shall be determined in accordance with Chapter 5 and Chapter 9 of this part, respectively.

The actuarial equivalent under this section shall be computed on the basis of the mortality tables and actuarial interest rate in effect under the system on December 1, 1970, for retirements effective through December 31, 1979. Commencing with retirements effective January 1, 1980, and at corresponding 10-year intervals thereafter, or more frequently at the board's discretion, the board shall change the basis for calculating actuarial equivalents under this article to agree with the interest rate and mortality tables in effect at the commencement of each such 10-year or succeeding interval.

SEC. 10. Section 21200.3 of the Government Code is amended to read:

21200.3. Notwithstanding Section 21200.1, the board may fix the effective date of a member's retirement as of a date earlier than the first of the month in which an application for retirement is received in the office of the board, if the board finds: (1) an application is in fact received within nine months following the member's separation from state service; (2) the member separated from state service with the intention of retiring; (3) the member failed to submit an application for retirement due to misunderstanding of the requirement therefor, or the member or member's employer undertook to transmit an application for such retirement and failed or delayed unreasonably in such transmission; and (4) the member is living on the date the application is actually received at the office of the board. An effective date fixed pursuant to this section may not be earlier than the effective date found to have been specified in the original application or earlier than the day following the last day for

which salary was payable. For purposes of this section, the member's intention to retire may be determined by personnel documents prepared by the employer at the time of the member's separation or by affidavit of the member, coworkers or the employer. This section shall also apply to persons retired on and after December 1, 1975, who transmit a request in writing to the board prior to March 1, 1977, for a lump-sum payment for the amount of allowance that they would have received if this section had been in effect on the effective date of their retirement

SEC. 11. Section 21330 of the Government Code is amended to read:

21330. In lieu of the retirement allowance for his life alone, a member or retired member may elect, or revoke or change a previous election prior to the approval of the previous election, to have the actuarial equivalent of his retirement allowance as of the date of retirement applied to a lesser retirement allowance, in accordance with one of the optional settlements specified in this article. Said election or revocation or change thereof, with respect to a member subject to Section 21263 at retirement, shall apply to all of the retirement allowance, if, at the effective date of retirement for service or for industrial disability, said member has no spouse, children or dependent parents who would qualify for an allowance under Section 21263 after the death of said member; or, if at retirement there are persons who would so qualify, then said election, or revocation, or change thereof, with respect to any optional settlement other than optional settlement one, shall apply only to the portion of the allowance which exceeds the amount of the allowance payable to the survivor.

An actuarial equivalent under this article shall be computed on the basis of the mortality tables and actuarial interest rate in effect under the system on December 1, 1970, for retirements effective through December 31, 1979. Commencing with retirements effective January 1, 1980, and at corresponding 10-year intervals thereafter, or more frequently at the board's discretion, the board shall change the basis for calculating actuarial equivalents under this article to agree with the interest rate and mortality tables in effect at the commencement of each such 10-year or succeeding interval.

SEC. 11.5. Section 21330 of the Government Code is amended to read:

21330. In lieu of the retirement allowance for his life alone, a member or retired member may elect, or revoke or change a previous election prior to the approval of the previous election, to have the actuarial equivalent of his retirement allowance as of the date of retirement applied to a lesser retirement allowance, in accordance with one of the optional settlements specified in this article. Said election or revocation or change thereof, with respect to a member subject to Section 21263 at retirement, shall apply to all of the retirement allowance, if, at the effective date of retirement, said member has no spouse, children or dependent parents who would

qualify for an allowance under Section 21263 after the death of said member; or, if at retirement there are persons who would so qualify, then said election, or revocation, or change thereof, with respect to any optional settlement other than optional settlement one, shall apply only to the portion of the allowance which exceeds the amount of the allowance payable to the survivor.

An actuarial equivalent under this article shall be computed on the basis of the mortality tables and actuarial interest rate in effect under the system on December 1, 1970, for retirements effective through December 31, 1979. Commencing with retirements effective January 1, 1980, and at corresponding 10-year intervals thereafter, or more frequently at the board's discretion, the board shall change the basis for calculating actuarial equivalents under this article to agree with the interest rate and mortality tables in effect at the commencement of each such 10-year or succeeding interval.

SEC. 12. Section 21331 of the Government Code is amended to read:

21331. Such election, revocation, or change of election shall be made prior to the making of the first payment on account of any retirement allowance or, in event of a change of retirement status after retirement, prior to the making of the first payment on account of any retirement allowance following the change in retirement status. "Change in retirement status" includes but is not limited to change from service to disability retirement, from disability retirement to service retirement, from nonindustrial disability retirement to industrial disability retirement, or from industrial to nonindustrial disability retirement.

For purposes of this section only, the mailing of a warrant shall be deemed payment and the date of the mailing of the warrant shall be deemed the date of payment.

SEC. 13. It is the intent of the Legislature, if this bill and Senate Bill 248 are both chaptered and become effective January 1, 1980, both bills amend Section 21330 of the Government Code, and this bill is chaptered after Senate Bill 248, that the amendments to Section 21330 proposed by both bills be given effect and incorporated in Section 21330 in the form set forth in Section 11.5 of this act. Therefore, Section 11.5 of this act shall become operative only if this bill and Senate Bill 248 are both chaptered and become effective January 1, 1980, both amend Section 21330, and this bill is chaptered after Senate Bill 248, in which case Section 11 of this act shall not become operative.

CHAPTER 241

An act to amend Section 6314 of the Labor Code, relating to occupational safety and health, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1979 Filed with Secretary of State July 10, 1979.]

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

SECTION 1. Section 6314 of the Labor Code is amended to read:

6314. (a) To make an investigation or inspection, the chief of the division and all qualified divisional inspectors and investigators authorized by him shall, upon presenting appropriate credentials to the employer, have free access to any place of employment to investigate and inspect during regular working hours, and at other reasonable times when necessary for the protection of safety and health, and within reasonable limits and in a reasonable manner. The chief or his authorized representative may, during the course of any investigation or inspection, obtain any statistics, information, or any physical materials in the possession of the employer which are directly related to the purpose of the investigation or inspection, conduct any tests necessary to the investigation or inspection, and take photographs. Photographs taken by the division during the course of any investigation or inspection shall be considered to be confidential information pursuant to the provisions of Section 6322, and shall not be deemed to be public records for purposes of the California Public Records Act.

(b) If permission to investigate or inspect the place of employment is refused, or the facts or circumstances reasonably justify the failure to seek such permission, the chief or his authorized representative may obtain an inspection warrant pursuant to the provisions of Title 13 (commencing with Section 1822.50) of the Code of Civil Procedure. Cause for the issuance of a warrant shall be deemed to exist if there has been an industrial accident, injury, or illness reported, if any complaint that violations of occupational safety and health standards exist at the place of employment has been received by the division, or if the place of employment to be inspected has been chosen on the basis of specific neutral criteria contained in a general administrative plan for the enforcement of this division

(c) The chief and his authorized representatives may issue subpoenas to compel the attendance of witnesses and the production of books, papers, records, and physical materials, administer oaths, examine witnesses under oath, take verification or proof of written materials, and take depositions and affidavits for the purpose of carrying out the duties of the division

(d) In the course of any investigation or inspection of an employer

or place of employment by an authorized representative of the division, a representative of the employer and a representative authorized by his employees shall have an opportunity to accompany him on the tour of inspection. Any employee or employer, or their authorized representatives, shall have the right to discuss safety violations or safety problems with the inspector privately during the course of an investigation or inspection. Where there is no authorized employee representative, the chief or his authorized representatives shall consult with a reasonable number of employees concerning matters of health and safety of the place of employment.

(e) If, during any investigation of an industrial accident or occupational illness conducted by the division pursuant to the provisions of Section 6313, the chief or his authorized representative are refused entry by the employer, the chief or his authorized representative may issue an order to preserve physical materials or the accident site as they were at the time the accident or illness occurred if, in the opinion of the division, it is necessary to do so in order to determine the cause or causes of the accident or illness.

A conspicuous notice that such an order has been issued shall be prepared by the division and shall be posted by the employer in the area or on the article to be preserved. Any such order shall be limited to the immediate area and the machines, devices, apparatus, or equipment directly associated with the accident or illness.

The division shall make application, to the court having jurisdiction, for the issuance of an inspection warrant not later than the next court day following the day on which entry was refused. Failure to do so shall render the division's order to preserve the accident site void

If, upon presentation of such inspection warrant the division is refused entry at the place of employment where the accident has occurred, the order to preserve the accident site shall be void on the next court day following the day on which access was refused unless the division applies, after notice to the employer, to the court which issued such inspection warrant for an extension of the division's order to preserve the accident site.

Any order issued by the division to preserve an accident site shall remain in effect no longer than 72 hours from the time of its issuance unless a court directs otherwise and such order shall immediately be void if the division gains access to the place of employment.

Any person who knowingly violates an order issued by the division pursuant to this subdivision shall, upon conviction, be punished by a fine of not more than five thousand dollars ($5,000).

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:

The United States Supreme Court, on May 23, 1978, held that a provision of the federal Occupational Safety and Health Act which generally authorized warrantless inspections of an employer's

premises was unconstitutional. The California Occupational Safety and Health Act of 1973 contains a similar provision and makes the refusal of an employer to allow a Cal-OSHA inspector entry into the place of employment a misdemeanor. In view of the Supreme Court's decision, it is deemed necessary to urgently repeal these unconstitutional provisions of the California Occupational Safety and Health Act of 1973 and establish procedures for conducting Cal-OSHA inspections, and for obtaining administrative inspection warrants, which are in accordance with the Supreme Court's holding.

CHAPTER 242

An act to amend Sections 27280, 27321, and 61765.5 of the Government Code, to amend Sections 155.2, 402.2, 407, 434.5, 531.6, 1603, 2188 6, 2607, 2636, 2703, 2708, 2772, 2927.6, 3515, 3621, 4336, 4337, 4377, 4377 1, 4843, and 4985.2 of, to add Part 0.5 (commencing with Section 50) to Division 1 of, to add Chapter 2 5 (commencing with Section 170) to Part 1 of Division 1 of, to add Article 2.5 (commencing with Section 480) to Chapter 3 of Part 2 of Division 1 of, to add Sections 135, 405.1, 531.7, 568, 1367, 2516, 3708.1, 3804.2, and 4844 to, and to repeal Sections 155.1, 155.13, and 155.14 of, the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1979 Filed with Secretary of State July 10, 1979]

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

SECTION 1. Section 27280 of the Government Code is amended to read:

27280. (a) Any instrument or judgment affecting the title to or possession of real property may be recorded pursuant to this chapter.

(b) Any instrument or document submitted for recordation which effectuates a change in ownership may be accompanied by a change in ownership statement as provided for in Section 480 of the Revenue and Taxation Code. Upon receipt of such change in ownership statement, the recorder shall transmit, as soon as possible, the original statement or true copy thereof to the county assessor along with the recorded document as required by Section 255 7 of the Revenue and Taxation Code. The change in ownership statement shall not be recorded nor open and available to public inspection and shall at all times remain confidential, except as provided in Section 408 of the Revenue and Taxation Code.

SEC 2 Section 27321 of the Government Code is amended to read·

27321 The recorder shall endorse upon each instrument the

book and page in which it is recorded, and shall thereafter mail, or if specified to the contrary deliver, it to the person named in the instrument for return mail, and if no such person is named, to the party leaving it for record.

Where any recorded instrument or document effectuating a change in ownership is not accompanied by a change in ownership statement, the recorder shall either include with the return of any such recorded instrument or document a change in ownership statement as provided in Section 480 of the Revenue and Taxation Code or specifically identify those recorded documents not accompanied by an ownership statement when providing the assessor with a copy of the transfer of ownership document pursuant to Section 255.7 of the Revenue and Taxation Code.

SEC. 3. Section 61765.5 of the Government Code is amended to read:

61765.5. The amount of the assessments shall constitute a lien against the lot or parcel of land against which the assessment has been imposed as of 12:01 a.m. on the first day of March immediately preceding the date of levy.

SEC. 4. Part 0.5 (commencing with Section 50) is added to Division 1 of the Revenue and Taxation Code, to read:

PART 0.5. IMPLEMENTATION OF ARTICLE XIII A OF THE CALIFORNIA CONSTITUTION

CHAPTER 1. BASE YEAR VALUES

50. For purposes of base year values as determined by Section 110.1, values determined for property which is purchased or changes ownership after the 1975 lien date shall be entered on the roll for the lien date next succeeding the date of the purchase or change in ownership. Values determined after the 1975 lien date for property which is newly constructed shall be entered on the roll for the lien date next succeeding the date of completion of the new construction. The value of new construction in progress on the lien date shall be entered on the roll as of the lien date.

51. For purposes of subdivision (b) of Section 2 of Article XIII A of the California Constitution, for each lien date after the lien date in which the base year value is determined pursuant to Section 110.1, the taxable value of real property shall be the lesser of:

(a) Its base year value, compounded annually since the base year by an inflation factor, which shall be the percentage change in the cost of living, as defined in Section 2212; provided, that any percentage increase shall not exceed 2 percent of the prior year's value; or

(b) Its full cash value, as defined in Section 110, as of the lien date, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, or other factors causing a decline in value, or

(c) If the property was damaged or destroyed by disaster, misfortune, or calamity, or removed by voluntary action by the taxpayer, the sum of (1) the lesser of its base year value of land determined under subdivision (a) or full cash value of land determined pursuant to subdivision (b), plus (2) the lesser of its base year value of improvements determined under subdivision (a) or the full cash value of improvements determined pursuant to subdivision (b), which shall then become the base year value until such property is restored, repaired, or reconstructed or other provisions of law require establishment of a new base year.

For purposes of this section, "real property" means that appraisal unit which persons in the market place commonly buy and sell as a unit, or which are normally valued separately.

Nothing in this section shall be construed to require the assessor to make an annual reappraisal of all assessable property.

52. (a) Notwithstanding any other provision of this division, property which is enforceably restricted pursuant to Section 8 of Article XIII of the California Constitution shall be valued for property tax purposes pursuant to Article 1.5 (commencing with Section 421) and Article 1.9 (commencing with Section 439) of Chapter 3 of Part 2.

(b) Notwithstanding any other provision of this division, property restricted to timberland use pursuant to subdivision (j) of Section 3 of Article XIII of the California Constitution shall be valued for property tax purposes pursuant to Article 1.7 (commencing with Section 431) of Chapter 3 of Part 2.

(c) Notwithstanding any other provision of this division, property subject to valuation as a golf course pursuant to Section 10 of Article XIII of the California Constitution shall be valued for property tax purposes in accordance with such section.

(d) Notwithstanding the provisions of this division, property subject to valuation pursuant to Section 11 of Article XIII of the California Constitution shall be valued for property tax purposes in accordance with such section.

53. The initial base year value for fruit and nut trees and grapevines subject to exemption pursuant to subdivision (i) of Section 3 of Article XIII, of the California Constitution shall be the full cash value of such properties as of the lien date of their first taxable year

Chapter 2. Change in Ownership and Purchase

60. A "change in ownership" means a transfer of a present interest in real property, including the beneficial use thereof, the value of which is substantially equal to the value of the fee interest.

61 Except as otherwise provided in Section 62, change in ownership, as defined in Section 60, includes, but is not limited to:

(a) The creation, renewal, sublease, assignment, or other transfer of the right to produce or extract oil, gas, or other minerals for so long

as they can be produced or extracted in paying quantities. The balance of the property, other than the mineral rights, shall not be reappraised pursuant to this section.

(b) The creation, renewal, sublease, or assignment of a taxable possessory interest in tax exempt real property for any term.

(c) (1) The creation of a leasehold interest in taxable real property for a term of 35 years or more (including renewal options), the termination of a leasehold interest in taxable real property which had an original term of 35 years or more (including renewal options), and any transfer of a leasehold interest having a remaining term of 35 years or more (including renewal options); or (2) any transfer of a lessor's interest in taxable real property subject to a lease with a remaining term (including renewal options) of less than 35 years.

Only that portion of a property subject to such lease or transfer shall be considered to have undergone a change of ownership.

(d) The creation, transfer, or termination of any joint tenancy interest, except as provided in subdivision (f) of Section 62 and in Section 63.

(e) The creation, transfer, or termination of any tenancy-in-common interest, except as provided in subdivision (a) of Section 62 and in Section 63.

(f) Any vesting of the right to possession or enjoyment of a remainder or reversionary interest which occurs upon the termination of a life estate or other similar precedent property interest, except as provided in subdivision (d) of Section 62 and in Section 63.

(g) Any interests in real property which vest in persons other than the trustor (or, pursuant to Section 63, his spouse) when a revocable trust becomes irrevocable.

(h) The transfer of stock of a cooperative housing corporation, as defined in Section 17265, vested with legal title to real property which conveys to the transferee the exclusive right to occupancy and possession of such property, or a portion thereof.

(i) The transfer of any interest in real property between a corportion, partnership, or other legal entity and a shareholder, partner, or any other person.

62. Change in ownership shall not include:

(a) Any transfer between coowners which results in a change in the method of holding title to the real property without changing the proportional interests of the coowners, such as a partition of a tenancy in common.

(b) Any transfer for the purpose of perfecting title to the property.

(c) (1) The creation, assignment, termination, or reconveyance of a security interest; or (2) the substitution of a trustee under a security instrument

(d) Any transfer into a trust for so long as (1) the transferor is the present beneficiary of the trust, or (2) the trust is revocable; or any transfer by a trustee of such a trust described in either clause (1) or

(2) back to the trustor; or, any creation or termination of a trust in which the trustor retains the reversion and in which the interest of others does not exceed 12 years duration.

(e) Any transfer by an instrument whose terms reserve to the transferor an estate for years or an estate for life; however, the termination of such an estate for years or estate for life shall constitute a change in ownership, except as provided in subdivision (d) of Section 62 and in Section 63.

(f) The creation or transfer of a joint tenancy interest if the transferor, after such creation or transfer, is one of the joint tenants.

(g) Any transfer of a lessor's interest in taxable real property subject to a lease with a remaining term (including renewal options) of 35 years or more.

(h) Any purchase, redemption or other transfer of the shares or units of participation of a group trust, pooled fund, common trust fund, or other collective investment fund established by a financial institution.

(i) Any transfer of stock or membership certificate in a housing cooperative which was financed under one mortgage provided such housing cooperative was insured under Section 202, 213, 221(d) (3), 221(d) (4), or 236 of the National Housing Act, as amended, or was financed by a direct loan from the California Housing Finance Agency and the Regulatory and Occupancy Agreements were approved by the respective insuring agency or the lender, the California Housing Finance Agency.

63 Notwithstanding Sections 60, 61, 62, and 65, a change of ownership shall not include any interspousal transfer, including, but not limited to

(a) Transfers to a trustee for the beneficial use of a spouse, or the surviving spouse of a deceased transferor, or by a trustee of such a trust to the spouse of the trustor,

(b) Transfers which take effect upon the death of a spouse,

(c) Transfers to a spouse or former spouse in connection with a property settlement agreement or decree of dissolution of a marriage or legal separation, or

(d) The creation, transfer, or termination, solely between spouses, of any coowner's interest.

64. (a) Except as provided in subdivision (h) of Section 61 and subdivision (c) of this section, the purchase or transfer of ownership interests in legal entities, such as corporate stock or partnership interests, shall not be deemed to constitute a transfer of the real property of the legal entity.

(b) Any corporate reorganization, by merger or consolidation, where all of the corporations involved are members of an affiliated group, and which qualifies as a reorganization under Section 368 of the United States Internal Revenue Code and which is accepted as a nontaxable event by similar California statutes or any transfer of real property among members of an affiliated group, shall not be a change of ownership The taxpayer shall furnish proof, under penalty

of perjury, to the assessor that the transfer meets the requirements of this subdivision.

For purposes of this subdivision "affiliated group" means one or more chains of corporations connected through stock ownership with a common parent corporation if:

(1) One hundred percent of the voting stock, exclusive of any share owned by directors, of each of the corporations, except the parent corporation, is owned by one or more of the other corporations; and

(2) The common parent corporation owns, directly, 100 percent of the voting stock, exclusive of any shares owned by directors, of at least one of the other corporations.

(c) When one corporation obtains control, as defined in Section 25105, in another corporation through the purchase or transfer of corporate stock, exclusive of any shares owned by directors, such purchase or transfer of such stock shall be a change of ownership of property owned by the corporation in which the controlling interest is obtained.

65. Whenever real property is purchased or a change in ownership of real property occurs, the assessor shall reappraise such real property at its full cash value.

(a) Upon the termination of a joint tenancy interest, only the interest or portion which is thereby transferred from one owner to another owner shall be reappraised, except that upon the termination of an original transferor's interest in any joint tenancy interest described in subdivision (f) of Section 62, the entire portion of the property held by the transferor prior to the creation of the joint tenancy shall be reappraised and upon the termination of an interest in any joint tenancy interest described in subdivision (f) of Section 62, other than an original transferor's interest, there shall be no reappraisal if the interest thereby reverts to an original transferor.

(b) Except as provided in subdivision (a), if a 5 percent or more undivided interest in or a portion of real property is purchased or changes ownership, then only the interest or portion transferred shall be reappraised. A purchase or change in ownership of an undivided interest of less than 5 percent shall not be reappraised, provided, however, that transfers to affiliated transferees during any assessment year shall be cumulated for the purpose of determining the percentage transferred.

(c) If a unit or lot within a cooperative housing corporation, community apartment project, condominium, planned unit development, shopping center, industrial park, or other residential, commercial, or industrial land subdivision complex with common areas or facilities is purchased or changes ownership, then only the unit or lot transferred and the share in the common area reserved as an appurtenance of such unit or lot shall be reappraised.

66. Change in ownership shall not include:

(a) The creation, vesting, transfer, distribution or termination of a participant's or beneficiary's interest in an employee benefit plan;

or

(b) Any contribution of real property to an employee benefit plan.

As used in this section, the terms "employee benefit plan," "participant" and "beneficiary" shall be defined as they are defined in The Employee Retirement Income Security Act of 1974.

67. "Purchased" or "purchase" means a change in ownership for consideration

CHAPTER 3. NEW CONSTRUCTION

70. (a) "Newly constructed" and "new construction" means:

(1) Any addition to real property, whether land or improvements (including fixtures), since the last lien date; and

(2) Any alteration of land or of any improvement (including fixtures) since the last lien date which constitutes a major rehabilitation thereof or which converts the property to a different use.

(b) Any rehabilitation, renovation, or modernization which converts an improvement or fixture to the substantial equivalent of a new improvement or fixture is a major rehabilitation of such improvement or fixture.

(c) Notwithstanding the provisions of subdivisions (a) and (b), where real property has been damaged or destroyed by misfortune or calamity, "newly constructed" and "new construction" does not mean any timely reconstruction of the real property, or portion thereof, where the property after reconstruction is substantially equivalent to the property prior to damage or destruction. Any reconstruction of real property, or portion thereof, which is not substantially equivalent to the damaged or destroyed property, shall be deemed to be new construction and only that portion which exceeds substantially equivalent reconstruction shall have a new base year value determined pursuant to Section 110.1.

71. The assessor shall determine the new base year value for the portion of any taxable real property which has been newly constructed. The base year value of the remainder of the property assessed, which did not undergo new construction, shall not be changed. New construction in progress on the lien date shall be appraised at its full value on such date and each lien date thereafter until the date of completion, at which time the entire portion of property which is newly constructed shall be reappraised at its full value.

72. A copy of any building permit issued by any city, county, or city and county, shall be transmitted by each such entity to the county assessor as soon as possible after the date of issuance.

CHAPTER 4. ASSESSMENT APPEALS

80. (a) An application for reduction in the base year value of an assessment on the current local roll may be filed during the regular filing period for that year as set forth in Section 1603 or Section 1840, subject to the following limitations:

(1) The base year value determined by a local board of equalization or by the State Board of Equalization, originally or on remand by a court, or by a court shall be conclusively presumed to be the base year value for any 1975 assessment which was appealed.

(2) The base year value determined pursuant to paragraph (1) of subdivision (a) of Section 110.1 shall be conclusively presumed to be the base year value unless an equalization application is filed no later than the regular filing period following the 1980 lien date. Once an application is filed, the base year value determined pursuant to that application shall be conclusively presumed to be the base year value for such assessment.

(3) The base year value determined pursuant to paragraph (2) of subdivision (a) of Section 110.1 shall be conclusively presumed to be the base year value, unless an application for equalization is filed during the regular equalization period for the year in which the assessment is placed on the assessment roll or in any of the three succeeding years.

Once an application is filed, the base year value determined pursuant to that application shall be conclusively presumed to be the base year value for such assessment.

(4) Any reduction in assessment made as the result of an appeal under this section shall apply for the assessment year in which the appeal is taken and prospectively thereafter.

(b) This section does not prohibit the filing of an application for appeal where a new value was placed on the roll pursuant to Section 51.

(c) An application for equalization made pursuant to Section 620 or Section 1605 when determined, shall be conclusively presumed to be the base year value in the same manner as provided herein.

81. Where real property has been assessed using a base value other than the 1975 base value, the applicant in equalization proceedings pursuant to Chapter 1 (commencing with Section 1601) of Part 3 may establish the correct base year value applicable to the current year's assessment, subject to the limitations of Section 80.

CHAPTER 5. TAXPAYER REPORTING

90. Assessees shall report change in ownership information to the assessor as provided in Article 2.5 (commencing with Section 480) of Chapter 3 of Part 2

SEC 5. Section 135 is added to the Revenue and Taxation Code, to read

135. Whenever any taxes or assessments are entered on the roll

under any provision of law, such taxes or assessments shall, notwithstanding any other provision of law to the contrary, be subject to all provisions of this division.

SEC. 6. Section 155.1 of the Revenue and Taxation Code is repealed.

SEC. 7. Section 155.2 of the Revenue and Taxation Code is amended to read:

155.2. For the 1979–80 fiscal year only, the time fixed for the performance of any act by the assessor relating to the preparation of the 1979–80 fiscal year assessment roll shall be not later than August 1, 1979.

For the 1979–80 year only, in addition to the extension of time permitted by Section 155, the board or its secretary may grant an extension of an additional 30 days for the performance of any act by the assessor, auditor, tax collector, or county board.

SEC. 8. Section 155.13 of the Revenue and Taxation Code is repealed.

SEC. 9. Section 155.14 of the Revenue and Taxation Code is repealed.

SEC. 10. Chapter 2.5 (commencing with Section 170) is added to Part 1 of Division 1 of the Revenue and Taxation Code, to read:

CHAPTER 2.5. DISASTER RELIEF

170. (a) Notwithstanding any provision of law to the contrary, the board of supervisors may, by ordinance, provide that every person who at 12:01 a.m. on March 1 was the owner of, or had in his possession, or under his control, any taxable property, or who acquired such property after such lien date and is liable for the taxes thereon for the fiscal year commencing on the immediately following July 1, which property was damaged or destroyed in excess of the amounts specified in subdivision (b) without his fault, after such lien date, by any of the following:

(1) A major misfortune or calamity, in an area or region subsequently proclaimed by the Governor to be in a state of disaster, if such property was damaged or destroyed by the major misfortune or calamity which caused the Governor to proclaim the area or region to be in a state of disaster.

(2) A misfortune or calamity.

(3) A misfortune or calamity to a possessory interest in land owned by the state or federal government and the permit or other right to enter upon the land has been suspended without his fault, because of a misfortune or calamity, may, within the time specified in the ordinance, or, if no time is specified, within 60 days of such misfortune or calamity, apply for reassessment of such property by delivering to the assessor a written application requesting reassessment showing the condition and value, if any, of the property immediately after the damage or destruction, and the dollar amount of the damage. The application shall be executed under penalty of

perjury, or if executed outside the State of California, verified by affidavit.

An ordinance may be made applicable to a major misfortune or calamity specified in paragraph (1) or to any misfortune or calamity specified in paragraph (2), or to both, as the board of supervisors determines An ordinance may not be made applicable to a misfortune or calamity specified in paragraph (3), unless an ordinance making paragraph (2) applicable is operative in the county The ordinance may specify a period of time within which the ordinance shall be effective, and, if no period of time is specified, it shall remain in effect until repealed.

As used in paragraph (1), "damage" includes property which was diminished in value as a result of restricted access to the property where such diminution in value was caused by the major misfortune or calamity. As used in paragraph (3), "damage" means a possessory interest in land owned by the state or federal government wherein the permit or other right to use the land has been suspended because of a misfortune or calamity such as a drought condition in California.

(b) Upon receiving a proper application, the assessor shall appraise the real property according to the full cash value of land and improvements immediately before and after the damage or destruction. The assessor shall determine a new base year value, which shall be the sum of (1) the lesser of the full cash value of the land determined pursuant to subdivision (b) of Section 51 or the base year value of the land determined pursuant to subdivision (a) of Section 51; plus (2) the lesser of full cash value of the improvement determined pursuant to subdivision (b) of Section 51 or the base year value of the improvement determined pursuant to subdivision (a) of Section 51. If the damaged full cash value of the property is not at least five thousand dollars ($5,000) less than the full cash value, no adjustment shall be made to the roll and no taxes shall be canceled or refunded. If the damaged full cash value of the property is more than five thousand dollars ($5,000) of full cash value, the assessor shall reduce the value as appearing on the assessment roll to the value computed pursuant to this subdivision.

(c) The assessor shall notify the applicant in writing of the amount of the proposed reassessment. The notice shall state that the applicant may appeal the proposed reassessment to the local board of equalization within 14 days of the date of mailing the notice. If an appeal is requested within the 14-day period, the board shall hear and decide the matter as if the proposed reassessment had been entered on the roll as an assessment made outside the regular assessment period The decision of the board regarding the damaged value of the property shall be final, provided that a decision of the local board of equalization regarding any reassessment made pursuant to this section shall create no presumption as regards the value of the affected property subsequent to the date of the damage.

Those reassessed values resulting from reductions in full cash value of amounts, as determined above, shall be forwarded to the auditor

by the assessor or the clerk of the local equalization board, as the case may be. The auditor shall enter the reassessed values on the roll. After being entered on the roll, such reassessed values shall not be subject to review, except by a court of competent jurisdiction

(d) If no such application is made and the assessor determines that a property has suffered damage caused by misfortune or calamity, which may qualify the property owner for relief under an ordinance adopted under this section, the assessor shall provide the last known owner of the property with an application for reassessment. The property owner shall file the completed application within 30 days of notification by the assessor. Upon receipt of a properly completed, timely filed application, the property shall be reassessed in the same manner as required in subdivision (b).

(e) The tax rate fixed for property on the roll on which the property so reassessed appeared, at the time of its original assessment, shall be applied to the amount of the reassessment as determined in accordance with this section. In the event that the resulting figure is less than the tax computed prior to the reassessment, the tax shall be determined as follows:

(1) With respect to property on the secured roll, the assessee shall be liable for a prorated portion of the tax due on the property as originally assessed at the rate established for property on the secured roll for the current fiscal year, such proration to be determined on the basis of the number of months in the year during which the property was in an undamaged condition plus a proration of the tax due on the property as reassessed in its damaged or destroyed condition at the rate established for property on the secured roll for such fiscal year, such proration to be determined on the basis of the number of months in the year in which the property was in a damaged condition, including the month in which the damage was incurred.

(2) With respect to property on the unsecured roll, the assessee shall be liable for a prorated portion of the tax computed on the original assessment of the property and a prorated portion of the tax computed on the reassessment of the property as determined in the preceding paragraph.

(f) Any tax paid in excess of the total tax due shall be refunded to the taxpayer pursuant to Chapter 5 (commencing with Section 5096) of Part 9, as an erroneously collected tax or by order of the board of supervisors without the necessity of a claim being filed pursuant to Chapter 5

(g) The assessment of the property, in its damaged condition, as determined by this section, shall be reviewed at the lien date next following the date of the misfortune or calamity and shall be assessed in the same manner as prescribed by law for any other assessable property.

(h) This section applies to all counties, whether operating under a charter or under the general laws of this state

(i) Any ordinance in effect pursuant to Section 155 1, 155 13, or

155.14 shall remain in effect according to its terms as if such ordinances were adopted pursuant to this section, subject to the limitations of subdivision (b).

SEC. 11. Section 402.2 of the Revenue and Taxation Code is amended to read:

402.2. If during the assessment year the assessor receives the notice required by Section 65863.5 of the Government Code, the assessor shall reassess the property as of the next succeeding lien date, to the extent permitted by law.

SEC. 12. Section 405.1 is added to the Revenue and Taxation Code, to read:

405.1. Notwithstanding any other provision of the law, when tax deeded or publicly owned property is sold and the deed issued to the purchaser is recorded between the lien date and July 1, the property shall be assessed by the assessor as though it was owned by the purchaser on the preceding lien date and shall be entered by the assessor on the rolls being prepared.

SEC. 13. Section 407 of the Revenue and Taxation Code is amended to read:

407. Annually, on the second Monday in July, the assessor shall transmit a statistical statement to the board, supplying any statistical information which the board may require, and shall supply from time to time any other information required by the board. For the 1979–80 fiscal year only, the date on which the assessor shall transmit a statistical statement to the board shall be the second Monday in August.

SEC. 14. Section 434.5 of the Revenue and Taxation Code is amended to read:

434.5. (a) On March 1, 1977, and March 1 of each year thereafter, up to and including March 1, 1979, timberland shall be valued per acre according to the following schedule:

Redwood region		Pine-mixed conifer region	
Site I	$80	Site I	$60
Site II	$60	Site II	$50
Site III	$50	Site III	$40
Site IV	$30	Site IV	$30
Site V (and inoperable)	$20	Site V (and inoperable)	$20

When the assessor, pursuant to Section 434, designates a timberland parcel or portion thereof as inoperable, such timberland parcel, or portion thereof, shall be valued as if it is Site V.

(b) On or before January 1, 1980, and every third year thereafter, the board after consultation with the timber advisory committee and in compliance with procedures set forth for adoption of rules under the Administrative Procedure Act, shall adopt schedules reestablishing the value of each grade of timberland graded pursuant to Section 434 as if it were bare of forest growth, and recognizing that

the restricted use of the land is for growing and harvesting timber and compatible uses. The board shall certify such values to county assessors by January 10 of each year. Such schedule shall remain in effect until subsequent revision pursuant to the provisions of this subdivision.

(c) Commencing January 1, 1977, the board shall collect such data as may be necessary to accurately value timberland pursuant to subdivision (b).

(d) In promulgating regulations pursuant to subdivision (b) the board shall determine the value of such timberland subject to the following:

(1) The board shall base the value of such land upon the existence of a 10-year enforceable restriction using commonly accepted systems of valuation.

(2) When the board is valuing timberland property within a timberland preserve zone by comparison with sales of other timberland properties in order to be considered comparable, the properties sold shall be at least 160 acres in size and shall be similarly restricted under a timberland preserve zone. Size and any discount for size and amenities shall not be factors in determining the value of land zoned as timberland preserve which is valued by a method employing the use of comparable sales.

(e) For purposes of this section, the value of each acre of timberland within each site class, within a timberland preserve zone, shall be presumed no greater than the value derived pursuant to subdivision (f).

(f) The board shall:

(1) Prepare, or cause to be prepared, timberland site capability tables which shall prescribe by site classification the potential annual yield of wood by species or mixture of species per acre.

(2) Multiply the potential annual yield by 10 percent

(3) Multiply the result of paragraph (2) by an immediate harvest value, averaged for the previous 20 quarters, that is appropriate for the geographical area wherein such timberland values shall be applied.

(4) Divide the result of paragraph (3) by a capitalization rate of 10 percent expressed as a decimal.

Pursuant to paragraph (2) of this subdivision, the Legislature declares that 10 percent is the average percent of income from potential annual yield of wood that can be attributed to timberland as a productive component contributing to such income, and the Legislature finds that it is in the public interest that values derived from analysis of sales of timberland restricted under timberland preserve zones shall not exceed this percentage

(g) For the purposes of this section, the value of each acre of timberland within a timberland preserve zone shall be presumed to be no less than twenty dollars ($20) per acre

(h) For the purposes of this section, the term "value" (and its derivatives) means "full value" as defined in Section 110 5

(i) The Legislature finds and declares that the foregoing values are consistent with the taxation of timberland used primarily for growing timber and that these values are consistent with the intent of subdivision (j) of Section 3 of Article XIII of the Constitution.

SEC. 15. Article 2.5 (commencing with Section 480) is added to Chapter 3 of Part 2 of Division 1 of the Revenue and Taxation Code, to read:

Article 2.5. Change in Ownership Reporting

480. Whenever any change in ownership of real property occurs, the transferee shall file a signed change in ownership statement in the county where the real property is located, as provided for in subdivision (b).

(a) The change in ownership statement shall be declared to be true under penalty of perjury and shall give such information relative to the real property acquisition transaction as the assessor shall prescribe. Such information shall include, but not be limited to, a description of the property, the parties to the transaction, the date of acquisition, the amount, if any, of the consideration paid for the property, whether paid in money or otherwise, and the terms of the transaction. The change in ownership statement shall not include any question which is not germane to the assessment function. The statement shall contain a notice that is printed in at least 14-point boldface type in the following form:

"Important Notice"

"The law requires any person acquiring an interest in real property to file a change in ownership statement with the county recorder or assessor. The change in ownership statement must be filed within 45 days of the date of recording or, if the transfer is not recorded, within 45 days of the date of the change in ownership. The failure to file a change in ownership statement within 45 days after receipt of a written request by the assessor results in a penalty of one hundred dollars ($100) or 10 percent of the current year's taxes on the real property, whichever is greater. This penalty will be added on the current assessment roll and becomes a lien against real property in the same manner as any other property tax, unless paid by the end of the month following the month in which it is enrolled. Thereafter, the lien will be subject to interest and penalties as any other delinquent tax on real property."

(b) If the document evidencing a change in ownership is recorded in the county recorder's office, then the statement shall be filed either with the recorder at the time of recordation or with the assessor within 45 days from the date of recordation. If the document evidencing a change in ownership is not recorded, then the statement shall be filed with the assessor no later than 45 days from the date the change in ownership occurs.

(c) Whenever a change in ownership statement is filed with the county recorder's office, the recorder shall transmit, as soon as possible, the original statement or a true copy thereof to the assessor along with a copy of every recorded document as required by Section 255.7.

(d) The change in ownership statement may be filed with the assessor through the United States mail, properly addressed with the postage prepaid.

(e) Upon receipt of a change in ownership statement which has either been transmitted by the county recorder's office or been filed directly by the transferee, the assessor shall enter the prior assessment year value and an indication as to whether a change in ownership, as defined in Section 60, has occurred on the statement.

(f) In the case of a corporate transferee of property, the change in ownership statement shall be signed either by an officer of the corporation or an employee or agent who has been designated in writing by the board of directors to sign such statements on behalf of the corporation

481. All information requested by the assessor pursuant to this article or furnished in the change in ownership statement shall be held secret by the assessor. The statement is not a public document and is not open to inspection, except as provided in Section 408.

482. If any person who is requested by the assessor to make a change in ownership statement fails to file such statement within 45 days from the date of request, a penalty of the greater of one hundred dollars ($100) or 10 percent of the current year's taxes on the real property shall be added to the assessment made on the current roll. The penalty shall be added to the current assessment roll and shall become a lien against the real property in the same manner as any other property tax, unless paid by the end of the month following the month in which it is enrolled. Thereafter, the lien shall be subject to interest and penalties as any other delinquent tax on real property.

Notice of any penalty added to the roll pursuant to this section shall be mailed by the assessor to the assessee at his address as contained in any recorded instrument or document evidencing a change in ownership or at any address reasonably known to the assessor.

483. If the assessee establishes to the satisfaction of the county board of supervisors that the failure to file the change in ownership statement within the time required by Section 480 was due to reasonable cause and not due to willful neglect, and has filed the statement with the assessor, the board of supervisors may order the penalty abated, provided the assessee has filed with the board of supervisors written application for abatement of the penalty no later than 60 days after the date on which the assessee was notified of the penalty.

If the penalty is abated it shall be canceled or refunded in the same manner as an amount of tax erroneously charged or collected.

484. With the exception of the penalty provision of Section 463,

the provisions of Article 2 (commencing with Section 441) shall be available to the assessor for the purposes of securing change in ownership information required for assessment purposes.

485. If, after written request by the assessor, any person fails to comply with any provision of law for furnishing information required by Section 480, the assessor, based upon information in his possession, shall estimate the value of the property and, based upon this estimate, promptly assesses the property.

SEC. 16 Section 531.6 of the Revenue and Taxation Code is amended to read:

531.6. The taxpayer who has filed a claim for the homeowners' exemption which has not been denied by the assessor is responsible for notifying the assessor when the property is no longer eligible for the exemption.

Upon any indication that a homeowners' exemption has been incorrectly allowed, the assessor shall make a redetermination of eligibility for the homeowners' exemption. If the assessor determines that the property is no longer eligible for the exemption, he shall immediately cancel the exemption on the property.

If a homeowners' exemption has been incorrectly allowed, an escape assessment as allowed by Section 531.1 in the amount of the exemption with interest as provided in Section 506 shall be made, except that where the exemption was allowed as the result of an assessor's error, the amount of interest shall be forgiven. If the exemption was incorrectly allowed because of erroneous or incorrect information submitted by the claimant with knowledge that such information was erroneous or incomplete or because the claimant failed to notify the assessor in a timely manner that the property was no longer eligible for the exemption, the penalty provided in Section 504 shall be added to the assessment. If the property subject to this paragraph has been transferred or conveyed to a bona fide purchaser for value during the period commencing with the lien date and ending July 1 of the fiscal year for which such exemption was incorrectly allowed, and the claimant is not the purchaser, any amount of penalty provided by Section 504 or any amount of interest provided by Section 506 imposed pursuant to the escape assessment due to such incorrect homeowners' exemption shall be forgiven.

SEC. 17 Section 531 7 is added to the Revenue and Taxation Code, to read

531.7 If property has not been legally assessable on the local secured roll for any year because such property has been tax deeded to a taxing agency other than the state, the property shall be deemed to have escaped assessment for such year and shall be subject to the provisions of this article if·

(a) The property has not been sold to the state for delinquent taxes, and,

(b) The property has been redeemed from the tax sale and deed to the taxing agency, or

(c) The tax deed to the taxing agency has been held to be invalid

and has been canceled; provided, however, that the statute of limitations provided for in Section 532 of this code shall not apply.

SEC. 18. Section 568 is added to the Revenue and Taxation Code, to read:

568. Upon recommendation of the tax collector and approval of the board of supervisors, property tax deeded to the state or any other taxing agency shall be assessed by the assessor and entered on the secured roll in the name of the state or such other taxing agency and be extended thereon by the auditor in the same manner as if the property were subject to taxation. In no case shall the value of this property be used to represent the assessed valuation of the local roll.

SEC. 19. Section 1367 is added to the Revenue and Taxation Code, to read·

1367 Every county assessor shall ascertain the total assessed value of homes receiving the homeowners' property tax exemption described in Section 218 and shall report to the board during each fiscal year, commencing with the 1979–80 fiscal year, the total valuation of properties receiving such exemption each year

SEC. 20. Section 1603 of the Revenue and Taxation Code, as amended by Section 4 1 of Chapter 353 of the Statutes of 1978, is amended to read.

1603. (a) A reduction in an assessment on the local roll shall not be made unless the party affected or his agent makes and files with the county board a verified, written application showing the facts claimed to require the reduction and the applicant's opinion of the full value of the property The form for such application shall be prescribed by the State Board of Equalization.

(b) The application shall be filed within the time period beginning July 2 and continuing through and including September 15. An application that is mailed and postmarked September 15 or earlier within such period shall be deemed to have been filed within the time period beginning July 2 and continuing through and including September 15. For the 1979–80 fiscal year only, the September 15 deadline shall be extended to October 1.

(c) In the form provided for making application pursuant to this section, there shall be a notice that written findings of facts of the local equalization hearing will be available upon written request at the requester's expense and, if not so requested, the right to such written findings is waived The form shall provide appropriate space for the applicant to request written findings of facts as provided by Section 1611.5

SEC. 21 Section 2188 6 of the Revenue and Taxation Code is amended to read.

2188.6 (a) Whenever real property has been divided into condominiums. as defined in Section 783 of the Civil Code, the initial seller or purchaser of an individual unit in a condominium project may request that the county assessor separately assess such unit for property tax purposes and that a separate tax bill be sent to such purchaser for the current fiscal year

(b) The tax due on the individual unit shall constitute a lien solely on that unit

(c) Property taxes due on other units within the condominium project shall not constitute a lien on any unit which has been separately assessed, and for which a separate tax bill has been sent to the seller or purchaser of the separate unit.

SEC. 22. Section 2516 is added to the Revenue and Taxation Code, to read:

2516. Upon the failure of a transferee to file a change in ownership statement required by Section 480, the assessor or the auditor shall immediately enter on the assessment records applicable to the real property, the fact that a penalty has been added to the assessment roll and specify the date and amount thereof.

SEC. 23. Section 2607 of the Revenue and Taxation Code is amended to read:

2607. The entire tax on real property may be paid when the first installment is due. The first installment may be paid separately when the first installment is due or at any time thereafter until the properties on the current roll are sold to the state. The second installment may be paid separately only if the first installment has been paid. The tax collector shall accept payment of current year taxes even though prior year delinquencies on the real property may exist. The acceptance of such payment shall not affect the validity of any deed to the state or sale by the state.

SEC. 24. Section 2636 of the Revenue and Taxation Code is amended to read·

2636. Notwithstanding any other provision of law, in the case of a deficiency in the payment of taxes due and payable pursuant to this chapter, the tax collector, with the approval of the board of supervisors, may accept such partial payment from the taxpayer. Such partial payments are to be applied first to all penalties, interest and costs with the balance being applied to the taxes due. The difference between the amount paid by the taxpayer and the amount due shall be treated as a delinquent tax in the same manner as any other delinquent tax.

SEC. 25 Section 2703 of the Revenue and Taxation Code is amended to read·

2703 The entire tax on the secured roll may be paid when the first half is due. The first half may be paid separately when the first half is due or at any time thereafter until the properties on the current roll are sold to the state The second half may be paid separately only if the first half has been paid. The tax collector shall accept payment of current year taxes even though prior year delinquencies on the real property may exist The acceptance of such payment shall not affect the validity of any deed to the state or sale by the state

SEC 26 Section 2708 of the Revenue and Taxation Code is amended to read·

2708. Notwithstanding any other provision of law, in the case of

a deficiency in the payment of taxes due and payable pursuant to this chapter, the tax collector, with the approval of the board of supervisors, may accept such partial payment from the taxpayer. Such partial payments are to be applied first to all penalties, interest and costs with the balance being applied to the taxes due The difference between the amount paid by the taxpayer and the amount due shall be treated as a delinquent tax in the same manner as any other delinquent tax.

SEC 27 Section 2772 of the Revenue and Taxation Code is amended to read

2772 Notwithstanding any other provision of law, in the case of a deficiency in the payment of taxes due and payable pursuant to this chapter, the tax collector, with the approval of the board of supervisors, may accept such partial payment from the taxpayer. Such partial payments are to be applied first to all penalties, interest and costs with the balance being applied to the taxes due. The difference between the amount paid by the taxpayer and the amount due shall be treated as a delinquent tax in the same manner as any other delinquent tax.

SEC. 28 Section 2927.6 of the Revenue and Taxation Code is amended to read:

2927.6 Notwithstanding any other provision of law, in the case of a deficiency in the payment of taxes due and payable pursuant to this chapter, the tax collector, with the approval of the board of supervisors, may accept such partial payment from the taxpayer. Such partial payments are to be applied first to all penalties, interest and costs with the balance being applied to the taxes due. The difference between the amount paid by the taxpayer and the amount due shall be treated as a delinquent tax in the same manner as any other delinquent tax

SEC 29. Section 3515 of the Revenue and Taxation Code is amended to read

3515 After being duly recorded, the recorded original of the deed to the state shall be forwarded by the county recorder to the Controller. In the alternative, the county recorder may return deeds to the custody of the county tax collector who shall assume the responsibility of forwarding the deeds to the Controller

SEC 30. Section 3621 of the Revenue and Taxation Code is amended to read·

3621 The state shall be made a party defendant in the action. Service may be made on the state by serving the State Controller or a Deputy State Controller. All other taxing agencies or revenue districts claiming any interest in or lien on the property shall be served in the manner provided by law. The Attorney General, district attorneys and legal advisers of taxing agencies or revenue districts claiming any interest in or lien on such property are authorized to waive service and to make appearance in the action without prior service. Section 160 of this code shall not apply to actions under this chapter.

SEC 31 Section 3708 1 is added to the Revenue and Taxation Code, to read·

3708 1. If a deed to the purchaser contains a clerical error or misstatement of fact, a corrected deed may be issued by the tax collector and recorded with the county recorder without charge The new deed shall contain a statement of reasons for its issuance and, as far as practical, shall be the same as the original except where corrected

SEC 32 Section 3804 2 is added to the Revenue and Taxation Code, to read.

3804 2. If a deed to the purchaser contains a clerical error or misstatement of fact, a corrected deed may be issued by the tax collector and recorded with the county recorder without charge. The new deed shall contain a statement of reasons for its issuance and, as far as practical, shall be the same as the original except where corrected

SEC. 33. Section 4336 of the Revenue and Taxation Code is amended to read

4336. When property is redeemed on which delinquent taxes have been paid in installments, there shall be credited on the amount necessary to redeem the total amount of back taxes previously paid, including an allowance for interest paid pursuant to Section 4221. The credit shall be allowed after computation of the amount necessary to redeem If the last payment made of delinquent taxes in installments was under a provision of law which requires that payments be made on or before April 10th or on or before May 10th in each fiscal year or which expressly allows quarter-annual payment of installments, no credit shall be allowed under this section after five years succeeding April 10th or May 10th of the first fiscal year when no payment was made as required.

SEC. 34 Section 4337 of the Revenue and Taxation Code is amended to read·

4337. When payment of delinquent taxes in installments on any property was started under any provision of law and payment of delinquent taxes in installments on the property is later started under another provision of law providing for such payment, or under the same provision of law after default in payment, there shall be credited on the amount payable the total amount of back taxes paid under the same or previous provision, including an allowance for interest paid pursuant to Section 4221 This credit is in addition to and not a substitute for the payment of any part of any installment payable and shall be allowed after the first installment is paid. If the last payment made of delinquent taxes in installments was under a provision of law which requires that payments be made on or before April 10th or on or before May 10th in each fiscal year or which expressly allows quarter-annual payment of installments, no credit shall be allowed under this section after five years succeeding April 10th or May 10th of the first fiscal year when no payment was made as required

SEC. 35. Section 4377 of the Revenue and Taxation Code is amended to read

4377 Any delinquent tax roll more than 12 years old and original secured roll on which it is based containing the information set forth in the abstract list may be destroyed by the county officer or officers in possession of the rolls, except that (a) no original secured roll for the year 1912 (fiscal year 1912–1913) shall be so destroyed, (b) such destruction shall, in all cases, first be approved by order of the board of supervisors of the county, and (c) the abstract list shall first have been certified as correct and complete by the county auditor.

The abstract list prepared under Section 4373, or any photographic record thereof, shall be retained by the tax collector for at least two years after such time as the lien has been removed.

SEC. 36 Section 4377.1 of the Revenue and Taxation Code is amended to read·

4377.1. Notwithstanding the provisions of Section 4377, upon order of the board of supervisors any delinquent tax roll more than two years old and original secured roll on which it is based containing the information set forth in the abstract list may be destroyed by the county officer or officers in possession of the rolls; except that

(a) No original secured roll for the year 1912 (fiscal year 1912–1913) shall be so destroyed

(b) A photographic record of the tax roll is made, one copy of which shall be permanently retained by the tax collector.

(c) The abstract list shall first have been certified as correct and complete by the county auditor

The abstract list prepared under Section 4373, or any photographic record thereof, shall be retained by the tax collector for at least two years after such time as the lien has been removed.

SEC 37 Section 4843 of the Revenue and Taxation Code is amended to read:

4843. For the 1978–79 fiscal year only, notwithstanding any other provisions of this division, the assessor may make corrections to the 1978–79 roll during such fiscal year, or for the purposes of making refunds, during the 1979–80 fiscal year without a prior hearing by, or the prior approval of, the board of supervisors. If the assessment change results in a reduction of taxes which have been paid, the amount of the overpayment resulting from such reduction of taxes may be refunded to the current assessee whether or not a refund claim has been filed by the person who paid the taxes.

SEC. 38 Section 4844 is added to the Revenue and Taxation Code, to read·

4844 For the 1979–80 fiscal year only, notwithstanding any other provisions of this division, the assessor may make corrections to the 1979–80 roll during such fiscal year without a prior hearing by, or the prior approval of, the board of supervisors If the assessment change results in a reduction of taxes which have been paid, the amount of the overpayment resulting from such reduction of taxes may be refunded to the current assessee, unless there was a change in the

assessee or assessees of record between July 1, 1978, and June 30, 1979, in which case a refund of such reduced taxes shall be prorated between such assessees of record in the same proportion as they participated in the payment of such taxes

SEC. 39. Section 4985 2 of the Revenue and Taxation Code is amended to read:

4985.2. (a) Any uncollected penalty or costs provided for in Section 2617, 2618, 2621, 2704, 2705, 2706, or 2922 may be canceled by the tax collector or the auditor, with the approval of the board of supervisors upon a finding that (1) the failure to make a timely payment is due to reasonable cause and circumstances beyond the taxpayer's control, and occurred notwithstanding the exercise of ordinary care and the absence of willful neglect, provided the principal payment for the proper amount of the tax due is made within 90 days after the first delinquency date or within 30 days after the second delinquency date, or, (2) there was an inadvertent error in the amount of payment made by the taxpayer, provided the principal payment for the proper amount of the tax due is made within 10 days after the notice of shortage is mailed by the tax collector.

(b) Any taxpayer seeking to be relieved of the penalty shall file with the board of supervisors a claim for refund conforming with the provisions of Article 1 (commencing with Section 5096) of Chapter 5 of Part 9 The claim for refund shall be accompanied by a statement under penalty of perjury setting forth the facts upon which the claim for relief is based. The statement shall be filed with the board of supervisors within 60 days after the penalty is paid.

(c) Nothing herein shall affect the powers of a tax collector pursuant to Section 2512, 2512.5 or 2513

SEC. 40. The Legislature hereby finds and declares that the amendments made to Sections 2607 and 2703 of the Revenue and Taxation Code by Sections 23 and 25 of this act, regarding the collection of current taxes even though prior year delinquencies on the real property may exist, shall apply to collections which occurred prior to the effective date of this act as well as to collections which occur thereafter.

SEC. 41. (a) Notwithstanding the provisions of Sections 110.1 and 110.6, as added to the Revenue and Taxation Code by Chapter 292 of the Statutes of 1978, and amended by Chapters 332 and 576 of the Statutes of 1978, the provisions of this act shall be effective for the 1979–80 assessment year and thereafter, except as provided in Section 42 of this act.

It is the intent of the Legislature that the provisions of this act shall apply to the determination of base year values for the 1979–80 assessment year and thereafter, including, but not limited to, any change in ownership occurring on or after March 1, 1975.

SEC. 42 No creation, termination, assignment or sublease of a leasehold interest on or after March 1, 1975, and no transfer of property subject to a lease on or after March 1, 1975, shall constitute

a change in ownership, unless it is defined as a change in ownership under subdivision (c) of Section 61 and subdivision (g) of Section 62.

SEC. 43. Except as otherwise provided in this act, or in Chapter 49 of the Statutes of 1979, no escape assessments shall be levied and no refund shall be made for any years prior to 1979–80 for any increases (or decreases) in value made in 1978–79 as the result of the enactment of Article XIII A of the Constitution, and Chapters 292 and 332 of 1978 or this act, except that any refunds which result from appeals filed for 1978–79 in a timely manner or pursuant to Chapter 24 of the Statutes of 1979 shall be made.

SEC 44. (a) Notwithstanding Section 2229 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to that section nor shall there be an appropriation made by this act because any property tax revenue loss imposed on local government has been expressly approved by a majority of the voters of this state through the initiative process.

(b) No appropriation is made by this act, nor is any obligation created thereby under Section 2231 or 2234 of the Revenue and Taxation Code, for the reimbursement of any local agency or school district 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 finds and declares that the duties imposed by this act were expressly included in a ballot measure approved by the voters in a statewide election.

SEC. 45 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 46. 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 as follows:

In order for the provisions of this act to apply to the 1979–80 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 243

An act to add Article 15 (commencing with Section 33480) to Chapter 4 of Part 1 of Division 24 of the Health and Safety Code, relating to redevelopment agencies, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 10, 1979 Filed with Secretary of State July 10, 1979]

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

SECTION 1 Article 15 (commencing with Section 33480) is added to Chapter 4 of Part 1 of Division 24 of the Health and Safety Code, to read:

Article 15 Merger of Redevelopment Project Areas in the Cities of Chula Vista, San Jose, and Santa Fe Springs

33480. For the purpose of allocating taxes pursuant to Section 33670 and subject to the provisions of this article, redevelopment project areas under the jurisdiction of the redevelopment agency of the Cities of Chula Vista, San Jose, and Santa Fe Springs, for which redevelopment plans have been adopted pursuant to Article 5 (commencing with Section 33360) of this chapter, may be merged, irrespective of contiguity, by the amendment of each affected redevelopment plan as provided in Article 12 (commencing with Section 33450) of this chapter. Each constituent project area so merged shall continue under its own redevelopment plan, but, except as otherwise provided in this article, taxes attributable to each project area merged pursuant to this section which are allocated to the redevelopment agency pursuant to Section 33670 may be allocated, as provided in subdivision (b) of such section, to the entire merged project area for the purpose of paying the principal of and interest on loans, moneys advanced to, or indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the redevelopment agency to finance or refinance, in whole or in part, such merged redevelopment project.

33481 If the redevelopment agency has, prior to merger of redevelopment project areas pursuant to Section 33480, incurred any indebtedness on account of a constituent project area so merged, taxes attributable to that area which are allocated to the agency pursuant to Section 33670 shall be first used to comply with the terms of any bond resolution or other agreement pledging such taxes from the constituent project area.

33482 The redevelopment plan for a project area which is merged pursuant to Section 33480 shall be amended in the same manner as other redevelopment plans are amended. Notice of the public hearing shall be mailed to the last known assessee of each parcel of land not owned by the agency within the boundaries of the project area described in the redevelopment plan being amended. Notice of the public hearing need not be mailed to assessees of parcels of land within the boundaries of other project areas combined into a merged project area pursuant to Section 33480, except that notice of the public hearing shall be given to the project area committee for each project area which is part of the merged project area.

33483 Not less than 20 percent of all taxes which are allocated to the redevelopment agency pursuant to Section 33670 for

redevelopment projects merged pursuant to this article, irrespective of the date of adoption of the final redevelopment plans, shall be used for the purposes set forth in Section 33334.2.

33484. This article shall be applicable only to redevelopment projects of the redevelopment agency of the Cities of Chula Vista, San Jose, and Santa Fe Springs for which a final redevelopment plan was adopted by ordinance on or before January 1, 1979

The Legislature finds and declares that conditions unique to the financing of redevelopment in the Cities of Chula Vista, San Jose, and Santa Fe Springs require the granting of authority to merge project areas

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

There is presently a serious lack of adequate housing within certain redevelopment project areas of the Cities of Chula Vista, San Jose, and Santa Fe Springs. It is, therefore, imperative to facilitate the merger of redevelopment project areas so that the Redevelopment Agency will have available financial resources, including resources available from tax increment financing, to implement the provision of decent, safe, and sanitary housing within its redevelopment project areas

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CHAPTER 244

An act to amend Section 5328 of, and to add Section 18961 to the Welfare and Institutions Code, relating to information and records.

[Approved by Governor July 10, 1979 Filed with Secretary of State July 10, 1979]

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

SECTION 1. Section 5328 of the Welfare and Institutions Code is amended to read·

5328. All information and records obtained in the course of providing services under Division 4 (commencing with Section 4001), Division 4.1 (commencing with Section 4400), Division 4.5 (commencing with Section 4500), Division 5 (commencing with Section 5000), Division 6 (commencing with Section 6000), or Division 7 (commencing with Section 7000), to either voluntary or involuntary recipients of services shall be confidential. Information and records obtained in the course of providing similar services to either voluntary or involuntary recipients prior to 1969 shall also be confidential. Information and records may be disclosed only:

(a) In communications between qualified professional persons in the provision of services or appropriate referrals, or in the course of

conservatorship proceedings. The consent of the patient, or his guardian or conservator must be obtained before information or records may be disclosed by a professional person employed by a facility to a professional person not employed by the facility who does not have the medical responsibility for the patient's care;

(b) When the patient, with the approval of the physician, licensed psychologist, or social worker with a masters degree in social work, who is in charge of the patient, designates persons to whom information or records may be released, except that nothing in this article shall be construed to compel a physician, psychologist, social worker, nurse, attorney, or other professional person to reveal information which has been given to him in confidence by members of a patient's family;

(c) To the extent necessary for a recipient to make a claim, or for a claim to be made on behalf of a recipient for aid, insurance, or medical assistance to which he may be entitled;

(d) If the recipient of services is a minor, ward, or conservatee, and his parent, guardian, or conservator designates, in writing, persons to whom records or information may be disclosed, except that nothing in this article shall be construed to compel a physician, psychologist, social worker, nurse, attorney, or other professional person to reveal information which has been given to him in confidence by members of a patient's family;

(e) For research, provided that the Director of Mental Health or the Director of Developmental Services designates by regulation, rules for the conduct of research. Such rules shall include, but need not be limited to, the requirement that all researchers must sign an oath of confidentiality as follows.

_____

Date

As a condition of doing research concerning persons who have received services from _____ (fill in the facility, agency or person), I, _____, agree not to divulge any information obtained in the course of such research to unauthorized persons, and not to publish or otherwise make public any information regarding persons who have received services such that the person who received services is identifiable

I recognize that unauthorized release of confidential information may make me subject to a civil action under provisions of the Welfare and Institutions Code.

_____

Signed

(f) To the courts, as necessary to the administration of justice.

(g) To governmental law enforcement agencies as needed for the protection of federal and state elective constitutional officers and

their families.

(h) To the Senate Rules Committee or the Assembly Rules Committee for the purposes of legislative investigation authorized by such committee.

(i) If the recipient of services who applies for life or disability insurance designates in writing the insurer to which records or information may be disclosed.

(j) To the attorney for the patient in any and all proceedings upon presentation of a release of information signed by the patient, except that when the patient is unable to sign such release, the staff of the facility, upon satisfying itself of the identity of said attorney, and of the fact that the attorney does represent the interests of the patient, may release all information and records relating to the patient except that nothing in this article shall be construed to compel a physician, psychologist, social worker, nurse, attorney, or other professional person to reveal information which has been given to him in confidence by members of a patient's family.

(k) Upon written agreement by a person previously confined in or otherwise treated by a facility, the professional person in charge of the facility or his designee may release any information, except information which has been given in confidence by members of the person's family, requested by a probation officer charged with the evaluation of the person after his conviction of a crime if the professional person in charge of the facility determines that such information is relevant to the evaluation Such agreement shall only be operative until sentence is passed on the crime of which the person was convicted. The confidential information released pursuant to this subdivision shall be transmitted to the court separately from the probation report and shall not be placed in the probation report. The confidential information shall remain confidential except for purposes of sentencing. After sentencing, the confidential information shall be sealed

(*l*) Between persons who are trained and qualified to serve on "multidisciplinary personnel" teams pursuant to subdivision (d) of Section 18951. The information and records sought to be disclosed must be relevant to the prevention, identification, management, or treatment of an abused child and his or her parents pursuant to Chapter 11 (commencing with Section 18950) of Part 6 of Division 9 of the Welfare and Institutions Code

The amendment of subdivision (d) of this section enacted at the 1970 Regular Session of the Legislature does not constitute a change in, but is declaratory of, the preexisting law

SEC. 2. Section 18961 is added to the Welfare and Institutions Code, to read·

18961 Notwithstanding any provision of law governing the disclosure of information and records, including but not limited to Section 5328 of the Welfare and Institutions Code, persons who are trained and qualified to serve on "multidisciplinary personnel" teams pursuant to subdivision (d) of Section 18951 may disclose to

one another information and records which are relevant to the prevention, identification, management, or treatment of an abused child and his or her parents pursuant to this chapter. The information and records which may be disclosed shall not be restricted to those obtained in the course of providing services pursuant to this chapter.

CHAPTER 245

An act to amend Section 232 of the Civil Code, and to amend Section 5361 of the Welfare and Institutions Code, relating to evidence.

[Approved by Governor July 10, 1979 Filed with Secretary of State July 10, 1979]

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

SECTION 1 Section 232 of the Civil Code is amended to read:

232. (a) An action may be brought for the purpose of having any person under the age of 18 years declared free from the custody and control of either or both of his parents when such person comes within any of the following descriptions:

(1) Who has been left without provision for his identification by his parent or parents or by others or has been left by both of his parents or his sole parent in the care and custody of another for a period of six months or by one parent in the care and custody of the other parent for a period of one year without any provision for his support, or without communication from such parent or parents, with the intent on the part of such parent or parents to abandon such person. Such failure to provide identification, failure to provide, or failure to communicate shall be presumptive evidence of the intent to abandon Such person shall be deemed and called a person abandoned by the parent or parents abandoning him If in the opinion of the court the evidence indicates that such parent or parents have made only token efforts to support or communicate with the child, the court may declare the child abandoned by such parent or parents. In those cases in which the child has been left without provision for his identification and the whereabouts of the parents are unknown, a petition may be filed after the 120th day following the discovery of the child and citation by publication may be commenced The petition may not be heard until after the 180th day following the discovery of the child

The fact that a child is in a foster care home, licensed under Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code, shall not prevent a licensed adoption agency which is planning adoption placement for the child, from instituting, under this subdivision, an action to declare such child free from the custody and control of his parents. When the requesting agency is a

licensed county adoption agency, the county counsel, and if there is no county counsel, the district attorney shall institute such action.

(2) Who has been cruelly treated or neglected by either or both of his parents, if such person has been a dependent child of the juvenile court, and such parent or parents have been deprived of his custody for the period of one year prior to the filing of a petition praying that he be declared free from the custody and control of such cruel or neglectful parent or parents.

(3) Whose parent or parents suffer a disability because of the habitual use of alcohol, or any of the controlled substances specified in Schedules I to V, inclusive, of Division 10 (commencing with Section 11000) of the Health and Safety Code, except when such controlled substances are used as part of a medically prescribed plan, or are morally depraved, if such person has been a dependent child of the juvenile court, and the parent or parents have been deprived of his custody because of such disability, or moral depravity, for the period of one year continuously immediately prior to the filing of the petition praying that he be declared free from the custody and control of such parent or parents As used in this subdivision, "disability" means any physical or mental incapacity which renders the parent or parents unable to adequately care for and control the child

(4) Whose parent or parents are convicted of a felony, if the facts of the crime of which such parent or parents were convicted are of such nature as to prove the unfitness of such parent or parents to have the future custody and control of the child.

(5) Whose parent or parents have been declared by a court of competent jurisdiction wherever situated to be developmentally disabled or mentally ill, if, in the state or country in which the parent or parents reside or are hospitalized, the Director of Mental Health or the Director of Developmental Services, or his equivalent, if any, and the superintendent of the hospital of which, if any, such parent or parents are inmates or patients certify that such parent or parents so declared to be developmentally disabled or mentally ill will not be capable of supporting or controlling the child in a proper manner

(6) Whose parent or parents are, and will remain incapable of supporting or controlling the child in a proper manner because of mental deficiency or mental illness, if there is testimony to this effect from two physicians and surgeons each of whom must have been certified either by the American Board of Psychiatry and Neurology or under Section 6750 of the Welfare and Institutions Code or licensed psychologists who have a doctoral degree in psychology and at least five years of postgraduate experience in the diagnosis and treatment of emotional and mental disorders If, however, the parent or parents reside in another state or in a foreign country, the testimony herein may be supplied by two physicians and surgeons who are residents of such state or foreign country, if such physicians and surgeons have been certified by a medical organization or society of that state or foreign country to practice psychiatric or

neurological medicine and if the court determines that the certification requirements of such organization or society are comparable to those of the American Board of Psychiatry and Neurology.

The parent or parents shall be cited to be present at the hearing, and if he or they have no attorney, the court shall appoint an attorney or attorneys to represent the parent or parents and fix the compensation to be paid by the county for such services, if he determines the parent or parents are not financially able to employ counsel.

(7) Who has been cared for in one or more foster homes, residential facilities licensed pursuant to Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code, or health facilities licensed pursuant to Chapter 2 (commencing with Section 1250) of Division 2 of the Health and Safety Code, under the supervision of the juvenile court, the county welfare department or other public or private licensed child-placing agency for two or more consecutive years, providing that the court finds by clear and convincing evidence that return of the child to his parent or parents would be detrimental to the child and that the parent or parents have failed during such period, and are likely to fail in the future, to do the following:

(i) Provide a home for the child;

(ii) Provide care and control for the child; and

(iii) Maintain an adequate parental relationship with the child.

Physical custody of the child by the parent or parents for insubstantial periods of time during the required two-year period will not serve to interrupt the running of such period

(b) A licensed adoption agency may institute under this section, an action to declare a child, as described in this section, free from the custody and control of his parents. When the requesting agency is a licensed county adoption agency, the county counsel, or if there is no county counsel, the district attorney shall in a proper case institute such action.

SEC. 2. Section 5361 of the Welfare and Institutions Code is amended to read:

5361 Conservatorship initiated pursuant to this chapter shall automatically terminate one year after the appointment of the conservator by the superior court The period of service of a temporary conservator shall not be included in the one-year period. Where the conservator has been appointed as conservator of the estate, the conservator shall, for a reasonable time, continue to have such power and authority over the estate as the superior court, on petition by the conservator, may deem necessary for (1) the collection of assets or income which accrued during the period of conservatorship, but were uncollected before the date of termination, (2) the payment of expenses which accrued during period of conservatorship and of which the conservator was notified prior to termination, but were unpaid before the date of termination,

and (3) the completion of sales of real property where the only act remaining at the date of termination is the actual transfer of title. If upon the termination of an initial or a succeeding period of conservatorship the conservator determines that conservatorship is still required, he may petition the superior court for his reappointment as conservator for a succeeding one-year period. The petition must include the opinion of two physicians or licensed psychologists who have a doctoral degree in psychology and at least five years of postgraduate experience in the diagnosis and treatment of emotional and mental disorders that the conservatee is still gravely disabled as a result of mental disorder or impairment by chronic alcoholism. In the event that the conservator is unable to obtain the opinion of two physicians or psychologists, he shall request that the court appoint them

Any facility in which a conservatee is placed must release the conservatee at his request when the conservatorship terminates. A petition for reappointment filed by the conservator or a petition for appointment filed by a public guardian shall be transmitted to the facility at least 30 days before the automatic termination date. The facility may detain the conservatee after the end of the termination date only if the conservatorship proceedings have not been completed and the court orders the conservatee to be held until the proceedings have been completed

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CHAPTER 246

An act to repeal and add Article 4 (commencing with Section 89330) to Chapter 3 of Part 55 of the Education Code, relating to the California State University and Colleges, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1979 Filed with Secretary of State July 11, 1979]

The people of the State of California do enact as follows

SECTION 1 Article 4 (commencing with Section 89330) of Chapter 3 of Part 55 of the Education Code is repealed.

SEC 2. Article 4 (commencing with Section 89330) is added to Chapter 3 of Part 55 of the Education Code, to read:

Article 4 Program for California Residents 60 Years of Age or Older

89330 The Trustees of the California State University and Colleges may authorize at any of the institutions of the California State University and Colleges the establishment of a program which allows persons 60 years of age or older to enroll in regular credit

courses without requiring the payment of the application for admission fee and regular session registration fees.

89331 Each program established pursuant to this article shall be maintained in accordance with the following standards

(a) Enrollment shall be limited to qualified persons who are residents, as defined by Section 68017, and are 60 years of age or older on the residence determination date.

(b) Persons enrolling in the program shall be registered last, after regular students have been registered for classes.

(c) No special classes limited to, or designed particularly for, senior citizens shall be established

89332. Fee waivers authorized pursuant to this article shall not be in place of fee waivers for disadvantaged students

89333. The Trustees of the California State University and Colleges shall adopt regulations for the effective administration of this article. The Trustees of the California State University and Colleges shall phase in programs under this article over not less than a three-year period commencing January 1, 1980, except that existing programs may be continued as programs under this article on and after its effective date.

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

A critical need exists in this state to solve certain of the problems of older persons Existing authority for the continuation of a pilot project at two institutions of the California State University and Colleges allowing persons 60 years or older to enroll in regular courses without paying the application for admission fee or regular session registration fees will terminate on July 1, 1979 In order to allow the presently functioning programs to continue without interruption, and thereby avoid harm thereto, it is necessary that this act take effect immediately

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CHAPTER 247

An act to add Chapter 11 5 (commencing with Section 42950) to Part 24 of the Education Code, relating to special educational programs, and declaring the urgency thereof, to take effect immediately

[Approved by Governor July 11, 1979 Filed with Secretary of State July 11, 1979]

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

SECTION 1. Chapter 11 5 (commencing with Section 42950) is added to Part 24 of the Education Code, to read:

CHAPTER 11 5. FINANCIAL SUPPORT FOR EDUCATING FOREIGN CHILDREN

42950. Any school district that provided education in kindergarten or grades 1 to 12, inclusive, pursuant to Chapter 12 (commencing with Section 42950) of Part 24, may increase its revenue limit by an amount per unit of average daily attendance not to exceed the reimbursement received under a countywide tax levied for the local share of the revenue limit and for the excess cost of providing special programs for such children pursuant to statutes that existed in this code during the 1976–77 school year.

42950 1 Any school district that provided education in kindergarten or grades 1 to 12, inclusive, pursuant to Chapter 12 (commencing with Section 42950) of Part 24, may increase its 1978–79 revenue limit by an amount not to exceed the reimbursement that it would have received in the 1977–78 school year had it been reimbursed through the countywide tax levied for such purpose prior to the enactment of Chapter 890 of the Statutes of 1978 No district may claim such reimbursement unless such funds constitute at least 3 percent of its total general fund revenues

42950 2. Notwithstanding Section 42238 or any other provision of law, the revenue limit increases authorized by this chapter shall not be used in the computation of any maximum tax rate.

42950.3 The provisions of this chapter shall apply only to a school district which, during the 1977–78 school year.

(a) Had an enrollment not less than 10 percent of which consisted of children living in residence facilities operated by the University of California for the use of university students and their families

(b) Reported at least 15 different native languages on the 1977 fall season R-30 enrollment and staff data report filed with the Department of Education.

(c) Did not receive, and was not entitled to receive, an apportionment of funds under the Bilingual Education Act of 1972 (Article 1 (commencing with Section 52100) of Chapter 7 of Part 28)

42950 4 It is the intent of the Legislature that school districts shall not identify pupils according to their immigration status in carrying out the provisions of this chapter

SEC 2 For purposes of Chapters 292 and 332 of the Statutes of 1978, any references therein to Section 42950 of the Education Code shall, until June 30, 1979, be construed as referring to Section 42950 contained in Chapter 12 (commencing with Section 42950) of Part 24 of the Education Code On and after July 1, 1979, any such reference shall be construed as referring to Section 42950 contained in Chapter 11 5 (commencing with Section 42950) of Part 24 of the Education Code

SEC. 3 This act shall be deemed operative for the entire 1978-79

fiscal year as though it had been enacted into law and become operative on July 1, 1978. The Superintendent of Public Instruction and other public offices shall, for such purposes, have authority to take all necessary steps to effect the mid-fiscal year transition involved, including the authority to adjust allowance computations, apportionments, and disbursements ordered from Section A of the State School Fund.

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 avoid confusion and provide for an orderly transition from prior law to a revised method of providing financial support for necessary special programs, it is necessary that this act take effect immediately.

CHAPTER 248

An act to add and repeal Section 24211 of the Education Code, relating to the State Teachers' Retirement System, and declaring the urgency thereof, to take effect immediately

[Approved by Governor July 11, 1979 Filed with Secretary of State July 11, 1979]

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

SECTION 1 Section 24211 is added to the Education Code, to read

24211. The board shall develop, adopt, and implement an additional optional retirement plan which will allow a school district or other employing agency to permit those members with 30 years of credited service that the school district or agency deems appropriate to retire at age 55 or older and receive an annual allowance equal to 2 percent of final compensation for each year of credited service with the allowance reduced by one-quarter of 1 percent for each full month or fraction of a month which will elapse until the member would have reached age 60 if the member retires on and after June 1, 1979, and before June 30, 1982

The employing school district or other employing agency shall pay the amount which is determined by the board to be the present value of the benefits provided under this section. The board shall permit such payments to be made over a three-year period in equal amounts. Interest shall be charged on the unpaid balance at a rate approximating the average yield on moneys invested by the board during the previous year from the effective date of the member's retirement

This section shall remain in effect only until July 1, 1982, and as of

that date is repealed, unless a later enacted statute, which is chaptered before July 1, 1982, deletes or extends such date.

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

In order that school districts and other employing agencies may achieve possible reduction in expenditures and may implement their act prior to the next fiscal year, this act must take effect immediately.

CHAPTER 249

An act relating to school facilities.

[Approved by Governor July 11, 1979 Filed with Secretary of State July 11, 1979]

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

SECTION 1 The Sierra Union Elementary School District boundaries encompass the area surrounding the Helms Creek Pump Storage Hydro Plant at Wishon Lake, which is approximately 53 miles away from the closest school in the district located at Tollhouse. To maintain continual education services for pupils in the area because of construction at the Helms Creek Pump Storage Plant, temporary modular classroom trailers protected by a snow shed are being used by the district as classrooms for a five-year period. It is necessary to permit the use of such trailers until January 1, 1985, due to the distance pupils would be otherwise required to travel to attend an elementary school and lack of any other available space due to the construction in the area

SEC 2 The governing board of the Sierra Union Elementary School District may use the trailers referred to in Section 1 until January 1, 1985 During such period of construction and use, the trailers shall not be subject to the provisions of Article 3 (commencing with Section 39140) or Article 6 (commencing with Section 39210) of Chapter 2 of Part 23 of the Education Code, except as provided in Section 3

SEC 3 Section 2 shall not apply unless the structural design and plans for the protective snow shed referred to in Section 1 have been prepared by a structural engineer licensed in California who satisfies the Office of the State Architect that the design of the protective snow shed referred to in Section 1 complies with the structural safety provisions of the 1976 Uniform Building Code An application for approval of the plans shall be submitted to the Office of the State Architect and a fee paid in accordance with Sections 39145 and 39146 of the Education Code

SEC 4 Due to the unique circumstances concerning the Sierra

Union Elementary School District, the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the Constitution.

CHAPTER 250

An act to amend Section 8102 of the Welfare and Institutions Code, relating to firearms

[Approved by Governor July 11, 1979 Filed with Secretary of State July 11, 1979]

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

SECTION 1 Section 8102 of the Welfare and Institutions Code is amended to read

8102 Whenever a person who has been detained or apprehended for examination of his mental condition, or who is a mental patient in any hospital or institution or who is on leave of absence from such hospital or institution, is found to own, have in his possession or under his control, any firearm whatsoever, said firearm shall be confiscated by any law enforcement agency or peace officer, who shall retain custody of said firearm until the release without commitment of the person or the restoration to capacity of the person, or until the appointment of a guardian for the person, or shall make such other disposition of the firearm as ordered by the court

Where the person is released without commitment, the confiscating law enforcement agency shall have 30 days to initiate a court hearing for a judicial determination of whether the return of such firearm would be likely to result in harm to any person If no hearing is initiated by such law enforcement agency within 30 days of the release without commitment, the firearm shall be returned.

SEC 2. Section 8102 of the Welfare and Institutions Code is amended to read:

8102 Whenever a person who has been detained or apprehended for examination of his mental condition, or who is a mental patient in any hospital or institution or who is on leave of absence from such hospital or institution, is found to own, have in his possession or under his control, any firearm whatsoever, said firearm shall be confiscated by any law enforcement agency or peace officer, who shall retain custody of said firearm until the release without commitment of the person or the restoration to capacity of the person, or until the appointment of a guardian or conservator for the person, or shall make such other disposition of the firearm as ordered by the court

Where the person is released without commitment, the confiscating law enforcement agency shall have 30 days to initiate a court hearing for a judicial determination of whether the return of

such firearm would be likely to result in harm to any person. If no hearing is initiated by such law enforcement agency within 30 days of the release without commitment, the firearm shall be returned.

SEC 3 It is the intent of the Legislature, if this bill and Assembly Bill No 167 are both chaptered and become effective January 1, 1980, both bills amend Section 8102 of the Welfare and Institutions Code, and this bill is chaptered after Assembly Bill No. 167, that Section 8102 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 167, and that on the operative date of Assembly Bill No 167 Section 8102 of the Welfare and Institutions 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 8102 proposed by Assembly Bill No 167 Therefore, Section 2 of this act shall become operative only if this bill and Assembly Bill No 167 are both chaptered and become effective January 1, 1980, both bills amend Section 8102, and this bill is chaptered after Assembly Bill No. 167, in which case Section 2 of this act shall become operative on the operative date of Assembly Bill No 167

CHAPTER 251

An act to amend Sections 8250, 8254, and 8400 of the Education Code, relating to child care, and declaring the urgency thereof, to take effect immediately

[Approved by Governor July 11, 1979 Filed with Secretary of State July 11, 1979]

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

SECTION 1 Section 8250 of the Education Code is amended to read

8250 Notwithstanding any provision of law to the contrary, the Regents of the University of California, the Trustees of the California State University and Colleges, the governing boards of community college districts, and the governing bodies of any private nonprofit institution of postsecondary education may establish and maintain child development centers on or near their respective campuses

The Department of Education shall encourage the Regents of the University of California, the Trustees of the California State University and Colleges, the governing boards of community college districts and the governing body of any other private nonprofit institution of postsecondary education who have established child development programs to continue to provide funds to prevent dislocation of children currently receiving services

The governing board of any postsecondary education institution shall establish in its treasury a fund to be known as the "child

development fund" into which shall be paid all funds received by the postsecondary institution for, or from the operation of, child development services under this chapter. The costs incurred in the maintenance and operation of child development services shall be paid as required pursuant to Section 8328.

The Superintendent of Public Instruction shall adopt rules and regulations to facilitate the funding and reimbursement procedures required by this chapter.

The Superintendent of Public Instruction, with approval by the State Board of Education, shall establish rules and regulations governing programs operated pursuant to this section which shall insure that subsidized day care provided to student families shall relate to the academic load of the child's parents. The definition of full- and part-time student shall be determined as the segment of postsecondary education defines full- and part-time student for academic purposes.

SEC. 2. Section 8254 of the Education Code is amended to read:

8254 The Governor shall appoint an advisory committee composed of one representative from the State Board of Education, one representative from the State Social Services Advisory Board, one representative of private education, one representative of child welfare, one representative of private health care, two representatives of proprietary child care agencies, one representative of a community action agency qualified under Title II of the Economic Opportunity Act of 1969, two representatives of family day care homes, five parents of children participating in child care programs of whom at least three shall be parents of children participating in publicly subsidized child development programs, appointed from names selected by a democratic process to assure representation of the parents of children being served, and four persons representing professional or civic groups or public or nonprofit private agencies, organizations or groups concerned with child development, and one teacher currently serving in a public school children's center.

The advisory committee shall also include one representative from the Department of Education appointed by the Superintendent of Public Instruction, and one representative each from the Department of Employment Development, the State Department of Social Services, the State Department of Health Services, and the State Department of Developmental Services, appointed by the respective director of each department.

The advisory committee shall assist the Department of Education in developing a state plan for child development programs pursuant to this chapter and Chapter 2.5 (commencing with Section 8400) of this part.

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 3 Section 8400 of the Education Code is amended to read:

8400 The Legislature declares that it is necessary to design effective and economical methods for meeting the future requirements of California families eligible for subsidized child care. Therefore,

(a) It is the intent of the Legislature that funds allocated pursuant to this chapter shall·

(1) Test potential cost-reducing features and delivery methods on a trial basis in child care programs, and

(2) Insure that a broad range of services is available to maximize the opportunity for parental choice

(b) It is further the intent of the Legislature that child care programs funded through this chapter be designed to:

(1) Address the unmet needs in urban, suburban, and rural areas of the state,

(2) Encourage community level coordination in support of child care services, and

(3) Offer replicative features which may be adopted by other child care provider agencies

(c) The Legislature further declares its intent to fund programs that may be implemented through a variety of delivery systems

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 that sufficient time be available to accomplish the changes in funding of child care development centers that will be required by this act, to ensure that child development programs reflect as soon as possible additional concerned persons, entities, and agencies, and in order to assure that authority for the alternative child care programs not expire June 30, 1979, it is imperative that this act take effect immediately

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CHAPTER 252

An act to amend Sections 2805 and 10656 of the Vehicle Code, relating to vehicles.

[Approved by Governor July 11, 1979 Filed with Secretary of State July 11, 1979]

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

SECTION 1 Section 2805 of the Vehicle Code is amended to read

2805 (a) For the purpose of locating stolen vehicles, a member of the California Highway Patrol, or a member of a city police

department or county sheriff's office whose primary responsibility is to conduct vehicle theft investigations, may inspect any vehicle of a type required to be registered under this code on a highway or in any public garage, repair shop, parking lot, new or used car lot, automobile dismantler's lot, vehicle shredding facility, vehicle leasing or rental lot, vehicle equipment rental yard, vehicle salvage pool, or other similar establishment, and may inspect the title or registration of vehicles, in order to establish the rightful ownership or possession of the vehicle

(b) A member of the California Highway Patrol, or a member of a city police department or county sheriff's office whose primary responsibility is to conduct vehicle theft investigations, may also inspect, for the purposes specified in subdivision (a), implements of husbandry, special construction equipment, and special mobile equipment in the places described in subdivision (a) or when such a vehicle is incidentally operated or transported upon a highway

(c) Whenever possible, inspections conducted pursuant to subdivision (a) or (b) shall be conducted at a time and in a manner so as to minimize any interference with, or delay of, business operations

SEC 2 Section 10656 of the Vehicle Code is amended to read:

10656 The director, deputy director, registrar, deputy registrar, investigators of the department, and members of a city police department or county sheriff's office whose primary responsibility is to conduct vehicle theft investigations, may inspect any vehicle of a type required to be registered under this code in any garage, repair shop, parking lot, used car lot, automobile dismantlers lot, or other similar establishment for the purpose of investigating the title and registration of vehicles and inspection of vehicles wrecked or dismantled.

CHAPTER 253

An act relating to the Fullerton Joint Union High School District, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately

[Approved by Governor July 11, 1979 Filed with Secretary of State July 11, 1979]

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

SECTION 1 The Fullerton Joint Union High School District may continue to use school buildings located on school farms that are used in supporting the agricultural programs under the jurisdiction of the governing board of the district, and during the period of continued use, such buildings shall not be subject to any of the provisions of Section 39141 3 or 39227 of the Education Code

SEC. 2. Section 1 of this act shall remain operative only until June 30, 1980, and as of such date is repealed.

SEC. 3. The sum of nine hundred thousand dollars ($900,000) is hereby appropriated from the General Fund to Section A of the State School Fund for allocation by the Superintendent of Public Instruction to the Fullerton Joint Union High School District in order to enable the district to bring its facilities into compliance with the earthquake safety standards of the so-called Field Act

SEC 4 The allocation made pursuant to Section 3 of this act shall be repaid as follows

For each of the fiscal years, 1979–80 to 1988–89, inclusive, the State Controller shall deduct from the apportionment made to the Fullerton Joint Union High School District from the State School Fund an amount equal to one-tenth of the amount actually allocated to the district pursuant to Section 3 of this act, together with amounts representing interest at a rate based on the most current investment rate of the Pooled Money Investment Account with reference to the fiscal year in which the repayment is to be withheld.

SEC. 5 Due to the unique circumstances relating to the repairs, reconstruction, or replacement of school buildings located on the school farms that are used in supporting the agricultural programs of the Fullerton Joint Union High School District, and the construction of replacement school facilities for the district generally and the limited nature of the exemption provided for in Section 1 of this act, the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the Constitution

SEC 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 to provide necessary funds for the purpose of providing earthquake-safe facilities for public school pupils, and in order to avoid interruption of the education of such pupils, it is necessary that this act take effect immediately

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CHAPTER 254

An act making an appropriation for emergency work and remedial measures, and declaring the urgency thereof, to take effect immediately

[Approved by Governor July 11, 1979 Filed with Secretary of State July 11, 1979]

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 the sum of four million three hundred ten thousand dollars ($4,310,000) to the Department of Finance for expenditure during the 1978–79 and 1979–80 fiscal years pursuant to the provisions of Section 128 of the Water Code, to be allocated as follows

(a) To the Los Angeles County Flood Control District, the sum of three million three hundred thousand dollars ($3,300,000);

(b) To the City of Los Angeles, the sum of nine hundred ten thousand dollars ($910,000);

(c) To the Riverside County Flood Control and Water Conservation District, the sum of fifty thousand dollars ($50,000);

(d) To the Department of Water Resources, the sum of fifty thousand dollars ($50,000) to analyze the cost effectiveness of these emergency expenditures;

Provided the County of Los Angeles, the County of Riverside, and the City of Los Angeles provide assurances that adequate land use controls will be exercised to assure that new construction or rebuilding of damaged buildings in flood or debris hazard areas will only be allowed where adequate protection for the buildings is provided; and provided further, that the allocations in subdivisions (a), (b), and (c) shall be reduced by any federal funds received in reimbursement for the same expenditures.

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:

The Director of Water Resources has declared the existence of an emergency in the County of Los Angeles resulting from damage to watershed lands by forest fires and the related threat of floods and debris damage and the existence of an emergency in the County of Riverside due to threatened flooding from excessive rainfall. The Governor concurs that a state of emergency exists The City of Los Angeles, the Riverside County Flood Control and Water Conservation District, and the Los Angeles County Flood Control District have agreed to accomplish for the Director of Water Resources certain remedial measures in the affected areas and the Department of Water Resources has agreed to pay toward the cost of the projects an amount not to exceed four million two hundred sixty thousand dollars ($4,260,000) subject to the appropriation of funds by the Legislature It is therefore necessary for this act to go into immediate effect in order for the Los Angeles County Flood Control District, the Riverside County Flood Control and Water Conservation District, and the City of Los Angeles to perform the remedial measures before the occurrence of storms and damage to the affected areas

CHAPTER 255

An act to amend Sections 11501.5, 11555, and 11556 of, and to repeal Section 11563.2 of, the Government Code, and to amend Sections 11561, 11563 and 11564 of the Health and Safety Code, and to amend Sections 1170, 1170.2, 1389 7, 1554.2, 2081.5, 2651, 2684, 2911, 2932, 3000, 3040, 3041, 3041.5, 3041 7, 3042, 3046, 3053, 3053.5, 3059, 3060, 3062, 3084, 3421, 4600, 4801, 4802, 4803, 4810, 4812, 4813, 4814, 4850, 4851, 4852.14, 4852.18, 5001, 5002, 5003.5, 5011 of, the heading of Chapter 3 (commencing with Section 5075) of Title 3 of Part 3 of, and Sections 5075, 5076, 5076.1, 5076.2, 5077, 5078, 5080, 5081, 5082, 5089, 6025.5, 11193, 11194, 13011, and 13020 of, the Penal Code, and to amend Section 6316.1 of the Welfare and Institutions Code, relating to imprisonment.

[Approved by Governor July 11, 1979 Filed with Secretary of State July 11, 1979]

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

SECTION 1. Section 11501 5 of the Government Code is amended to read:

11501 5. (a) The following state agencies shall provide language assistance at adjudicatory hearings pursuant to supervision (d) of Section 11513:

Agricultural Labor Relations Board
State Depart ment of Alcohol and Drug Abuse
Athletic Commission
California Unemployment Insurance Appeals Board
Board of Prison Terms
Board of Cosmetology
State Depart ment of Developmental Services
Public Employment Relations Board
Franchise Tax Board
State Depart ment of Health Services
Department of Housing and Community Development
Department of Industrial Relations
State Depart ment of Mental Health
Department of Motor Vehicles
Notary Public Section, Office of the Secretary of State
Public Utilities Commission
Office of Statewide Health Planning and Development
State Depart ment of Social Services
Workers' Compensation Appeals Board
Department of the Youth Authority
Bureau of Employment Agencies
Board of Barber Examiners
Department of Insurance
State Personnel Board

(b) Nothing in this section shall be construed to prevent any agency other than those listed in subdivision (a) from electing to adopt any of the procedures set forth in subdivision (d), (e), (f), (g), (h), or (i) of Section 11513, except that the State Personnel Board shall determine the general language proficiency of prospective interpreters as described in subdivisions (d) and (e) of Section 11513 unless otherwise provided for as described in subdivision (f) of Section 11513.

SEC. 2. Section 11555 of the Government Code is amended to read:

11555 An annual salary of twenty-six thousand two hundred fifty dollars ($26,250) shall be paid to the following:

(a) Chairman of the Board of Prison Terms

(b) Chairman of the State Water Resources Control Board

(c) Chairman of the Youth Authority Board.

SEC. 3. 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) Members of the Board of Prison Terms

(d) Members of the State Water Resources Control Board

(e) Members of the Youth Authority Board

(f) State Fire Marshal

SEC. 4. Section 11563.2 of the Government Code is repealed.

SEC 5 Section 11561 of the Health and Safety Code is amended to read:

11561. When the Board of Prison Terms concludes that there are reasonable grounds for believing that a man on parole is addicted to, or is in imminent danger of addiction to, controlled substances it may issue an order to detain or place such person in a controlled substance treatment control unit for a period not to exceed 90 days. Such order shall be a sufficient warrant for any peace officer or employee of the Department of Corrections to return to physical custody any such person. Detention pursuant to such order shall not be deemed a suspension, cancellation or revocation of parole until such time as the Board of Prison Terms so orders pursuant to Section 3060 of the Penal Code. A parolee taken into physical custody pursuant to Section 3060 of the Penal Code may be detained in a controlled substance treatment control unit established pursuant to this article.

SEC. 6 Section 11563 of the Health and Safety Code is amended to read:

11563. When the Board of Prison Terms concludes that there are reasonable grounds for believing that a woman on parole is addicted to, or is in imminent danger of addiction to, controlled substances, it may issue an order to detain or place such person in a controlled substance treatment control unit for a period not to exceed 90 days.

Such order shall be a sufficient warrant for any peace officer or employee of the Department of Corrections to return to physical custody any such person. Detention pursuant to such order shall not be deemed a suspension, cancellation or revocation of parole until such time as the board so orders pursuant to Section 3060 of the Penal Code. A parolee taken into physical custody pursuant to Section 3060, 6043, or 6044 of the Penal Code may be detained in a controlled substance treatment control unit established pursuant to this article

SEC 7. Section 11564 of the Health and Safety Code is amended to read:

11564. The authority granted to the Board of Prison Terms and the Youth Authority in no way limits Sections 3060 and 3325 of the Penal Code.

SEC. 8. Section 1170 of the Penal Code is amended to read·

1170. (a) (1) The Legislature finds and declares that the purposes of imprisonment for crime is punishment. This purpose is best served by terms proportionate to the seriousness of the offense with provision for uniformity in the sentences of offenders committing the same offense under similar circumstances The Legislature further finds and declares that the elimination of disparity and the provision of uniformity of sentences can best be achieved by determinate sentences fixed by statute in proportion to the seriousness of the offense as determined by the Legislature to be imposed by the court with specified discretion

(2) In any case in which the punishment prescribed by statute for a person convicted of a public offense is a term of imprisonment in the state prison of 16 months, two or three years; two, three, or four years, two, three, or five years; three, four, or five years, two, four, or six years; three, four, or six years; three, five, or seven years; three, six, or eight years; five, seven, or nine years; five, seven, or 11 years, or any other specification of three time periods, the court shall sentence the defendant to one of the terms of imprisonment specified unless such convicted person is given any other disposition provided by law, including a fine, jail, probation, or the suspension of imposition or execution of sentence or is sentenced pursuant to subdivision (b) of Section 1168 because he had committed his crime prior to July 1, 1977. In sentencing the convicted person, the court shall apply the sentencing rules of the Judicial Council. The court, unless it determines that there are circumstances in mitigation of the punishment prescribed, shall also impose any other term which it is required by law to impose as an additional term. Nothing in this article shall affect any provision of law which imposes the death penalty, which authorizes or restricts the granting of probation or suspending the execution or imposition of sentence, or expressly provides for imprisonment in the state prison for life In any case in which the amount of preimprisonment credit under Section 2900.5 or any other provision of law is equal to or exceeds any sentence imposed pursuant to this chapter, the entire sentence, including any period of parole under Section 3000, shall be deemed to have been

served and the defendant shall not be actually delivered to the custody of the Director of Corrections. However, any such sentence shall be deemed a separate prior prison term under Section 667.5, and a copy of the judgment and other necessary documentation shall be forwarded to the Director of Corrections.

(b) When a judgment of imprisonment is to be imposed and the statute specifies three possible terms, the court shall order imposition of the middle term, unless there are circumstances in aggravation or mitigation of the crime. At least four days prior to the time set for imposition of judgment either party may submit a statement in aggravation or mitigation to dispute facts in the record or the probation officer's report, or to present additional facts. In determining whether there are circumstances that justify imposition of the upper or lower term, the court may consider the record in the case, the probation officer's report, other reports including reports received pursuant to Section 1203.03 and statements in aggravation or mitigation submitted by the prosecution or the defendant, and any further evidence introduced at the sentencing hearing. The court shall set forth on the record the facts and reasons for imposing the upper or lower term. The court may not impose an upper term by using the fact of any enhancement upon which sentence is imposed under Section 667 5, 1170 1, 12022, 12022 5, 12022.6, or 12022.7. A term of imprisonment shall not be specified if imposition of sentence is suspended.

(c) The court shall state the reasons for its sentence choice on the record at the time of sentencing The court shall also inform the defendant that as part of the sentence after expiration of the term he may be on parole for a period as provided in Section 3000.

(d) When a defendant subject to this section or subdivision (b) of Section 1168 has been sentenced to be imprisoned in the state prison and has been committed to the custody of the Director of Corrections, the court may, within 120 days of the date of commitment on its own motion, or at any time upon the recommendation of the Director of Corrections or the Board of Prison Terms, recall the sentence and commitment previously ordered and resentence the defendant in the same manner as if he had not previously been sentenced, provided the new sentence, if any, is no greater than the initial sentence The resentence under this subdivision shall apply the sentencing rules of the Judicial Council so as to eliminate disparity of sentences and to promote uniformity of sentencing. Credit shall be given for time served.

(e) Any sentence imposed under this article shall be subject to the provisions of Sections 3000 and 3057 and any other applicable provisions of law

(f) In all cases the Board of Prison Terms shall, not later than one year after the commencement of the term of imprisonment, review the sentence and shall by motion recommend that the court recall the sentence and commitment previously ordered and resentence the defendant in the same manner as if he had not been previously

sentenced if the board determines the sentence is disparate. The review under this section shall concern the decision to deny probation and the sentencing decisions enumerated in subdivisions (b), (c), (d), and (e) of Section 1170.3 and apply the sentencing rules of the Judicial Council and the information regarding the sentences in this state of other persons convicted of similar crimes so as to eliminate disparity of sentences and to promote uniformity of sentencing.

SEC. 9. Section 1170.2 of the Penal Code is amended to read:

1170.2. (a) In the case of any inmate who committed a felony prior to July 1, 1977, who would have been sentenced under Section 1170 if he had committed it after July 1, 1977, the Board of Prison Terms shall determine what the length of time of imprisonment would have been under Section 1170 without consideration of good-time credit and utilizing the middle term of the offense bearing the longest term of imprisonment of which the prisoner was convicted increased by any enhancements justified by matters found to be true and which were imposed by the court at the time of sentencing for such felony. Such matters include: being armed with a deadly or dangerous weapon as specified in Section 211a, 460, 3024, or 12022 prior to July 1, 1977, which may result in a one-year enhancement pursuant to the provisions of Section 12022; using a firearm as specified in Section 12022.5 prior to July 1, 1977, which may result in a two-year enhancement pursuant to the provisions of Section 12022.5; infliction of great bodily injury as specified in Section 213, 264, or 461 prior to July 1, 1977, which may result in a three-year enhancement pursuant to the provisions of Section 12022.7; any prior felony conviction as specified in any statute prior to July 1, 1977, which prior felony conviction is the equivalent of a prior prison term as defined in Section 667.5, which may result in the appropriate enhancement pursuant to the provisions of Section 667.5; and any consecutive sentence.

(b) If the calculation required under subdivision (a) is less than the time to be served prior to a release date set prior to July 1, 1977, or if a release date had not been set, the Board of Prison Terms shall establish the prisoner's parole date, subject to subdivision (d), on the date calculated under subdivision (a) unless at least two of the members of the Board of Prison Terms after reviewing the prisoner's file, determine that due to the number of crimes of which the prisoner was convicted, or due to the number of prior convictions suffered by the prisoner, or due to the fact that the prisoner was armed with a deadly weapon when the crime was committed, or used a deadly weapon during the commission of the crime, or inflicted or attempted to inflict great bodily injury on the victim of the crime, the prisoner should serve a term longer than that calculated in subdivision (a), in which event the prisoner shall be entitled to a hearing before a panel consisting of at least two members of the Board of Prison Terms as provided for in Section 3041.5. The Board of Prison Terms shall notify each prisoner who is

scheduled for such a hearing within 90 days of July 1, 1977, or within 90 days of the date the prisoner is received by or returned to the custody of the Department of Corrections, whichever is later. The hearing shall be held before October 1, 1978, or within 120 days of receipt of the prisoner, whichever is later It is the intent of the Legislature that the hearings provided for in this subdivision shall be accomplished in the most expeditious manner possible. At such hearing the prisoner shall be entitled to be represented by legal counsel, a release date shall be set, and the prisoner shall be informed in writing of the extraordinary factors specifically considered determinative and on what basis the release date has been calculated In fixing a term under this section the board shall be guided by, but not limited to, the term which reasonably could be imposed on a person who committed a similar offense under similar circumstances on or after July 1, 1977, and further, the board shall be guided by the following finding and declaration hereby made by the Legislature: that the necessity to protect the public from repetition of extraordinary crimes of violence against the person is the paramount consideration

(c) Nothing in this section shall be deemed to keep an inmate in the custody of the Department of Corrections for a period of time longer than he would have been kept in its custody under the provisions of law applicable to him prior to July 1, 1977 Nothing in this section shall be deemed to require the release of an inmate sentenced to consecutive sentences under the provisions of law applicable to him prior to July 1, 1977, earlier than if he had been sentenced to concurrent sentences.

(d) In the case of any prisoner who committed a felony prior to July 1, 1977, who would have been sentenced under Section 1170 if the felony was committed on or after July 1, 1977, the good behavior and participation provisions of Article 2 5 (commencing with Section 2930) of Chapter 7 of Title 1 of Part 3 shall apply from July 1, 1977, and thereafter.

(e) In the case of any inmate who committed a felony prior to July 1, 1977, who would have been sentenced under Section 1168 if the felony was committed on or after July 1, 1977, the Board of Prison Terms shall provide for release from prison as provided for by this code

(f) In the case of any inmate who committed a felony prior to July 1, 1977, the length, conditions, revocation, and other incidents of parole shall be the same as if the prisoner had been sentenced for an offense committed on or after July 1, 1977.

(g) Nothing in this chapter shall affect the eligibility for parole under Article 3 (commencing with Section 3040) of Chapter 8 of Title 1 of Part 3 of an inmate sentenced pursuant to Section 1168 as operative prior to July 1, 1977, for a period of parole as specified in subdivision (b) of Section 3000.

(h) In fixing a term under this section, the Board of Prison Terms shall utilize the terms of imprisonment as provided in Chapter 1139

of the Statutes of 1976 and Chapter 165 of the Statutes of 1977

SEC 10 Section 1389 7 of the Penal Code is amended to read

1389 7. When, pursuant to the agreement on detainers or other provision of law, a person in actual confinement under sentence of another jurisdiction is brought before a California court and sentenced by the judge to serve a California sentence concurrently with the sentence of the other jurisdiction or has been transferred to another jurisdiction for concurrent service of previously imposed sentences, the Board of Prison Terms, and the panels and members thereof, may meet in such other jurisdiction, or enter into cooperative arrangements with corresponding agencies in the other jurisdiction, as necessary to carry out the term-fixing and parole functions.

SEC 11. Section 1554 2 of the Penal Code is amended to read.

1554 2. (a) When the return to this state of a person charged with crime in this state is required, the district attorney shall present to the Governor his written application for a requisition for the return of the person charged. In such application there shall be stated the name of the person so charged, the crime charged against him, the approximate time, place and circumstances of its commission, and the state in which he is believed to be, including the location of the accused therein at the time the application is made. Such application shall certify that, in the opinion of the district attorney, the ends of justice require the arrest and return of the accused to this state for trial and that the proceeding is not instituted to enforce a private claim

(b) When the return to this state is required of a person who has been convicted of a crime in this state and who has escaped from confinement or has violated the terms of his bail, probation or parole the district attorney of the county in which the offense was committed, the Board of Prison Terms, the Director of Corrections, the California Institution for Women, the Youth Authority, or the sheriff of the county from which escape from confinement was made, shall present to the Governor a written application for a requisition for the return of such person. In such application there shall be stated the name of the person, the crime of which he was convicted, the circumstances of his escape or of the violation of the terms of his bail, probation or parole, and the state in which he is believed to be, including the location of such person therein at the time application is made.

(c) The application shall be verified, shall be executed in duplicate, and shall be accompanied by two certified copies of the indictment, the information, or the verified complaint made to the magistrate stating the offense with which the accused is charged, or the judgment of conviction or the sentence The officer or board requesting the requisition may also attach such affidavits and other documents in duplicate as are deemed proper to be submitted with such application. One copy of the application, with the action of the Governor indicated by endorsement thereon, and one of the

certified copies of the indictment, verified complaint, information, or judgment of conviction or sentence shall be filed in the office of the Secretary of State. The other copies of all papers shall be forwarded with the Governor's requisition.

SEC 12 Section 2081.5 of the Penal Code is amended to read:

2081.5 The Director of Corrections shall keep complete case records of all prisoners under custody of the department, which records shall be made available to the Board of Prison Terms at such times and in such form as the board may prescribe

Case records shall include all information received by the Director of Corrections from the courts, probation officers, sheriffs, police departments, district attorneys, State Department of Justice, Federal Bureau of Investigation, and other interested agencies and persons. Case records shall also include a record of diagnostic findings, considerations, actions and dispositions with respect to classification, treatment, employment, training, and discipline as related to the institutional correctional program followed for each prisoner

The director shall appoint, after consultation with the Board of Prison Terms, such employees of the various institutions under his control as may be necessary for the proper performance of the duties of the Board of Prison Terms, and when requested shall also have in attendance at hearings of the Board of Prison Terms, psychiatric or medical personnel. The director shall furnish, after consultation with the Board of Prison Terms and the Director of General Services, such hearing rooms and other physical facilities at such institutions as may be necessary for the proper performance of the duties of the Board of Prison Terms

SEC 13. Section 2651 of the Penal Code is amended to read.

2651 No punishment, except as may be authorized by the Director of Corrections, shall be inflicted and then only by the order and under the direction of the wardens. Nothing in this section shall be construed as a limitation or impairment of the authority of the Board of Prison Terms in exercising its functions.

SEC 14 Section 2684 of the Penal Code is amended to read:

2684. If, in the opinion of the Director of Corrections, the rehabilitation of any mentally ill, mentally deficient, or insane person confined in a state prison may be expedited by treatment at any one of the state hospitals under the jurisdiction of the State Department of Mental Health or the State Department of Developmental Services, the Director of Corrections, with the approval of the Board of Prison Terms for persons sentenced pursuant to subdivision (b) of Section 1168, shall certify that fact to the director of the appropriate department who shall evaluate the prisoner to determine if he would benefit from care and treatment in a state hospital. If the director of the appropriate department so determines, the superintendent of the hospital shall receive the prisoner and keep him until in the opinion of the superintendent such person has been treated to such an extent that he will not benefit from further care and treatment in the state hospital.

SEC. 15 Section 2911 of the Penal Code is amended to read:

2911. (a) The Director of Corrections may enter into contracts, with the approval of the Director of General Services, with appropriate officials or agencies of the United States for the confinement, care, education, treatment and employment of such persons convicted of criminal offenses in the courts of this state and committed to state prisons as the director believes can benefit by such confinement, care, education, treatment, and employment.

(b) Any contract entered into pursuant to subdivision (a) shall provide for (1) reimbursement to the United States government for the cost of such services, including any costs incurred by such government in transporting such prisoners, and (2) such other matters as may be necessary and appropriate to fix the obligations, responsibilities and rights of the respective parties to the contract.

(c) No inmate may be transferred from an institution within this state to a federal facility pursuant to such a contract unless he has executed, in the presence of the warden or other head of the institution in this state in which he is confined, a written consent to the transfer. The inmate shall have the right to a private consultation with an attorney of his choice, concerning his rights and obligations under this section, prior to his appearance before the warden or other head of the institution for the purpose of executing the written consent.

(d) Whenever a contract has been made pursuant to this section the director may direct the transfer of an inmate to the facility designated and shall thereafter deliver the inmate to the custody of the appropriate federal officials for transportation to such facility. An inmate so transferred shall at all times be subject to the jurisdiction of this state and may at any time be removed from the facility in which he is confined for return to this state, for transfer to another facility in which this state may have a contractual or other right to confine inmates, for release on probation or parole, for discharge, or for any other purpose permitted by the laws of this state; in all other respects, an inmate transferred to a federal facility shall be subject to all provisions of the law or regulations applicable to persons committed for violations of laws of the United States not inconsistent with the sentence imposed on such inmate.

(e) The Board of Prison Terms, and the panels and members thereof, may meet at the federal facility where an inmate is confined pursuant to this section or enter into cooperative arrangements with corresponding federal agencies or officials, as necessary to carry out the term-fixing and parole functions. Nothing in this subdivision shall be deemed to waive an inmate's right to personally appear before the Board of Prison Terms.

(f) Any inmate confined pursuant to a contract entered into pursuant to this section shall be released within the territory of this state unless the inmate, this state and the federal government shall agree upon release in some other place. This state shall bear the cost of return of the inmate to its territory.

SEC. 16. Section 2932 of the Penal Code is amended to read

2932 (a) Not more than 90 days of good behavior credit nor more than 30 days of participation credit may be denied or lost during any eight-month period during which the misbehavior or failure to participate took place. Good behavior and participation credit shall be deemed to be earned in cases where the department fails to adhere to the time limitations of this section except as specified in subdivision (c) Any procedure not provided for by this section, but necessary to carry out the purposes of this section, shall be those procedures provided for by the Department of Corrections for serious disciplinary infractions if those procedures are not in conflict with this section

(1) The Department of Corrections shall, using reasonable diligence to investigate, provide written notice to the prisoner. The written notice shall be given within five days after the discovery of information leading to charges that may result in a possible denial of good behavior or participation credit, but not later than 30 days after the alleged misbehavior took place, unless the evidence was not reasonably discoverable. The written notice shall include the specific charge, the date, the time, the place that the alleged misbehavior took place, the evidence relied upon, a written explanation of the procedures that will be employed at the proceedings and the prisoner's rights at such hearing, and in the case where the prisoner has been notified more than 30 days after the alleged misbehavior why the evidence was not reasonably discoverable within the 30 days or any sooner than it was discovered Such hearing shall be conducted by an individual who shall be independent of the case and shall take place within 10 days of such written notice; unless for good cause shown by the Department of Corrections that extraordinary circumstances prevented the hearing from being conducted within 10 days and the prisoner is not prejudiced by the delay the Department of Corrections shall notify the prisoner in writing specifying the extraordinary circumstances and shall conduct the hearing as soon as possible but in no case later than 30 days after the initial written notice of possible good behavior or participation denial

(2) The prisoner has the right to elect to be assigned an investigative employee who will gather information, talk to witnesses, prepare a written report and be present at the hearing.

(3) The prisoner may request witnesses to attend the hearing and they shall be called unless the person conducting the hearing has specific reasons to deny this request Such specific reasons shall be set forth in writing and a copy of such document shall be presented to the prisoner

(4) The person who will conduct the hearing shall determine if the prisoner shall need assistance with presentation of a defense at the hearing and if so, at the prisoner's discretion, the prisoner has the right to be assigned an employee of the Department of Corrections to assist in presenting the prisoner's defense

(5) The prisoner has the right, under the direction of the person conducting the hearing, to question all witnesses.

(6) At the conclusion of the hearing the charge shall be dismissed if the facts do not support the charge, or the inmate may be found guilty on the basis of a preponderance of the evidence.

(7) If found guilty the prisoner shall be advised within 10 days in writing of the guilty finding and the specific evidence relied upon to reach this conclusion and the amount of good-time loss. The prisoner may appeal such decision through the Department of Corrections review procedure, and may, upon final notification of appeal denial, within 10 days of such notification demand review of the department's denial of credit to the Board of Prison Terms, and the board may affirm, reverse, or modify the department's decision or grant a hearing before the board at which hearing the inmate will have the rights specified in Section 3041.5.

(b) Within 30 days of reception in prison, each prisoner shall be notified of the total amount of good behavior and participation credit which may be credited to his term and his anticipated good-time release date and shall be notified of any change in the anticipated release date.

(c) If the conduct the prisoner is charged with also constitutes a crime, the Department of Corrections may refer the case to criminal authorities for possible prosecution and notify the prisoner as provided in subdivision (a), in which case the time limitations specified in subdivision (a) shall not apply If the district attorney has not filed an accusatory pleading against the prisoner within 60 days of such referral, the prisoner may request that a hearing be held in which case the department must hold the hearing within 15 days of such request

In the case where the prisoner is prosecuted by the district attorney, the Department of Corrections shall not deny good behavior credit where the prisoner is found not guilty and may deny good behavior credit pursuant to the schedule specified in Section 2931 if the prisoner is found guilty

(d) If good behavior or participation credit denial proceedings, or criminal prosecution prohibit the release of a prisoner who would have otherwise been released, and the prisoner is found not guilty of the alleged misconduct, the amount of time spent incarcerated, in excess of what the period of incarceration would have been absent the alleged misbehavior, shall be deducted from the prisoner's parole period.

SEC 17 Section 3000 of the Penal Code is amended to read:

3000 The Legislature finds and declares that the period immediately following incarceration is critical to successful reintegration of the offender into society and to positive citizenship. It is in the interest of public safety for the state to provide for the supervision of and surveillance of parolees and to provide educational, vocational, family and personal counseling necessary to assist parolees in the transition between imprisonment and

discharge. A sentence pursuant to Section 1168 or 1170 shall include a period of parole, unless waived, as provided in this section. Notwithstanding any provision to the contrary in Article 3 (commencing with Section 3040) of this chapter:

(a) At the expiration of a term of imprisonment of one year and one day, or a term of imprisonment imposed pursuant to Section 1170, or at the expiration of such term as reduced pursuant to Section 2931, if applicable, the inmate shall be released on parole for a period not exceeding three years, unless the board for good cause waives parole and discharges the inmate from custody of the department.

(b) In the case of any inmate sentenced under Section 1168, the period of parole shall not exceed five years in the case of an inmate imprisoned under a life sentence, and shall not exceed three years in the case of an inmate whose prison sentence does not consist of imprisonment under a life sentence, unless in either case the board for good cause waives parole and discharges the inmate from custody of the department. This subdivision shall be also applicable to inmates who committed crimes prior to July 1, 1977, to the extent specified in Section 1170.2.

(c) The board shall consider the request of any inmate regarding the length of his parole and the conditions thereof.

(d) Upon successful completion of parole, or at the end of the maximum statutory period of parole specified for the inmate under subdivision (a) or (b), as the case may be, whichever is earlier, the inmate shall be discharged from custody. The date of the maximum statutory period of parole under this subdivision and subdivisions (a) and (b) shall be computed from the date of initial parole, or July 1, 1977, whichever is later, and shall be a period chronologically determined. Time during which parole is suspended because the prisoner has absconded or has been returned to custody as a parole violator shall not be credited toward such period of parole unless the prisoner is found not guilty of the parole violation. However, in no case, except as provided in Section 3064, may a prisoner sentenced pursuant to Section 1170 be retained under parole supervision or in custody for a period longer than four years from the date of his initial parole, and, except as provided in Section 3064, in no case may a prisoner sentenced pursuant to subdivision (b) of Section 1168 be retained under parole supervision or in custody for a period longer than seven years from the date of his initial parole.

(e) It is not the intent of this section to diminish resources presently allocated to the Department of Corrections for parole functions.

(f) The Department of Corrections shall meet with each inmate at least 30 days prior to his good time release date, unless such release date is within 30 days of July 1, 1977, and shall provide, under guidelines specified by the Board of Prison Terms, the conditions of parole and the length of parole up to the maximum period of time provided by law The inmate has the right to reconsideration of the length of parole and conditions thereof by the Board of Prison Terms.

SEC 18. Section 3040 of the Penal Code is amended to read:

3040. The Board of Prison Terms shall have the power to allow prisoners imprisoned in the state prisons pursuant to subdivision (b) of Section 1168 to go upon parole outside the prison walls and enclosures. The board may parole prisoners in the state prisons to camps for paroled prisoners established under Section 2792.

SEC. 19. Section 3041 of the Penal Code is amended to read:

3041 (a) In the case of any prisoner sentenced pursuant to any provision of law, other than Chapter 4 5 (commencing with Section 1170) of Title 7 of Part 2, the Board of Prison Terms shall meet with each such inmate within the first year of incarceration solely for the purposes of reviewing the inmate's file and making recommendations. One year prior to the inmate's minimum eligible parole release date a panel consisting of at least two members of the Board of Prison Terms shall again meet with the inmate and shall normally set a parole release date as provided in Section 3041.5. The release date shall be set in a manner that will provide uniform terms for offenses of similar gravity and magnitude in respect to their threat to the public, and that will comply with the sentencing rules that the Judicial Council may issue and any sentencing information relevant to the setting of parole release dates. The board shall establish criteria for the setting of parole release dates and in doing so shall consider the number of victims of the crime for which the prisoner was sentenced and other factors in mitigation or aggravation of the crime. At least one member of the panel shall have been present at the last preceding meeting, unless it is not feasible to do so or where the last preceding meeting was the initial meeting. Any person on the hearing panel may request review of any decision regarding parole to the full board for an en banc hearing. In case of such a review. a majority vote of the full Board of Prison Terms in favor of parole is required to grant parole to any prisoner.

(b) The panel or board shall set a release date unless it determines that the gravity of the current convicted offense or offenses, or the timing and gravity of current or past convicted offense or offenses, is such that consideration of the public safety requires a more lengthy period of incarceration for this individual, and that a parole date, therefore, cannot be fixed at this meeting.

(c) For the purpose of reviewing the suitability for parole of those prisoners eligible for parole under prior law at a date earlier than that calculated under Section 1170.2, the board shall appoint panels of at least two persons to meet annually with each such prisoner until such time as the person is released pursuant to such proceedings or reaches the expiration of his term as calculated under Section 1170.2.

SEC. 20. Section 3041.5 of the Penal Code is amended to read:

3041.5. (a) At all hearings for the purpose of reviewing a prisoner's parole suitability, or the setting, postponing or rescinding of parole dates:

(1) At least 10 days prior to any hearing by the Board of Prison Terms, the prisoner shall be permitted to review his or her file which

will be examined by the board and shall have the opportunity to enter a written response to any material contained in such file.

(2) The prisoner shall be permitted to be present, to ask and answer questions, and to speak on his own behalf.

(3) Unless legal counsel is required by some other provision of law, a person designated by the Department of Corrections shall be present to insure that all facts relevant to the decision be presented, including, if necessary, contradictory assertions as to matters of fact that have not been resolved by departmental or other procedures.

(4) The prisoner shall be permitted to request and receive a stenographic record of all proceedings.

(5) If the hearing is for the purpose of postponing or rescinding of parole dates, the prisoner will have rights set forth in paragraphs (3) and (5) of subdivision (a) of Section 2932.

(b) (1) Within 10 days following any meeting where a parole date has been set, the board shall send the prisoner a written statement setting forth his parole date, the conditions he must meet in order to be released on the date set, and the consequences of failure to meet such conditions.

(2) Within 20 days following any meeting where a parole date has not been set for the reasons stated in subdivision (b) of Section 3041, the board shall send the prisoner a written statement setting forth the reason or reasons for refusal to set a parole date; and suggest activities in which he might participate that will benefit him while he is incarcerated. The board shall hear each such case annually thereafter.

(3) Within 10 days of any board action resulting in the postponement of a previously set parole date, the board shall send the prisoner a written statement setting forth a new date and the reason or reasons for such action and shall offer the prisoner an opportunity for review of such action within 90 days of the time the prisoner receives the statement.

(4) Within 10 days of any board action resulting in the rescinding of a previously set parole date, the board shall send the prisoner a written statement setting forth the reason or reasons for such action and shall, within six months, set the prisoner's parole release date in accord with the provisions of Section 3041 and this section

SEC. 21. Section 3041.7 of the Penal Code is amended to read:

3041 7. At any hearing for the purpose of setting, postponing, or rescinding a parole release date of a prisoner under a life sentence, such prisoner shall be entitled to be represented by counsel and the provisions of Section 3041.5 shall apply. The Board of Prison Terms shall provide by rule for the invitation of the prosecutor of the county from which the prisoner was committed, or his representative, to represent the interests of the people at any such hearing. The Board of Prison Terms shall notify the prosecutor at least 30 days prior to the date of the hearing.

Notwithstanding Section 12550 of the Government Code, the prosecutor of the county from which the prisoner was committed, or

his representative, who shall not be the Attorney General, shall be the sole representative of the interests of the people

SEC. 22. Section 3042 of the Penal Code is amended to read·

3042. (a) At least 30 days before the Board of Prison Terms shall meet to review or consider the parole suitability or the setting or advancing of a parole date for any prisoner sentenced to a life sentence, the board shall send written notice thereof to each of the following persons· the judge of the superior court before whom the prisoner was tried and convicted, the attorney for the defendant, the district attorney of the county from which the prisoner was sentenced, and the law enforcement agency that investigated the case

(b) The Board of Prison Terms shall record all such hearings and transcribe such recordings within 30 days of any such hearing. All such transcripts, including the transcripts of all such prior hearings, shall be filed and maintained in the office of the Board of Prison Terms and shall be made available to the public no later than 30 days from the date of the hearing No such prisoner shall actually be released on parole prior to 60 days from the date of the hearing

(c) At any such hearing the presiding hearing officer must state findings and supporting reasons on the record.

(d) Any statements, recommendations, or other materials considered shall be incorporated into the transcript of any such hearing, unless such material is confidential in order to preserve institutional security and the security of others who might be endangered by disclosure.

SEC. 23. Section 3046 of the Penal Code is amended to read:

3046. No prisoner imprisoned under a life sentence may be paroled until he has served at least seven calendar years. Where two or more life sentences are ordered to run consecutively to each other pursuant to Section 669, no prisoner so imprisoned may be paroled until he has served at least seven calendar years on each of the life sentences which are ordered to run consecutively. The Board of Prison Terms shall, in considering a parole for such prisoner, consider all statements and recommendations which may have been submitted by the judge, district attorney, and sheriff, pursuant to Section 1203 01, or in response to notices given under Section 3042, and recommendations of other persons interested in the granting or denying of such parole The board shall enter on its order granting or denying parole to such prisoners, the fact that such statements and recommendations have been considered by it.

SEC. 24. Section 3053 of the Penal Code is amended to read:

3053. The Board of Prison Terms upon granting any parole to any prisoner may also impose on the parole such conditions as it may deem proper.

SEC. 25 Section 3053.5 of the Penal Code is amended to read:

3053.5 Upon granting parole to any prisoner convicted of any of the offenses enumerated in Section 290, the Board of Prison Terms shall inquire into the question whether the defendant at the time the

offense was committed was intoxicated or addicted to the excessive use of alcoholic liquor or beverages at that time or immediately prior thereto, and if it is found that the person was so intoxicated or so addicted, it shall impose as a condition of parole that such prisoner shall totally abstain from the use of alcoholic liquor or beverages.

SEC 26. Section 3059 of the Penal Code is amended to read:

3059. If any paroled prisoner shall leave the state without permission of the Board of Prison Terms, he shall be held as an escaped prisoner and arrested as such.

SEC 27. Section 3060 of the Penal Code is amended to read:

3060. The Board of Prison Terms shall have full power to suspend or revoke any parole, and to order returned to prison any prisoner upon parole. The written order of any member of the Board of Prison Terms shall be a sufficient warrant for any peace or prison officer to return to actual custody any conditionally released or paroled prisoner.

SEC. 28. Section 3062 of the Penal Code is amended to read:

3062 The Governor of the state shall have like power to revoke the parole of any prisoner. The written authority of the Governor shall likewise be sufficient to authorize any peace officer to retake and return said prisoner to the state prison. His written order revoking the parole shall have the same force and effect and be executed in like manner as the order of the Board of Prison Terms.

SEC. 29. Section 3084 of the Penal Code is amended to read:

3084. Each county board may release to the State Department of Corrections for return to a state prison or correctional institution any county or city jail inmate who is a state parole violator, when notified by the Board of Prison Terms

SEC. 30 Section 3421 of the Penal Code is amended to read:

3421. Children of women inmates may only participate in the program until they reach the age of two years and two months, at which time the Board of Prison Terms may arrange for their care elsewhere under any procedure authorized by statute and transfer the mother to another placement under the jurisdiction of the Department of Corrections if necessary; and provided further, that at its discretion in exceptional cases, including, but not limited to, cases where the mother's period of incarceration is extended, the board may retain such child and mother for a longer period of time.

SEC. 31. Section 4600 of the Penal Code is amended to read:

4600. Every person who willfully and intentionally breaks down, pulls down, or otherwise destroys or injures any jail, prison, or any public property in any jail or prison, is punishable by a fine not exceeding ten thousand dollars ($10,000), and by imprisonment in the state prison, except that where the damage or injury to any city, city and county or county jail property or prison property is determined to be two hundred dollars ($200) or less, such person is guilty of a misdemeanor.

SEC 32. Section 4801 of the Penal Code is amended to read:

4801. The Board of Prison Terms may report to the Governor

from time to time the names of any and all persons imprisoned in any state prison who, in its judgment, ought to have a commutation of sentence or be pardoned and set at liberty on account of good conduct, or unusual term of sentence, or any other cause which, in their opinion, should entitle the prisoner to a pardon or commutation of sentence.

SEC. 33. Section 4802 of the Penal Code is amended to read:

4802. In the case of a person twice convicted of felony, the application for pardon or commutation of sentence shall be made directly to the Governor, who shall transmit all papers and documents relied upon in support of and in opposition to the application to the Board of Prison Terms.

SEC. 34. Section 4803 of the Penal Code is amended to read:

4803. When an application is made to the Governor for pardon or commutation of sentence, or when an application has been referred to the Board of Prison Terms, he or it may require the judge of the court before which the conviction was had, or the district attorney by whom the action was prosecuted, to furnish him or it, without delay, with a summarized statement of the facts proved on the trial, and of any other facts having reference to the propriety of granting or refusing said application, together with his recommendation for or against the granting of the same and his reason for such recommendation.

SEC. 35. Section 4810 of the Penal Code is amended to read.

4810. (a) The Board of Prison Terms shall succeed to and shall exercise and perform all powers and duties granted to and imposed upon the Advisory Pardon Board by law.

(b) The Advisory Pardon Board is abolished.

(c) The report required of the Board of Prison Terms by Section 4814 may be included in the report of the department.

SEC 36. Section 4812 of the Penal Code is amended to read:

4812. Upon request of the Governor the Board of Prison Terms shall investigate and report on all applications for reprieves, pardons and commutation of sentence and shall make such recommendations to the Governor with reference thereto as to it may seem advisable. To that end the board shall examine and consider all applications so referred and all transcripts of judicial proceedings and all affidavits or other documents submitted in connection therewith, and shall have power to employ assistants and take testimony and to examine witnesses under oath and to do any and all things necessary to make a full and complete investigation of and concerning all applications referred to it Members of the board and its administrative officer are, and each of them is, hereby authorized to administer oaths

SEC. 37. Section 4813 of the Penal Code is amended to read·

4813. In the case of applications of persons twice convicted of a felony, the Board of Prison Terms, after investigation, shall transmit its written recommendation upon such application to the Governor, together with all papers filed in connection with the application

SEC. 38. Section 4814 of the Penal Code is amended to read.

4814. The Board of Prison Terms shall, on or before the first day of December of each even-numbered year, report to the Governor upon the status and history of matters under its consideration, together with an account of expenditures and such suggestions pertinent to its duties as may appear to be necessary and expedient.

SEC. 39 Section 4850 of the Penal Code is amended to read.

4850. No application which has not received a recommendation from the Board of Prison Terms favorable to the applicant shall be forwarded to the Clerk of the Supreme Court, unless the Governor, notwithstanding the fact that the board has failed to make a recommendation favorable to the applicant, especially refers an application to the justices for their recommendation

SEC 40. Section 4851 of the Penal Code is amended to read:

4851 In all cases where the Board of Prison Terms has made a recommendation favorable to the applicant and in those cases referred by the Governor, notwithstanding an adverse recommendation, the application, together with all papers and documents relied upon in support of and in opposition to said application, including prison records and recommendation of the authority, shall be forwarded to the Clerk of the Supreme Court for consideration of the justices.

SEC 41 Section 4852.14 of the Penal Code is amended to read·

4852 14. The clerk of the court shall immediately transmit certified copies of the certificate of rehabilitation to the Governor, to the Board of Prison Terms and the Department of Justice, and, in the case of persons twice convicted of a felony, to the Supreme Court

SEC. 42 Section 4852 18 of the Penal Code is amended to read:

4852 18 The Board of Prison Terms shall furnish to the county clerk of each county a set of sample forms for a petition for certificate of rehabilitation and pardon, a notice of filing of petition for certificate of rehabilitation and pardon, and a certificate of rehabilitation The county clerk shall have a sufficient number of these forms printed to meet the needs of the people of his county, and he shall make these forms available at no charge to persons requesting them.

SEC. 43 Section 5001 of the Penal Code is amended to read

5001 The department is composed of the Director of Corrections, the Board of Prison Terms, and the Correctional Industries Commission.

SEC 44 Section 5002 of the Penal Code is amended to read

5002 (a) The department shall succeed to and is hereby vested with all of the powers and duties exercised and performed by the following departments, boards, bureaus, commissions and officers when such powers and duties are not otherwise vested by law.

(1) The Department of Penology

(2) The State Board of Prison Directors

(3) The Board of Prison Terms and Paroles.

(4) The Advisory Pardon Board.

(5) The Bureau of Paroles

(6) The warden and the clerk of the California State Prison at San Quentin.

(7) The warden and the clerk of the California State Prison at Folsom.

(8) The warden or superintendent of and the clerk of the California Institution for Men.

(9) The California Crime Commission.

(b) Whenever any designation of any of the departments, boards, bureaus, commissions or officers mentioned in subdivision (a) is contained in any provision of law and such designation is expressly made to refer to the Department of Corrections, the Board of Corrections or the Board of Prison Terms, then the Department of Corrections, the Board of Corrections or the Board of Prison Terms, to whichever one the designation is made to refer, shall exercise the power or perform the duty heretofore exercised or performed by the particular departments, boards, bureaus, or officers mentioned in subdivision (a)

(c) The powers and duties of the State Board of Prison Directors and of the clerks of the state prisons and the California Institution for Men are transferred to and shall be exercised and performed by the Department of Corrections, except as may be otherwise expressly provided by law.

(d) The powers and duties of wardens of the state prisons and the California Institution for Men, presently or hereafter, expressly vested by law in them shall be exercised by them but such exercise shall be subject to the supervision and control of the Director of Corrections All powers and duties not expressly vested in the wardens are transferred to and shall be exercised and performed by the Department of Corrections. When the designation of warden is expressly made to refer to the Department of Corrections, the department shall exercise the power and perform the duty heretofore exercised or performed by the warden.

(e) The powers and duties of the Advisory Pardon Board and the Board of Prison Terms and Paroles are transferred to and shall be exercised and performed by the Board of Prison Terms, except as may be otherwise expressly provided by law.

SEC 45. Section 5003 5 of the Penal Code is amended to read·

5003.5. The Board of Prison Terms is empowered to advise and recommend to the Director of Corrections on general and specific policies and procedures relating to the duties and functions of the director The director is empowered to advise and recommend to the Board of Prison Terms on matters of general and specific policies and procedures, relating to the duties and functions of the board The director and the board shall meet for purposes of exchange of information and advice

It is the intention of the Legislature that the Board of Prison Terms and the Director of Corrections shall cooperate with each other in the establishment of the classification, transfer, and discipline

policies of the Department of Corrections, to the end that the objectives of the State Correctional System can best be attained. The director and the Board of Prison Terms shall, not less than four times each calendar year, meet for the purpose of discussion of classification, transfer, and discipline policies and problems and it is the intent of the Legislature that whenever possible there shall be agreement on these subjects. But for the purpose of maintaining responsibility for the secure and orderly administration of the prison system, the Director of Corrections shall have the final right to determine the policies on classification, transfer and discipline.

In the event there is no agreement the Board of Prison Terms shall file in writing with the Board of Corrections a statement of its proposals or recommendations to the director, and the director shall answer such statement in writing to the Board of Prison Terms, and a copy of both documents shall be transmitted to the Governor and to the Board of Corrections.

SEC. 46 Section 5011 of the Penal Code is amended to read:

5011. (a) The Department of Corrections shall not require, as a condition for any form of treatment or custody that the department offers, an admission of guilt to any crime for which an inmate was committed to the custody of the department.

(b) The Board of Prison Terms shall not require, when setting parole dates, an admission of guilt to any crime for which an inmate was committed.

SEC. 47 The heading of Chapter 3 (commencing with Section 5075) of Title 3 of Part 3 of the Penal Code is amended to read.

CHAPTER 3. THE BOARD OF PRISON TERMS

SEC. 48. Section 5075 of the Penal Code is amended to read

5075. The Board of Prison Terms shall be composed of nine members, each of whom shall be appointed by the Governor, with the advice and consent of the Senate, for a term of four years and until the appointment and qualification of his successor Members shall be eligible for reappointment.

The chairman of the board shall be designated by the Governor from time to time. The chairman shall be the administrative head of the board and shall exercise all duties and functions necessary to insure that the responsibilities of the board are successfully discharged He shall be the appointing authority for all civil service positions of employment in the board

The terms of the members shall expire as follows two on March 15, 1978, two on March 15, 1979, two on March 15, 1980, and three on March 15, 1981 Successor members shall hold office for terms of four years, each term to commence on the expiration date of the term of the predecessor The Governor shall fill every vacancy for the balance of the unexpired term The selection of persons and their appointment by the Governor and confirmation by the Senate shall reflect as nearly as possible a cross-section of the racial, sexual,

economic, and geographic features of the population of the state.

It is the further intent of this section that the board shall adopt such policies and practices as will permit continuing operations and improvements without any further increase in the number of its members.

SEC. 49. Section 5076 of the Penal Code is amended to read:

5076. Each member of the board shall devote his entire time to the duties of his office and shall receive an annual salary provided for by Chapter 6 (commencing with Section 11550) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 50. Section 5076.1 of the Penal Code is amended to read:

5076.1. The board shall meet at each of the state prisons at such times as may be necessary for a full and complete study of the cases of all prisoners whose applications for parole come before it. Other times and places of meeting may also be fixed by the board. Each member of the board shall receive his actual necessary traveling expenses incurred in the performance of his official duties. Where the board performs its functions by meeting en banc in either public or executive sessions to decide matters of general policy, at least five members shall be present, and no such action shall be valid unless it is concurred in by a majority vote of those present.

The board may meet and transact business in panels. Each panel shall consist of at least three persons. No action shall be valid unless concurred in by a majority vote of the persons present.

Consideration of parole release for persons sentenced to life imprisonment pursuant to subdivision (b) of Section 1168 shall be heard by a panel, a majority of whose members are members of the Board of Prison Terms. A recommendation for recall of a sentence under subdivisions (c) and (f) of Section 1170 shall be made by a panel, a majority of whose members are members of the Board of Prison Terms

The board may employ representatives to whom it may assign appropriate duties, including that of hearing cases and making decisions. Such decisions shall be made in accordance with policies approved by a majority of the total membership of the board

SEC. 51 Section 5076.2 of the Penal Code is amended to read:

5076 2 (a) Any rules and regulations, including any resolutions and policy statements, promulgated by the Board of Prison Terms, shall be promulgated and filed pursuant to Chapter 4.5 (commencing with Section 11371) of Part 1 of Division 3 of Title 2 of the Government Code, and shall, to the extent practical, be stated in language that is easily understood by the general public.

(b) The Board of Prison Terms shall maintain, publish and make available to the general public, a compendium of its rules and regulations, including any resolutions and policy statements, promulgated pursuant to this section

(c) The following exception to the procedures specified in this section shall apply to the Board of Prison Terms. the chairman may specify an effective date that is any time more than 30 days after the

rule or regulation is filed with the Secretary of State, provided that no less than 20 days prior to such effective date, copies of the rule or regulation shall be posted in conspicuous places throughout each institution and shall be mailed to all persons or organizations who request them

SEC. 52. Section 5077 of the Penal Code is amended to read·

5077 The Board of Prison Terms shall review all prisoners' requests for reconsideration of denial of good-time credit, and setting of parole length or conditions, and shall have the authority to modify the previously made decisions of the Department of Corrections as to these matters. The revocation of parole shall be determined by the Board of Prison Terms.

SEC 53 Section 5078 of the Penal Code is amended to read:

5078 (a) The Board of Prison Terms shall succeed to and shall exercise and perform all powers and duties granted to, exercised by, and imposed upon the Adult Authority, the California Women's Board of Terms and Paroles, and the Community Release Board

(b) The Adult Authority and California Women's Board of Terms and Paroles are abolished

SEC. 54 Section 5080 of the Penal Code is amended to read.

5080 The Director of Corrections may transfer persons confined in one state prison institution or facility of the Department of Corrections to another. The Board of Prison Terms may request the Director of Corrections to transfer an inmate who is under its parole-granting jurisdiction if, after review of the case history in the course of routine procedures, such transfer is deemed advisable for the further diagnosis, and treatment of the inmate The director shall as soon as practicable comply with such request, provided that, if facilities are not available he shall report that fact to the Board of Prison Terms and shall make the transfer as soon as facilities become available, provided further, that if in the opinion of the Director of Corrections such transfer would endanger security he may report that fact to the Board of Prison Terms and refuse to make such transfer

When transferring an inmate from one state prison, institution, or facility of the Department of Corrections to another, the director may, as necessary or convenient, authorize transportation via a route that lies partly outside this state.

SEC 55. Section 5081 of the Penal Code is amended to read

5081 The Governor may remove any member of the Board of Prison Terms for misconduct, incompetency or neglect of duty after a full hearing by the Board of Corrections

SEC 56 Section 5082 of the Penal Code is amended to read

5082 (a) Such employees of the Board of Prison Terms as are needed to carry out its functions shall be selected and appointed pursuant to the State Civil Service Act Nothing shall prohibit the Board of Prison Terms from employing any person employed formerly by the Adult Authority or Women's Board of Terms and Paroles

(b) The provisions of Chapter 6 (commencing with Section 6050) of this title, relating to the employment of personnel by the department, do not apply to the employees of the Board of Prison Terms

SEC. 57 Section 5089 of the Penal Code is amended to read:

5089 The Board of Prison Terms may designate a representative who shall be notified of the time and place of meetings of the Correctional Industries Commission, and may attend such meetings and participate in the deliberations of the commission, but shall have no vote

SEC 58. Section 6025 5 of the Penal Code is amended to read

6025 5 The Director of Corrections, Board of Prison Terms, the Youth Authority Board, and the Director of the Youth Authority shall file with the Board of Corrections for information of the board or for review and advice to the respective agency as the board may determine, all rules, regulations and manuals relating to or in implementation of policies, procedures, or enabling laws

SEC 59 Section 11193 of the Penal Code is amended to read:

11193. Any inmate sentenced under California law who is imprisoned in another state, pursuant to a compact, shall be entitled to all hearings, within 120 days of the time and under the same standards, which are normally accorded to persons similarly sentenced who are confined in institutions in this state. If the inmate consents in writing, such hearings may be conducted by the corresponding agencies or officials of such other jurisdiction. The Board of Prison Terms or its duly authorized representative is hereby authorized and directed to hold such hearings as may be requested by such other jurisdiction or the inmate pursuant to this section or to Article IV (f) of the Interstate Corrections Compact or of the Western Interstate Corrections Compact

SEC 60 Section 11194 of the Penal Code is amended to read.

11194 The Director of Corrections is hereby empowered to enter into such contracts on behalf of this state as may be appropriate to implement the participation of this state in the Interstate Corrections Compact and the Western Interstate Corrections Compact pursuant to Article III thereof No such contract shall be of any force or effect until approved by the Director of General Services Such contracts may authorize confinement of inmates in, or transfer of inmates from, only such institutions in this state as are under the jurisdiction of the Department of Corrections, and no such contract may provide for transfer out of this state of any person committed to the custody of the Director of the Youth Authority No such contract may authorize the confinement of an inmate, who is in the custody of the Director of Corrections, in an institution of a state other than a state that is a party to the Interstate Corrections Compact or to the Western Interstate Corrections Compact. The Director of Corrections, subject to the approval of the Board of Prison Terms, must first determine, on the basis of an inspection made by his direction, that such institution of another state is a

suitable place for confinement of prisoners committed to his custody before entering into a contract permitting such confinement, and shall, at least annually, redetermine the suitability of such confinement. In determining the suitability of such institution of another state, the director shall assure himself that such institution maintains standards of care and discipline not incompatible with those of the State of California and that all inmates therein are treated equitably, regardless of race, religion, color, creed or national origin

SEC. 61. Section 13011 of the Penal Code is amended to read

13011. The department may serve as statistical and research agency to the Department of Corrections, the Board of Prison Terms, the Board of Corrections, and the Department of the Youth Authority.

SEC 62 Section 13020 of the Penal Code 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, Department of Youth Authority, Board of Prison Terms, 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; and

(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. 63. Section 6316 1 of the Welfare and Institutions Code is amended to read·

6316 1 (a) In the case of any person found to be a mentally disordered sex offender who committed a felony on or after July 1, 1977, the court shall state in the commitment order the maximum term of commitment, and the person may not be kept in actual custody longer than the maximum term of commitment, except as provided in Section 6316.2. For the purposes of this section, "maximum term of commitment" shall mean the longest term of imprisonment which could have been imposed for the offense or offenses of which the defendant was convicted, including the upper term of the base offense and any additional terms for enhancements and consecutive sentences which could have been imposed less any applicable credits as defined by Section 2900 5 of the Penal Code and disregarding any credits which could have been earned under

Sections 2930 to 2932, inclusive, of the Penal Code.

(b) In the case of a person found to be a mentally disordered sex offender who committed a felony prior to July 1, 1977, who could have been sentenced under Section 1168 or 1170 of the Penal Code if the offense were committed after July 1, 1977, the Board of Prison Terms shall determine the maximum term of commitment which could have been imposed under subdivision (a), and the person may not be kept in actual custody longer than the maximum term of commitment, except as provided in Section 6316.2.

In fixing a term under this section, the board shall utilize the upper term of imprisonment which could have been imposed for the offense or offenses of which the defendant was convicted, increased by any additional terms which could have been imposed based on matters which were found to be true in the committing court. However, if at least two of the members of the board after reviewing the person's file determine that a longer term should be imposed for the reasons specified in Section 1170.2 of the Penal Code, a longer term may be imposed following the procedures and guidelines set forth in Section 1170 2 of the Penal Code, except that any hearings deemed necessary by the board shall be held before April 1, 1978. Within 90 days of July 1, 1977, or of the date the person is received by the State Department of Mental Health, whichever is later, the Board of Prison Terms shall provide each person committed pursuant to Section 6316 with the determination of his maximum term of commitment or shall notify such person that he will be scheduled for a hearing to determine his term.

Within 20 days following the determination of the maximum term of commitment the board shall provide the person committed, the prosecuting attorney, the committing court, and the State Department of Mental Health with a written statement setting forth the maximum term of commitment, the calculations, the statements, the recommendations, and any other materials considered in determining the maximum term.

(c) In the case of a person found to be a mentally disordered sex offender who committed a misdemeanor, whether before or after July 1, 1977, the maximum term of commitment shall be the longest term of county jail confinement which could have been imposed for the offense or offenses of which the defendant was convicted, and the person may not be kept in actual custody longer than this maximum term. The provisions of this subdivision shall be applied retroactively

(d) Nothing in this section limits the power of the State Department of Mental Health or of the committing court to release the person, conditionally or otherwise, for any period of time allowed by any other provision of law

SEC 64 It is the intent of the Legislature that Sections 1 to 30, inclusive, 32 to 48, inclusive, and 50 to 63, inclusive, of this act shall only effect a change of name from the Community Release Board to the Board of Prison Terms Any section of any act enacted by the

Legislature during the 1979 portion of the 1979–80 Regular Session, which takes effect on or before January 1, 1980, and which amends, amends and renumbers, adds, repeals and adds, or repeals a section amended, amended and renumbered, repealed and added, or repealed by Sections 1 to 30, inclusive, 32 to 48, inclusive, and 50 to 63, inclusive, of this act, shall prevail over such sections of this act, whether such act is enacted prior to or subsequent to this act

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CHAPTER 256

An act to amend Sections 10725 and 14105 of the Welfare and Institutions Code, relating to public social services, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1979 Filed with Secretary of State July 11, 1979]

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

SECTION 1. Section 10725 of the Welfare and Institutions Code is amended to read·

10725. The director may adopt regulations, orders, or standards of general application to implement, interpret, or make specific the law enforced by the department, and such regulations, orders, and standards shall be adopted, amended, or repealed by the director only in accordance with the provisions of Chapter 4.5 (commencing with Section 11371), Part 1, Division 3, Title 2 of the Government Code, provided that regulations relating to services need not be printed in the California Administrative Code or California Administrative Register if they are included in the publications of the department. Such authority also may be exercised by the director's designee.

In adopting regulations the director shall strive for clarity of language which may be readily understood by those administering services or subject to such regulations.

The rules of the department need not specify or include the detail of forms, reports or records, but shall include the essential authority by which any person, agency, organization, association or institution subject to the supervision or investigation of the department is required to use, submit or maintain such forms, reports or records.

SEC. 2. Section 14105 of the Welfare and Institutions Code is amended to read.

14105 (a) 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. In order to implement expeditiously the budgeting decisions of the Legislature, the director shall, to the extent permitted by federal law, adopt regulations setting rates which reflect such decisions 30 days after the enactment of the Budget Act and of any other appropriation which changes the level of funding for Medi-Cal services The proposed regulations shall be submitted to the Department of Finance five days prior to the date of adoption. With the written approval of the Department of Finance, the director shall adopt such regulations as emergency regulations in accordance with the provisions of the Administrative Procedure Act (Chapter 4 5 (commencing with Section 11371), Part 1, Division 3, Title 2 of the Government Code) For purposes of such act, the adoption of such regulations shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, and safety or general welfare

(b) 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

(c) 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 Section 14005.1. When and if necessary, such action shall be taken by the director in ways consistent with the requirements of the federal Social Security 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

While current law requires that all Medi-Cal provider reimbursement rates be adopted as regulations in accordance with the Administrative Procedure Act, there is no clear authority to adopt such regulations on an emergency basis Adoption of regulations using the Administrative Procedure Act's nonemergency regulation procedures involves delays of a minimum of 60 to 90 days As a result, Medi-Cal provider reimbursement rate regulations frequently do not become effective until long after the date which was intended by the Legislature when it enacted the appropriation which mandates a rate change This measure provides clear authority to avoid these procedural delays by using the emergency regulation adoption process It is necessary to adopt this measure as an urgency statute in order to permit the utilization of emergency procedures for Medi-Cal provider reimbursement rate regulation changes reflecting the appropriations in the 1978 Budget Act

CHAPTER 257

An act to add Section 2954.1 to the Civil Code, relating to impound accounts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 11, 1979 Filed with Secretary of State July 11, 1979]

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

SECTION 1. Section 2954.1 is added to the Civil Code, to read:

2954.1. No lender or person who purchases obligations secured by real property, or any agent of such lender or person, who maintains an impound, trust, or other type of account for the payment of taxes and assessments on real property, insurance premiums, or other purposes relating to such property shall do either of the following:

(a) Require the borrower or vendee to deposit in such account in any month an amount in excess of that which would be permitted in connection with a federally related mortgage loan pursuant to Section 10 of the Real Estate Settlement Procedures Act of 1974 (12 U S C. 2609), as amended.

(b) Require the sums maintained in such account to exceed at any time the amount or amounts reasonably necessary to pay such obligations as they become due. Any sum held in excess of the reasonable amount shall be refunded within 30 days unless the parties mutually agree to the contrary. Such an agreement may be rescinded at any time by any party.

Nothing contained herein shall prohibit requiring additional amounts to be paid into an impound account in order to recover any deficiency which may exist in the account.

Any person harmed by a violation of this section shall be entitled to sue to recover his or her damages or for injunctive relief; but such violation shall not otherwise affect the validity of the loan or sale

This section applies to all such accounts maintained after the effective date of this act.

SEC. 2. 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. 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 approval of Proposition 13 by the electorate in June, 1978, caused a remarkable reduction in property tax liabilities and a commensurate reduction in the amounts necessary to be maintained in real property impound accounts Some financial institutions

maintaining or servicing impound accounts have refused to lower monthly impound account payments thereby forcing many borrowers to make excessive and unnecessary monthly payments In order to halt this unwarranted drain on borrowers' resources, it is necessary for this act to go into immediate effect.

CHAPTER 258

An act to amend Section 1643 of the Insurance Code, relating to insurance.

[Passed over Governor's veto July 12, 1979 Filed with Secretary of State July 12, 1979]

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

SECTION 1 Section 1643 of the Insurance Code is amended to read

1643 No bank, or bank holding company, subsidiary, or affiliate thereof, or any officer or employee of a bank, bank holding company, subsidiary, or affiliate, may be licensed as an insurance agent or broker or act as an agent or broker for insurance, in this state, or control a licensed insurance agent or broker, except that a bank or a bank holding company subsidiary, or affiliate of a bank, may be issued a license to act as a life and disability agent limited to the transaction of credit life and disability insurance, and a commercial bank may be licensed to sell insurance or act as an insurance broker as provided in Section 1208 of the Financial Code This section shall not apply to any bank or bank holding company which, under the authorization of the Federal Reserve Board, had prior to January 1, 1976, a subsidiary or affiliate licensed to sell insurance (except that subsequent authorization to expand such activities shall be subject to this section), or to any bank holding company owning a state-chartered bank which had, prior to January 1, 1976, a subsidiary or affiliate licensed to sell insurance This section shall not apply to any person authorized or licensed to make loans pursuant to either Division 7 (commencing with Section 18000) or Division 9 (commencing with Section 22000) of the Financial Code

For the purposes of this section, the following definitions shall apply

(a) "Bank" means any institution in this state defined in Section 102 of the Financial Code except that such term does not include a title insurance company authorized to transact a trust business under the provisions of Article 4 (commencing with Section 12390) of Chapter 1, Part 6, of Division 2 or a trust company controlled by or under common control with a title insurance company

(b) "Bank holding company" means the same as the definition of that term set forth in Section 2 of the Federal "Bank Holding

Company Act of 1956," as amended, but limited to holding companies which control a bank authorized to accept deposits in this state.

(c) "Subsidiary" means any corporation, association, or partnership, owned in whole or part by a bank or bank holding company

(d) "Affiliate" means any corporation, association, or partnership connected through the ownership of a 10-percent or greater interest by a common parent

(e) "Credit life, health, and accident insurance" means insurance on the life and health of a borrower from a bank issued to secure the repayment of the amount borrowed

(f) "Control" means the possession, by any means, of the power to direct or cause the direction of the management or activities of a licensed insurance agent or broker.

SEC 2 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 259

An act making appropriations for the support of the government of the State of California and for several public purposes in accordance with the provisions of Section 12 of Article IV of the Constitution of the State of California, and declaring the urgency thereof, to take effect immediately

[Approved by Governor July 13, 1979 Filed with Secretary of State July 13, 1979]

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

SECTION 1 This act shall be known and may be cited as the "Budget Act of 1979 "

SEC 2 The following sums of money, or so much thereof as may be necessary unless otherwise provided herein, are hereby appropriated for the use and support of the State of California for the 1979–80 fiscal year beginning July 1, 1979, and ending June 30, 1980 All such appropriations, unless otherwise herein provided, shall be paid out of the General Fund in the State Treasury.

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

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

LEGISLATIVE/JUDICIAL/EXECUTIVE

Legislative

ITEM	AMOUNT
1—For salaries of Senators	$1,075,000
2—For mileage of Lieutenant Governor, Senators and statutory officers of the Senate	1,800
3—For expenses of Members of the Senate	384,000
4—For contingent expenses of the Senate, including personal services for officers, clerks and all other employees, and legislative committees thereof composed in whole or in part of Members of the Senate, to be transferred by the State Controller to the Senate Contingent Fund	16,999,802
5—For contingent expenses of the Senate relating to the lease, maintenance, repair, insurance, and other costs of operating automobiles for the use of Members of the Senate, to be transferred by the State Controller to the Senate Contingent Fund	192,886
6—For salaries of Assemblymen	2,190,000
7—For mileage of Assemblymen and statutory officers of the Assembly	4,000
8—For expenses of Members of the Assembly	768,000
9—For contingent expenses of the Assembly including personal services for officers, clerks and all other employees, and legislative committees thereof composed in whole or in part of Members of the Assembly, to be transferred by the State Controller to the Assembly Contingent Fund	27,227,092
10—For contingent expenses of the Assembly relating to the lease, maintenance, repair insurance, and other costs of operating automobiles for the use of Members of the Assembly, to be transferred by the State Controller to the Assembly Contingent Fund	396,334
11—For expenses of Joint Legislative Committee for the Revision of the Penal Code	162,000
12—For legislative printing, binding, mailing and other necessary expenses, and in addition thereto, any amounts received from the sale of legislative publications	4,755,000
notwithstanding any other provision of Section 2 of this act, this appropriation shall be available without regard to fiscal years, provided further, that funds appropriated by this item shall not be	

ITEM		AMOUNT
	expended for the purpose of providing the compilation of any California code or portion thereof in computer usable form, except as expressly authorized in writing by the Joint Rules Committee.	
13	—For the expenses of joint committees and their members and for any charges, expenses, or claims they may incur, to be transferred by the State Controller to the Contingent Funds of the Assembly and Senate, available without regard to fiscal years, to be paid on certification of chairmen of the committees to which allocations have been made by statute or concurrent resolution or by resolution of the Joint Rules Committee	7,900,000
13.1	—To the Joint Legislative Audit Committee, for a comprehensive legislative study, to be presented to the Legislature with findings and recommendations on or before December 1, 1980, of the state civil service employee examination and placement processes used by the State Personnel Board, to be performed by the Auditor General and by contract with an independent entity the work of which shall be supervised by an advisory committee which shall be appointed by the Joint Legislative Audit Committee, and which shall include, but not be limited to, at least one member from each house and a representative from the Joint Legislative Budget Committee .... provided, that the funds appropriated by this item shall not be expended or encumbered unless and until the Joint Legislative Audit Committee develops the scope of the study, including, but not limited to, an evaluation of the efficiency of the State Personnel Board's management of the processes, responsiveness to state departments' hiring requests, and the processing lag time	100,000
14	—For support of Legislative Counsel Bureau	6,478,350
15	—For support of California Law Revision Commission	309,714
16	—For support of California Commission on Uniform State Laws	39,815
	Judicial	
17	—For support of Supreme Court of California, Courts of Appeal, Judicial Council of California and Commission on Judicial Performance	22,000,960

ITEM		AMOUNT
	provided, that the funds appropriated in this item may be allocated or reallocated between them by order of the Judicial Council subject to being reported to the Director of Finance	
18	For reimbursement of any county, in whose superior court a judge of the municipal court of another county is assigned to sit and which is required by subdivision (b) of Section 68540 of the Government Code to reimburse the other county from which such assignment is made, of the cost of the regular salary of a municipal court judge (as specified in subdivision (b) of Section 68202 and in Section 68203 of the Government Code) for that period of time while serving on assignment in its superior court; and for payment to any county, in whose superior court a judge of its municipal court is assigned to sit, of the cost of the regular salary of a municipal court judge (as specified in subdivision (b) of Section 68202 and in Section 68203 of the Government Code) for that period of time while serving on assignment in its superior court; and for payment to any county, the cost of the regular salary of a municipal court judge (as specified in subdivision (b) of Section 68202 and in Section 68203 of the Government Code) for that period of time its municipal court judge serves on assignment on an appellate court; and for payment to any county, the transportation expenses of a judge assigned to sit on a municipal court to replace an absent municipal court judge who has been assigned to sit on a superior court or an appellate court; State Controller	315,000
19	For support of Judicial Council, for implementing uniformity and consistency of procedure in traffic courts, payable from the Motor Vehicle Account, State Transportation Fund	39,029
20	For reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs, which relate to activities of the Judicial Council, of any new program or increased level of service of an existing program mandated by statute, State Controller	2,718,815
	provided, that allocations to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute that mandates the reimbursement of such costs and of subdivision (d) of Section 2231 of the Revenue and Taxation Code.	

ITEM		AMOUNT
21	For state's share of salaries of judges of superior courts as provided by Section 68206 of the Government Code ..... provided, that any funds which are unexpended due to vacancies in judgeships may be expended by the Judicial Council for extra compensation, expenses and staff for judges assigned by the Chairman of the Judicial Council.	24,499,463
22	For payment to counties for the annual cost of superior court judgeships created subsequent to January 1, 1973, for disbursement as a block grant by the State Controller	4,440,000
23	For transfer by the State Controller to the Judges' Retirement Fund for Supreme Court and appellate court judges	405,083
24	For transfer by the State Controller to the Judges' Retirement Fund for superior court and municipal court judges	5,276,311
25	For state's share of cost for membership in National Center for State Courts, Judicial Council of California	14,000
	Executive	
26	For support of Governor and of Governor's office (exempt from the provisions of Sections 925.6, 12410 and 13320 of the Government Code)	2,900,760
27	For support of Governor's residence (exempt from the provisions of Sections 925 6, 12410 and 13320 of the Government Code)	17,400
28	For special contingent expenses, Governor's office (exempt from the provisions of Sections 925.6, 12410 and 13320 of the Government Code)	15,000
29	For payment of Workers' Compensation Appeals Board award and associated administrative expenses, Governor's office (exempt from the provisions of Sections 925 6, 12410 and 13320 of the Government Code)	6,840
30	For support of the Governor's office, for printing of the Governor's Budget, and in addition thereto, any amounts received from the sale of publications	250,000
31	For support of Secretary of State and Consumer Services	390,220
32	For support of Business and Transportation Agency, to be transferred to Item 33	78,030

ITEM		AMOUNT
33—For support of Business and Transportation Agency, payable from the Motor Vehicle Account, State Transportation Fund		466,326
Schedule:		
(a) Support	1,119,856	
(b) Reimbursements	−325,500	
(c) Amount payable from the General Fund (Item 32)	−78,030	
(d) Federal Funds	−100,000	
(e) Amount payable from the State Energy Resources and Conservation Development Special Account, General Fund (Item 34)	−150,000	
34—For support of the Business and Transportation Agency payable from the State Energy Resources Conservation and Development Special Account, General Fund, to be transferred to Item 33		150,000
35—For support of Secretary of Health and Welfare provided, that the agency shall seek such waivers of federal law as are necessary and desirable to obtain the fullest extent of federal financial participation under Title XIX of the federal Social Security Act available for the operation of multipurpose senior services centers pursuant to Chapter 5 (commencing with Section 9400) of Division 8 5 of the Welfare and Institutions Code. If only partial approval of the requested waivers is obtained, the agency shall notify the Legislature within 30 days of the modifications made to the original plan for operation of the centers In the event the waivers requested are totally disapproved by the federal government, the Health and Welfare Agency shall notify the Legislature within 10 days of receipt of the formal notification of disapproval and shall forward to the Legislature within 30 days a recommendation for appropriate subsequent state action which meets the approval of the Department of Finance and contains at least three prioritized alternatives		1,255,757
Provided further, that no funds appropriated by this act or any other statute may be expended by the Health and Welfare Agency, the Department of Corrections, or the Department of the Youth Authority to maintain or establish agency/department relationships, as specified in Part 2 5 (commencing with Section 12800) of Division 3 of Title 2 of the Government Code, between the agency and those two departments		

ITEM		AMOUNT
36—For support of Secretary of Resources		889,282
37—For support of Office for Citizen Initiative and Voluntary Action		134,836
Schedule		
(a) Support	159,836	
(b) Federal Funds, per Section 8 6	−25,000	
38—For support of the Southwest Border Regional Commission, payable from Federal funds		(145,180)
provided, that the amount specified by this item constitutes Federal funds as defined in Section 8 6, and provided further, that state funds proposed to be expended for purposes of this item shall be subject to the provisions of Section 28 of this act.		
39—For support of Office of Employee Relations in the Governor's office		616,681
40—For support of Office of Planning and Research		2,381,211
Schedule:		
(a) Personal services	2,173,264	
(b) Operating expenses and equipment	1,077,947	
(c) Reimbursements	−120,000	
(d) Federal funds	−750,000	
and in addition thereto, any amounts received from federal grants or other sources. Provided, that the state clearinghouse shall forward copies of all state agencies' comments on proposed federal regulations to the Chairman of the Joint Legislative Budget Committee or his designee, and the chairman of the committee in each house which considers appropriations		
41—For Local Assistance, Office of Planning and Research, payable from Federal funds		(2,500,000)
provided, that the amount specified by this item, together with any increase or decrease, shall be allocated by the Office of Planning and Research and shall not be subject to the provisions of Section 28 of this act		
42—For support of Office of Emergency Services, California Emergency Council and Advisory Committees		2,403,862
Schedule		
(a) Personal services	2,466,242	
(b) Operating expenses and equipment	2,007,534	
(c) Reimbursements	−3,000	
(d) Federal funds	−2,066,914	

ITEM		AMOUNT
and in addition, any amounts received from federal grants or other sources shall be available for expenditure in accordance with the provisions of this item		
Provided, that funds appropriated by this item may be reduced by the Director of Finance, after notice to the Chairman of the Joint Legislative Budget Committee, by the amount of federal funds made available for the purposes of this item in excess of the $2,066,914 scheduled above.		
Provided further, that $150,000 appropriated in category (b) to provide additional support for planning, coordination, and response to disasters and emergencies, including but not limited to those activities related to nuclear powerplants, energy, and related situations, shall not be expended except as provided below:		
(a) Funds for disaster planning and coordination may not be expended until 30 days after notification of such proposed expenditure by the Director of the Department of Finance to the Chairman of the Joint Legislative Budget Committee or not sooner than such lesser time as the committee or its designee may in each instance determine.		
(b) Funds for actual disaster response may be expended when authorized by the Director of the Department of Finance, who shall file with the Chairman of the Joint Legislative Budget Committee, within 10 days of the date of such authorization, a statement of the reasons for the necessity for such expenditure		
43—For local assistance, Office of Emergency Services, payable from Federal funds		(22,499,694)
provided, that the amount specified by this item constitutes Federal funds as defined in Section 8.6.		
44—For support of Lieutenant Governor		796,177
Schedule:		
(a) Personal services	609,494	
(b) Operating expenses and equipment	281,665	
(c) Federal funds	−94,982	
45—For support of California Advisory Commission on Youth, Lieutenant Governor		78,971
Schedule:		
(a) Personal services	35,203	
(b) Operating expenses and equipment	43,768	

ITEM		AMOUNT
46—For support of Commission of the Californias Schedule		75,254
(a) Personal services	53,022	
(b) Operating expenses and equipment	22,232	
47—For support of Department of Justice Schedule.		65,750,202
(a) Personal services	66,017,581	
(b) Operating expenses and equipment	22,951,415	
(c) Reimbursements	−10,315,726	
(d) Amount payable from the Political Reform Act of 1974 (Item 372)	−187,814	
(e) Federal funds	−2,168,121	
(f) Amount payable from fingerprint fees in the General Fund (Item 48)	−2,491,293	
(g) Amount payable from the Attorney General's Antitrust Account, General Fund (Item 49)	−726,401	
(h) Amount payable from Motor Vehicle Account, State Transportation Fund (Item 50)	−7,329,439	

provided, that tuition fees collected from out-of-state students attending the department's Law Enforcement and Organized Crime Training Institutes shall be returned, on a pro-rated basis, to the funds supporting these institutes.

Provided further, that no moneys appropriated by this item shall be encumbered for security equipment related to the occupancy of the new Division of Law Enforcement Building without written authorization by the State Police Division, Department of General Services

48—For support of Department of Justice, to be transferred to Item 47, payable from fingerprint fees deposited in the General Fund pursuant to subdivision (e) of Section 11105 of the Penal Code	2,491,293
49—For support of Department of Justice, to be transferred to Item 47, payable from the Attorney General's Antitrust Account, General Fund	726,401
50—For support of Department of Justice, to be transferred to Item 47, payable from the Motor Vehicle Account, State Transportation Fund	7,329,439
51—For reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs, which relate to the activities of the Department of Justice, of any new	

ITEM		AMOUNT
	program or increased level of service of an existing program mandated by statute, State Controller	135,000
	provided that allocations to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute that mandates such costs and subdivision (d) of Section 2231 of the Revenue and Taxation Code.	
52—For support of State Controller		29,053,348
	Schedule	
	(a) Personal services	22,017,027
	(b) Operating expenses and equipment	12,558,123
	(c) Refunds of taxes, licenses and other fees	30,000
	(d) Reimbursements	−3,658,284
	(e) Amount payable from the Motor Vehicle Fuel Account, Transportation Tax Fund (Item 53)	−1,469,836
	(f) Amount payable from the State School Building Aid Fund (Item 54)	−211,078
	(g) Amount payable from the Aeronautics Account, State Transportation Fund (Item 55)	−133,358
	(h) Amount payable from the Unclaimed Property Fund (Item 56)	−79,246
	The appropriation made by this item shall be in lieu of any allocation made pursuant to subdivision (b) of Section 30462 of the Revenue and Taxation Code during the 1979–80 fiscal year and no funds shall be allocated to the State Controller pursuant to Section 30462 during the 1979–80 fiscal year	
	Provided, that the funds appropriated in category (c) are for refunding of payments of taxes, licenses, fees and other receipts which have been erroneously collected and deposited in the General Fund for the refund of which no other provision is made by law, for refunding of amounts withheld and deposited in a fund in the State Treasury to any person who is determined to be liable to a taxpayer by reason of withholding and transmitting payments of taxes, interest, and penalties for the refund of which no other provision is made by law, and for payment of prior judgments, liens or encumbrances pursuant to Section 12516 of the Government Code; provided further,	

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	that expenditures made under category (c) of this item shall be charged to the year in which the warrant is issued by the State Controller.	
	Provided further, that $370,610 of the funds contained in this item for advertising of unclaimed property shall not be expended if legislation is enacted which raises the minimum value of property required to be advertised from $50 to $100.	
	Provided further, that the three additional positions provided for in the senior citizens' property tax deferral program shall be limited to one year terms commencing at the time that such positions are filled.	
	Provided further, that $62,800 of the funds contained in this item for payroll accounting costs resulting from collective bargaining shall only be expended if salary increase measures which are based on negotiations reached with state employee bargaining units are enacted.	
53	—For support of State Controller, to be transferred to Item 52, payable from the Motor Vehicle Fuel Account, Transportation Tax Fund	1,469,836
54	—For support of State Controller to be transferred to Item 52 the sum of $211,078 is appropriated from the State School Building Aid Fund	(211,078)
55	—For support of State Controller, to be transferred to Item 52, payable from the Aeronautics Account, State Transportation Fund	133,358
56	—For support of State Controller to be transferred to Item 52, the sum of $79,246 is appropriated from the Unclaimed Property Fund	(79,246)
57	—For support of State Board of Equalization	50,800,929
	Schedule	
	(a) Personal services	56,162,567
	(b) Operating expenses and equipment	14,715,798
	(c) Reimbursements	−15,175,500
	(d) Amount payable from the State Energy Resources Conservation and Development Special Account, General Fund (Item 58)	−39,913
	(e) Amount payable from the Motor Vehicle Fuel Account, Transportation Tax Fund (Item 59)	−2,500,991
	(f) Amount payable from the State Emergency Telephone Number Special Account, General Fund (Item 60)	−51,049

ITEM		AMOUNT
	(g) Amount payable from the Timber Tax Fund (Item 61)	−991,963
	(h) Amount payable from the State Litter Control, Recycling and Resource Recovery Fund (Item 62)	−1,318,020
58—For support of State Board of Equalization, to be transferred to Item 57, payable from the State Energy Resources Conservation and Development Special Account, General Fund		39,913
59—For support of State Board of Equalization, to be transferred to Item 57, payable from the Motor Vehicle Fuel Account, Transportation Tax Fund		2,500,991
60—For support of State Board of Equalization, to be transferred to Item 57, payable from the State Emergency Telephone Number Special Account, General Fund		51,049
61—For support of State Board of Equalization, to be transferred to Item 57, the sum of $991,963 is appropriated from the Timber Tax Fund		(991,963)
62—For support of State Board of Equalization, to be transferred to Item 57, payable from the State Litter Control, Recycling, and Resource Recovery Fund		1,318,020
provided, that if legislation is enacted to amend the Litter Control, Recycling, and Resource Recovery Assessment provisions of Part 21 (commencing with Section 42000) of Division 2 of the Revenue and Taxation Code and if such amendments result in administrative savings, the Department of Finance, after 30 days notification of the Joint Legislative Budget Committee, shall reduce the funds appropriated by this item appropriately		
63—For support of Secretary of State		6,076,083
Schedule:		
(a) Personal services	3,999,444	
(b) Operating expenses and equipment	2,911,016	
(c) Reimbursements	−412,935	
(d) Amount payable from the Political Reform Act of 1974 (Item 372)	−421,442	
provided, that funds appropriated in this item for reimbursement of expenses for postage incurred by counties in mailing voter registration cards may not be expended for any other purpose.		
64—For printing constitutional amendments and other ballot measures, Secretary of State		1,406,200

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65—For mailing the Statewide Ballot Pamphlet for the June, 1980 primary election, Secretary of State ..	1,367,000
66—To the State Controller to provide reimbursement, pursuant to Section 16100 6 of the Government Code, to local governments for the actual increased cost to such local governments caused by the provisions of Section 6555 of the Elections Code	23,500

provided, that the appropriation made by this item is in augmentation of, and in addition to, the funds continuously appropriated to the State Controller by Section 16100 of the Government Code.

Provided further, that the Secretary of State shall adopt written guidelines specifying reimbursable costs pursuant to Section 6555 of the Elections Code, and develop a standardized form upon which such claims shall be made.

Provided further, that the State Controller pursuant to Section 12410 of the Government Code shall audit claims submitted by counties pursuant to reimbursements made under this item

67—For reimbursement of net costs to local government associated with the implementation of Chapter 704 of the Statutes of 1975, relating to voter registration and voting procedures, in accordance with Section 91 of that chapter, for such costs incurred during the 1979–80 fiscal year, State Controller	800,000

provided, that the Secretary of State shall determine the maximum reimbursement available to each local jurisdiction (and shall so advise the State Controller) for voter out-reach programs which have been adopted and implemented pursuant to Section 304 of the Elections Code. The maximum reimbursement available to each local jurisdiction for voter outreach purposes shall be based on the proportional number of unregistered voters within each local jurisdiction as determined by the Secretary of State For purposes of this item "net costs" are defined to be voter outreach expenditures up to the allowable maximum reimbursement plus other reasonable costs, less realized savings related to Chapter 704 of the Statutes of 1975

Provided further, that prior to the payment of any claim funded by this item, the State Controller shall confer with the Secretary of State to determine whether the cost for which

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reimbursement is sought is properly reimbursable under Section 91 of Chapter 704 of the Statutes of 1975

Provided further, that the Secretary of State shall adopt written guidelines specifying reimbursable costs incurred pursuant to Section 304 of the Elections Code and develop a standardized form upon which such claims shall be made.

Provided further, that the State Controller pursuant to Section 12410 of the Government Code, shall audit claims submitted by counties pursuant to reimbursements made under this item.

68—For reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the net costs to local government associated with the purging of voter registration files pursuant to Chapter 1401, Statutes of 1976, as amended by Chapter 780, Statutes of 1977, or Chapter 3, Statutes of 1978, for such costs incurred in the 1979–80 and 1980–81 fiscal years, State Controller 592,712

provided, that the funds appropriated in this item shall be available for expenditure during the 1979–80 and 1980–81 fiscal years.

Provided further, for the purpose of this item, "net cost" is defined as actual costs, as determined by counties and approved by the Secretary of State, incurred in purging of voter registration files pursuant to Chapter 1401, Statutes of 1976 as amended by Chapter 780, Statutes of 1977, which are over and above costs incurred for purging voter registration files pursuant to pre 1976 statutes, less estimated savings, as determined by the counties and approved by the Secretary of State, which will be realized due to provisions of post-1975 statutes relating to the purge of voter registration files. For the purpose of reimbursement pursuant to this item, such "net cost" is alternatively defined to be the sum of the actual cost of purging voter registration files for both the primary and general elections in the 1980 calendar year pursuant to Chapter 3, Statutes of 1978, less the estimated savings associated with such election purges for those elections, provided that any reimbursement to any county for implementing purge procedures pursuant to Chapter 3, Statutes of 1978, shall not exceed the product of the average cost per nonvoter in all counties implementing purge proce-

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dures pursuant to statutes other than Chapter 3, Statutes of 1978, multiplied by the number of nonvoters in such county. For purposes of this section, "nonvoter" is defined to be a person who is registered to vote in an election but does not exercise his/her right to do so.

Provided further, that prior to the payment of any claim funded by this item, the State Controller shall confer with the Secretary of State to determine whether the cost for which reimbursement is sought is properly reimbursable under Chapter 1401, Statutes of 1976, as amended by Section 3 of Chapter 780, Statutes of 1977 or Chapter 3, Statutes of 1978

Provided further, that the Secretary of State shall adopt written guidelines specifying reimbursable costs incurred pursuant to Chapter 1401, Statutes of 1976, as amended by Chapter 780, Statutes of 1977, and Chapter 3, Statutes of 1978, and develop a standardized claim form upon which such claims shall be made

Provided further, that the State Controller pursuant to Section 12410 of the Government Code audit claims submitted by counties pursuant to reimbursements made under this item.

Provided further, that the Auditor General study the net costs of new voter purge laws and determine baseline purge costs under previous purge systems

69—For support of State Treasurer		2,423,666
Schedule·		
(a) Personal services	2,377,114	
(b) Operating expenses and equipment	842,245	
(c) Reimbursements	−795,693	

provided, that $5,119 of the funds appropriated in category (a) of this item shall, upon order of the Department of Finance, be transferred by the State Controller to the Health Care Deposit Fund.

STATE AND CONSUMER SERVICES

70—For support of Museum of Science and Industry		2,680,996
Schedule.		
(a) Personal services	2,065,551	
(b) Operating expenses and equipment	621,445	
(c) Reimbursements	−6,000	

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71—For support of Board of Behavioral Science Examiners of the State of California, payable from the Behavioral Science Examiners Fund	325,772
72—For support of Board of Dental Examiners of California, payable from the State Dentistry Fund	1,243,804
73—For support of State Board of Guide Dogs for the Blind	12,615
74—For support of Board of Medical Quality Assurance of the State of California, payable from the Contingent Fund of the Board of Medical Quality Assurance	7,920,056
Provided that $62,967 which is appropriated to conduct a pilot program for the evaluation of physician competence from January 1 through June 30, 1980, shall not be available for expenditure unless existing law, which requires the board to seek alternative funding after January 1, 1980, is amended to extend the January 1, 1980, deadline.	
75—For support of Board of Medical Quality Assurance of the State of California, payable from the Acupuncturists Fund	113,468
76—For support of Board of Medical Quality Assurance of the State of California, payable from the Hearing Aid Dispensers Fund	102,483
77—For support of Board of Medical Quality Assurance of the State of California, payable from the Physical Therapy Fund	155,769
78—For support of Board of Medical Quality Assurance of the State of California, payable from the Physicians Assistant Fund	84,715
79—For support of Board of Medical Quality Assurance of the State of California, payable from the Speech Pathology and Audiology Examining Committee Fund	91,165
80—For support of State Board of Examiners of Nursing Home Administrators, payable from the Nursing Home Administrator's State License Examining Board Fund	186,043
81—For support of State Board of Optometry, payable from the State Optometry Fund	217,929
82—For support of California State Board of Pharmacy, payable from the Pharmacy Board Contingent Fund	1,218,210
83—For support of Board of Registered Nursing, payable from the Board of Registered Nursing Fund	2,001,724
84—For support of Board of Examiners in Veterinary Medicine, payable from the Board of Veterinary Examiners' Contingent Fund	310,509

ITEM		AMOUNT
85—For support of Board of Examiners in Veterinary Medicine, payable from the Animal Health Technician Examining Committee Fund		54,063
86—For support of Board of Vocational Nurse and Psychiatric Technician Examiners of the State of California, payable from the Vocational Nurse and Psychiatric Technician Examiners' Fund		1,081,971
87—For support of Board of Vocational Nurse and Psychiatric Technician Examiners of the State of California, payable from the Vocational Nurse and Psychiatric Technician Examiners' Fund from those moneys deposited under the provisions of Section 4547 of the Business and Professions Code		254,876
88—For support of State Board of Accountancy, payable from the Accountancy Fund		1,109,469
89—For support of Cemetery Board, payable from the Cemetery Fund		157,669
90—For support of Bureau of Collection and Investigative Services, Department of Consumer Affairs, payable from the Collection Agency Fund		330,243
91—For support of Bureau of Collection and Investigative Services, Department of Consumer Affairs, payable from the Private Investigator and Adjuster Fund		709,421
92—For support of Tax Preparers Program, Department of Consumer Affairs, payable from the Tax Preparers Fund		235,132
93—For support of California State Board of Architectural Examiners, payable from the California State Board of Architectural Examiners' Fund		677,584
93.1—For support of Board of Registered Construction Inspectors, payable from the Registered Construction Inspectors' Fund		129,618
94—For support of Contractors' State License Board, payable from the Contractors' License Fund		8,738,512
Schedule:		
(a) Personal services	5,813,735	
(b) Operating expenses and equipment	2,924,777	
95—For support of State Board of Registration for Geologists and Geophysicists, payable from the Geology and Geophysics Fund		107,267
96—For support of California State Board of Landscape Architects, payable from the State Board of Landscape Architects Fund		83,856
97—For support of State Board of Registration for Professional Engineers, payable from the Professional Engineers' Fund		1,206,436

ITEM		AMOUNT
Schedule:		
(a) Personal services	750,026	
(b) Operating expenses and equipment	456,410	
97.1—For the costs of conducting administrative hearings mandated by Section 11504 of the Government Code on appeals from denial of application for registration as professional engineers in title protection programs, payable from the Professional Engineers' Fund		107,420
98—For support of Structural Pest Control Board, payable from the Structural Pest Control Fund		1,186,596
Schedule:		
(a) Personal services	345,918	
(b) Operating expenses and equipment	840,678	
99—For support of State Athletic Commission		454,792
100—For support of the Bureau of Automotive Repair, Department of Consumer Affairs, payable from the Automotive Repair Fund		2,777,700
Schedule:		
(a) Personal services	3,997,527	
(b) Operating expenses and equipment	2,644,837	
(c) Reimbursements	−3,864,664	
101—For support of State Board of Barber Examiners, payable from the State Board of Barber Examiners' Fund		531,825
102—For support of State Board of Cosmetology, payable from the Board of Cosmetology's Contingent Fund		1,430,623
Schedule:		
(a) Personal services	536,134	
(b) Operating expenses and equipment	894,489	
103—For support of Bureau of Employment Agencies, Department of Consumer Affairs, payable from the Bureau of Employment Agencies Fund		317,965
104—For support of State Board of Fabric Care, payable from the Fabric Care Fund		479,271
105—For support of State Board of Funeral Directors and Embalmers, payable from the State Funeral Directors and Embalmers Fund		299,020
106—For support of Bureau of Home Furnishings, Department of Consumer Affairs, payable from the Bureau of Home Furnishings Fund		854,446
107—For support of Nurses' Registry, payable from the Nurses' Registry Fund		21,928

ITEM		AMOUNT
108—For support of Bureau of Repair Services, Department of Consumer Affairs, payable from the Repair Services Fund		686,315
109—For support of Certified Shorthand Reporters Board, payable from the Shorthand Reporters' Fund		93,708
110—For support of Division of Consumer Services, Department of Consumer Affairs, to be transferred to Item 111		910,570
110.1—For support of the Consumer Advisory Council		53,534
111—For support of the Department of Consumer Affairs, the sum of $6,959,008 is appropriated from the Consumer Affairs Fund		(6,959,008)
Schedule:		
(a) Division of Administration	2,654,145	
(b) Division of Investigation	2,931,836	
(c) Division of Consumer Services	1,272,313	
(d) Building maintenance and operation	1,011,284	
(e) Amount payable from the General Fund (Item 110)	−910,570	
112—For support of State Fire Marshal		2,694,663
Schedule:		
(a) Personal services	2,874,396	
(b) Operating expenses and equipment	823,363	
(c) Reimbursements	−998,096	
(d) Federal funds	−5,000	
113—For support of Franchise Tax Board		67,193,662
Schedule:		
(a) Personal services	47,545,454	
(b) Operating expenses and equipment	23,354,568	
(c) Reimbursements	−1,220,757	
(d) Amount payable from the Political Reform Act of 1974 (Item 372)	−2,485,603	
provided, that not more than $2,485,603 shown in categories (a) and (b) of this schedule and any other amounts appropriated for salary and benefit increases may be expended for purposes of the Political Reform Act of 1974 (Title 9 (commencing with Section 81000) of the Government Code).		

ITEM	AMOUNT
114—For reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs, which relate to activites of the Franchise Tax Board, of any new program or increased level of service of an existing program mandated by statute, State Controller..... provided, that allocations to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute that mandates the reimbursement of such costs and of subdivision (d) of Section 2231 of the Revenue and Taxation Code.	25,000
115—For support of Department of General Services for transfer to the Service Revolving Fund, to be transferred by the State Controller in such amounts as the Department of Finance may authorize; provided, that the money so transferred shall not be available for expenditure after June 30, 1980, and any unencumbered balances as of June 30, 1980, shall be returned to the General Fund.....	4,776,072
116—For allocation by the Department of Finance to the Office of State Architect, Department of General Services, to be transferred to Item 121, for Art in State Buildings ..... provided, that in implementing the Art in Public Buildings Program, the State Architect shall consult with and enlist the cooperation of the California Arts Council. Provided further, that the funds appropriated in this item shall be expended only for art in new buildings and no more than $100,000 shall be expended per new building.	300,000
117—For support of Department of General Services, to be transferred to Item 121, payable from the State Emergency Telephone Number Account, General Fund.....	170,747
118—For support of Office of State Architect, Department of General Services, to be transferred to Item 121 payable from the Architecture Public Building Fund	2,491,786
119—For expenditure by Office of State Architect, Department of General Services, for the purposes specified in Section 14957 of the Government Code, the sum of $7,278,050 is appropriated from the Architecture Revolving Fund for transfer to Item 121 ..... provided, that any balances in the Architecture	(7,278,050)

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	Revolving Fund continue to be appropriated by and subject to Section 14957 of the Government Code, and are available for construction and for augmentation of this appropriation; and provided further, that during the 1979–80 fiscal year the Office of State Architect, Department of General Services, shall maintain expenditures for staff to a level commensurate with the funds necessary to maintain a staff sufficient to perform a basic architectural and engineering services workload volume of $42,062,000, as projected to June 30, 1980. provided, that no funds appropriated by this act shall be expended to implement regulations developed by the State Architect pursuant to Chapter 7 (commencing with Section 4450) of Division 5 of Title 1 of the Government Code and Part 5 5 (commencing with Section 19955) of Division 13 of the Health and Safety Code, unless and until the appropriate subcommittee of the committee in each house which considers appropriations holds interim hearings or otherwise reviews, as deemed appropriate by the respective subcommittees, the subject regulations	
120	—For augmentation of the Service Revolving Fund, to be transferred by the State Controller in such amounts and at such times as funds are made available. Upon approval of the State Board of Control, the State Controller shall transfer to this item from any appropriation made from the General Fund, or any special fund, by the provisions of this act that part of such appropriation which is intended to be used and is available, for the purchase or replacement of automobiles and reproduction equipment; and provided, any funds in the Service Revolving Fund may be used to purchase equipment from the General Fund or special funds of the state at the depreciated value at the time of purchase, payable at the option of the Service Revolving Fund over the remaining depreciation period	
121	—For support of Department of General Services for activities financed from the Service Revolving Fund, other than the Office of State Printing, the sum of $124,812,960 is appropriated from the Service Revolving Fund ... (124,812,960)	
	Schedule	
	(a) Personal services . . 67,099,486	

ITEM		AMOUNT
	(b) Operating expenses and equipment	73,613,118
	(c) Federal funds	−100,000
	(d) Amount payable from the General Fund (Item 115)	−4,776,072
	(e) Amount payable from the General Fund (Item 116)	−300,000
	(f) Amount payable from the Emergency Telephone Number Account, General Fund (Item 117)	−170,747
	(g) Amount payable from the Architecture Public Building Fund (Item 118)	−2,491,786
	(h) Amount payable from the Architure Revolving Fund (Item 119)	−7,278,050
	(i) Amount payable from the State School Building Aid Fund (Item 123)	−623,703
	(j) Amount payable from the Deferred Compensation Plan Fund (Item 124)	−165,286
	(k) For the distribution of the California Administrative Code to county clerks	6,000

provided, that the electronic reporting program in the Office of Administrative Hearings shall not continue after June 30, 1980, without demonstrating that the program is cost beneficial

Provided further, that from any balance in the Service Revolving Fund, the Director of General Services, with the approval of the Director of Finance, may expend funds in excess of the amount appropriated in this item for the purchase of office copier machines, and provided further, that any such amounts authorized by the Director of Finance for the purchase of office copier machines are hereby appropriated from the Service Revolving Fund as a loan to be repaid upon such terms and conditions as prescribed by the Director of Finance

122	—For expenditure by Office of State Printing, Department of General Services, the sum of $30,722,242 is appropriated from the Service Revolving Fund	(30,722,242)
	Schedule	
	(a) Personal services	13,470,189
	(b) Operating expenses and equipment	17,252,053

ITEM	AMOUNT
123—For support of Department of General Services, the sum of $623,703 is appropriated from the State School Building Aid Fund for transfer to Item 121	(623,703)
124—For support of Department of General Services the sum of $165,286 is appropriated from the Deferred Compensation Plan Fund portfolio earnings or account for administrative service fees, for transfer to Item 121	(165,286)
125—For reimbursement of local agencies and service suppliers or communications equipment companies for costs incurred pursuant to Sections 41137, 41137.1 and 41138 of the Revenue and Taxation Code, Department of General Services, payable from the State Emergency Telephone Number Account, General Fund	1,040,260
126—For support of Intergovernmental Personnel Act Advisory Council, payable from Federal funds.... provided that the amount specified by this item constitutes Federal funds as defined in Section 8 6.	(680,306)
127—For local assistance, Intergovernmental Personnel Act Advisory Council, payable from Federal funds provided that the amount specified by this item constitutes Federal funds as defined in Section 8.6.	(883,694)
128—For support of State Personnel Board Schedule	19,483,680
(a) Personal services	12,235,882
(b) Operating expenses and equipment	11,026,569
(c) Reimbursements	−2,268,575
(d) Federal Funds	−24,488
(e) Amount payable from the Cooperative Personnel Services Revolving Fund (Item 129)	−1,485,708

provided, that $128,561 of the funds specified in category (a) is authorized for 4.6 analyst positions and one clerical position, which positions may only be used for the purpose of continuing the conduct of the State Personnel Board's compensation surveys to provide data to enable the Legislature to evaluate compensation increases negotiated by the Governor or his representative.

Provided further, that calculations of specific percentage differences in compensation between state employees covered under the State Employer-Employee Relations Act and nonstate employer shall be prepared, not sooner than 30 days after the State Personnel Board notifies in writing the chairman of the committee in each house which

ITEM		AMOUNT
	considers appropriations and the Chairman of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairman of the committee, or his designee, may in each instance determine Such information which pertains to the classes represented by a specific recognized bargaining unit under provisions of the State Employer-Employee Relations Act shall be released by the State Personnel Board only after the memorandum of understanding for that particular bargaining unit is submitted to the Legislature.	
129—For support of State Personnel Board, to be transferred to Item 128, the sum of $1,485,708 is appropriated from the State Personnel Board Cooperative Personnel Services Revolving Fund		(1,485,708)
130—For support of Board of Administration of the Public Employees' Retirement System, to be transferred to Item 131		137,402
131—For support of Board of Administration of the Public Employees' Retirement System, the sum of $14,081,127 is appropriated from the Public Employees' Retirement Fund, pursuant to Section 20202.5 of the Government Code		(14,081,127)
Schedule.		
(a) Personal services	10,816,353	
(b) Operating expenses and equipment	5,901,960	
(c) Reimbursements	−1,020,107	
(d) Amount payable from the General Fund (Item 130)	−137,402	
(e) Amount payable from the State Employees' Contingency Reserve Fund (Item 132)	−1,415,837	
(f) Amount payable from the Legislators' Retirement Fund (Item 133)	−63,840	
132—For support of Board of Administration of the Public Employees' Retirement System, for transfer to Item 131, the sum of $1,415,837 is appropriated from the State Employees' Contingency Reserve Fund, in accordance with the provisions of Section 22840 of the Government Code		(1,415,837)
133—For support of the Board of Administration of the Public Employees' Retirement System, for transfer to Item 131, the sum of $63,840 is appropriated from the Legislators' Retirement Fund in accordance with Section 9354 of the Government Code		(63,840)
134—For reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxa-		

ITEM		AMOUNT
tion Code, of the costs, which relate to activities of the Public Employees' Retirement System, of any new program or increased level of service of an existing program mandated by statute, State Controller		5,114,840
provided, that allocations to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute that mandates the reimbursement of such costs and of subdivision (d) of Section 2231 of the Revenue and Taxation Code.		
135—For support of State Teachers' Retirement System, the sum of $7,973,543 is appropriated from the State Teachers' Retirement Fund		(7,973,543)
Schedule.		
(a) Personal services	5,309,810	
(b) Operating expenses and equipment	2,853,733	
(c) Reimbursements	−190,000	
provided, that the six new positions for increased retirement workload shall be established only after review and approval by the Department of Finance of the workload and necessity for the positions and notification of the Joint Legislative Budget Committee, provided further, that such six new positions shall be limited term positions of one year		
136—For support of Department of Veterans Affairs		1,407,489
Schedule		
(a) Personal services	1,567,814	
(b) Operating expenses and equipment	298,359	
(c) Reimbursements	−33,970	
(d) Amount payable from the Veterans' Farm and Home Building Fund of 1943 (Item 138)	−424,714	
137—For educational assistance to veterans' dependents, Department of Veterans Affairs, to be expended under the provisions of Sections 890 through 899 of the Military and Veterans Code		1,333,250
provided, that no funds appropriated by this item, except as specified below, may be expended to provide financial assistance for the education of dependents of non-California veterans killed or totally disabled as a result of active military service and of non-California servicemen currently missing in action		

ITEM		AMOUNT
	Provided further, that this restriction shall not apply to dependents receiving such financial assistance in, or prior to, fiscal year 1978–79	
	Provided further that "non-California veteran" means persons not meeting the requirements of Section 890 of the Military and Veterans Code.	
138—For support of Department of Veterans Affairs, to be transferred to Item 136, the sum of $424,714 is appropriated from the Veterans' Farm and Home Building Fund of 1943		(424,714)
139—For support of Veterans' Home of California		12,055,971
	Schedule.	
	(a) Personal services	14,677,513
	(b) Operating expenses and equipment	5,115,809
	(c) Reimbursements	−2,626,488
	(d) Federal funds	−5,110,863
	provided, that the Veterans' Home of California shall collect from home members, after due consideration of income and family status, fees and charges for domiciliary, nursing home, and hospital care	
140—For contribution to counties toward the compensation and expenses of county service officers, Department of Veterans Affairs, to be expended in accordance with Section 972 of the Military and Veterans Code		840,000

BUSINESS AND TRANSPORTATION

Business

141—For support of Department of Alcoholic Beverage Control		11,367,491
	Schedule	
	(a) Personal services	9,605,348
	(b) Operating expenses and equipment	1,987,143
	(c) Reimbursements	−225,000
	provided, that $170,000 of the funds available in category (a) for the "personal attrition adjustment" shall be available only for costs associated with relocation of employees due to budgetary staff reductions	
142—For support of Alcoholic Beverage Control Appeals Board		228,675
	Schedule	
	(a) Personal services	191,211

ITEM		AMOUNT
	(b) Operating expenses and equipment 37,464	
143—For support of State Banking Department, payable from the State Banking Fund.....		4,628,500
	Schedule:	
	(a) Personal services 3,674,575	
	(b) Operating expenses and equipment 1,053,925	
	(c) Reimbursements ..... −100,000	
144—For transfer to the Banking Fund for repayment of a loan made from Item 182, Budget Act of 1975 for administration of the Local Agency Security program during the 1975–76 fiscal year...		(27,500)
145—For support of Department of Corporations.....		6,575,964
	Schedule.	
	(a) Personal services 7,777,872	
	(b) Operating expenses and equipment 1,829,618	
	(c) Reimbursements ..... −3,031,526	
	provided, that, notwithstanding the provisions of Section 1382 of the Health and Safety Code, any payments received pursuant to that section shall be credited to this item as reimbursements and are hereby appropriated for the purposes of this item	
	Provided further, that no funds appropriated by this act may be used for support of the Department of Corporations unless the department retains its San Diego district office	
146—For reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs, which relate to activities of the Department of Corporations, of any new program or increased level of service of an existing program mandated by statute, State Controller..		3,780
	provided, that allocations to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute that mandates the reimbursement of such costs and of subdivision (d) of Section 2231 of the Revenue and Taxation Code.	
147—For support, Department of Economic and Business Development		3,694,470
	Schedule	
	(a) Support 3,694,470	
	(b) Federal funds per Section 8.6 . . (161,297)	
	Provided further, that the Secretary of the Business and Transportation Agency shall, in his dis-	

ITEM		AMOUNT
	cretion, allocate the funds appropriated in this item for support of the Office of Small Business Development on a continuing basis to such office upon such terms and conditions as he may prescribe	
148—To the Department of Economic and Business Development for transfer to the Small Business Expansion Fund for the purposes of Chapter 924, Statutes of 1977		1,300,000
149—For local assistance, Department of Economic and Business Development, for transfer to the California Economic Development Grant and Loan Fund		625,000
	Schedule:	
	(a) State share	625,000
	(b) Federal funds per Section 8 6	(2,571,732)
150—For support of Department of Housing and Community Development		8,599,574
	Schedule	
	(a) Personal services	6,421,983
	(b) Operating expenses and equipment	5,826,350
	(c) Reimbursements	−982,115
	(d) Amount payable from the Mobilehome Revolving Fund	−2,073,986
	(e) Amount payable from Housing Predevelopment Loan Fund	−105,324
	(f) Amount payable from Urban Housing Development Loan Fund	−35,632
	(g) Federal funds	−301,271
	(h) Amount payable from the Solar Energy Revolving Loan Fund	−431
	(i) Amount payable from the Housing Rehabilitation Loan Fund	−100,000
	(j) Amount payable from Chapter 1354, Statutes of 1978	−50,000
	provided, that if legislation is enacted which transfers the mobilehome parks inspection function to local agencies on January 1, 1980, the funds specified in category (a) shall be reduced by $283,002 and the funds specified in category (b) shall be reduced by $179,827, and such funds shall revert to the General Fund	
151—For local assistance, Department of Housing and Community Development		5,425,000
	Schedule	

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(a) Farm Worker Housing Grant Program, for transfer to the Farmworker Housing Grant Fund	2,500,000	
(b) Low income home management training program	175,000	
(c) Housing Development Loan program for transfer to Housing Development Loan Fund	1,250,000	
(d) Urban Housing Development Loan Program, for transfer to the Urban Housing Development Loan Fund	1,500,000	
(e) Federal funds per Section 8.6	(4,696,750)	

provided, that the funds appropriated pursuant to category (b) shall be allocated in two equal increments with the first increment allocated for the period of July 1, 1979, to December 31, 1979, inclusive, and the second increment allocated for the period of January 1, 1980, to June 30, 1980, inclusive, provided further, that any funds appropriated pursuant to category (b) which are not allocated or expended in the first increment period may be allocated in the second period

Provided further, that the funds appropriated pursuant to category (b) for the second increment period shall not be available for expenditure unless and until a report on the program's effectiveness is submitted by the department to the Joint Legislative Budget Committee, however, upon transmitting the report, the Department of Finance shall order release of the balance of the funds

152—For support of Department of Insurance Schedule		7,678,675
(a) Personal services	8,846,564	
(b) Operating expenses and equipment	2,570,755	
(c) Reimbursements	−3,517,383	
(d) Amount payable from the Insurance Commissioners Regulatory Trust Fund	−221,261	
153—To pay the state's share of the cost of providing riot and civil disorders insurance pursuant to Division 4 (commencing with Section 13000) of the Insurance Code		0

ITEM AMOUNT

provided, that any refunds of past years' premium payments received during the 1979–80 fiscal year shall be credited to this item and deposited in the General Fund.

154—For support of Department of Real Estate, payable from the Real Estate Fund 10,191,055

Schedule

(a) Personal services	6,702,354
(b) Operating expenses and equipment	3,123,499
(c) Education and research	389,202
(d) Recovery act	216,000
(e) Reimbursements	−240,000

provided, that the Department of Real Estate shall submit to the committee in each house which consider appropriations, the Department of Finance, the Business and Transportation Agency, and the Joint Legislative Budget Committee on or before July 10, 1979, a work schedule and systems design for completion of the simplification of subdivision administrative procedures and forms project for which funds are budgeted in this item prior to securing first quarter funding. The work schedule and system design progress report shall be submitted quarterly to the above entities prior to receiving subsequent quarter funding

Provided further, that if in the opinion of the Secretary of the Business and Transportation Agency, at any time, the work schedule and system design is not adequate to complete the project for which funds were appropriated in this item, the Controller shall transfer, with the approval of the Department of Finance, $100,000 from this item to Item 33 of this act for the purpose of completing the project Any transfer for this purpose from this item to Item 33 shall be available without regard to fiscal years

155—For support of Department of Savings and Loan, payable from the Savings and Loan Inspection Fund 6,078,379

Schedule

(a) Personal services	4,645,308
(b) Operating expenses and equipment	1,452,492
(c) Reimbursements	−19,421

provided, that the Department of Savings and Loan shall not establish assessments pursuant to Article 3 (commencing with Section 5300) of

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	Chapter 2 of Part 1 of Division 2 of the Financial Code which would result in a budget surplus which exceeds 10 percent of the total budgeted expenditures of the department. The methodology for projecting surplus shall be determined by the department in consultation with the Department of Finance Provided further, that the Department of Savings and Loan shall not expend or disburse funds to pay for any legal action or fees associated therewith unless the department is a party to the action and the action is within the commissioner's statutory authority to commence or defend, or, in the judgment of the commissioner or the secretary, the case is of such importance to the State of California as to warrant the department's involvement	
	Transportation	
156—For	support, California Transportation Commission, payable from the Transportation Planning and Research Account, State Transportation Fund ..... provided, that up to $100,000 of funds appropriated in this item may be used by the commission to develop a computerized data management system for preparation and analysis of the state transportation improvement program; and provided further, that if the commission makes a decision to develop such a system, then (1) the Department of Transportation and local agencies shall cooperate fully in the effort and (2) access to the system shall be provided to the Department of Finance and to the Legislature.	963,685
157—For	support, Transportation Planning Program, Department of Transportation, payable from the Transportation Planning and Research Account, State Transportation Fund	5,107,650
158—For	transfer by the State Controller from the Aeronautics Account, State Transportation Fund, to the Transportation Planning and Research Account, State Transportation Fund, as prescribed by Section 21682 5 of the Public Utilities Code for appropriation as specified in this act for expenditures by the California Transportation Commission and the Department of Transportation for transportation planning and research	(22,000)

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159—For transfer by the State Controller from the State Highway Account, State Transportation Fund, to the Transportation Planning and Research Account, State Transportation Fund, as prescribed by Section 192 of the Streets and Highways Code for appropriation as specified in this act for expenditures by the California Transportation Commission and the Department of Transportation for transportation planning and research		(10,718,671)
Schedule:		
(a) State funds	5,853,300	
(b) Federal funds	4,865,371	
161—For support, Mass Transportation Program, Department of Transportation, payable from the Transportation Planning and Research Account, State Transportation Fund		2,735,991
Schedule		
(a) Mass transportation	5,704,181	
(b) Reimbursement for purposes of Section 7204 4 of the Revenue and Taxation Code	−284,250	
(c) Reimbursements	−1,326,400	
(d) Federal funds	−1,357,540	

Provided, that $1,200,000 for the support of rail passenger services between San Diego and Los Angeles be first funded from any funds already appropriated for that purpose and that any balance be funded by moneys previously appropriated by Section 11 and paragraph (2) of Section 12, Chapter 1349, Statutes of 1976, and provided further, that any federal funds obtained to support commuter rail service in this corridor shall be used in lieu of state funds

Provided further, that state support of such commuter rail service be for one year only, and that continued funding beyond the one-year period shall be contingent upon the findings of a report by the department which evaluates the efficiency of the service This report shall be completed no later than December 31, 1979, and, at a minimum, shall

(1) Examine the cost effectiveness, and energy conservation and environmental impacts, of the Caltrak service relative to other rail lines and other modes of intercity passenger transport such as commercial buses and air service

ITEM		AMOUNT
	(2) Analyze the impact that introduction of the Caltrak service has had upon ridership, unit costs, unit revenues, and unit deficits for all rail service in the corridor	
	(3) Recommend economic, social, and environmental standards which would be utilized to evaluate not only the San Diego-Los Angeles corridor service, but also future passenger rail ventures	
	Provided further, that $800,000 for the support of rail passenger services between San Francisco and San Jose be funded by moneys previously appropriated by Section 11 and paragraph (2) of Section 12, Chapter 1349, Statutes of 1976, and that any state support of the San Francisco to San Jose Southern Pacific commuter service for fiscal year 1979–80 be contingent upon the following:	
	(1) The state's level of support shall be calculated only on the basis of losses incurred subsequent to the department entering into an agreement with the Southern Pacific	
	(2) All available federal funds for this service shall be deducted from the anticipated deficit	
	(3) The state's contribution shall be not greater than 25 percent of the deficit	
	(4) Transportation Planning and Research Account moneys shall be used only after all available funds from any other source are expended.	
162	—For support, Mass Transportation Program, Department of Transportation payable from the State Highway Account, State Transportation Fund	53,000
163	—For support, Aeronautics Program, Department of Transportation, payable from the Aeronautics Account, State Transportation Fund	1,220,669
	Schedule:	
	(a) Aeronautics 1,329,669	
	(b) Federal funds —109,000	
164	—For support, Highway Transportation Program, Department of Transportation, payable from the State Highway Account, State Transportation Fund	377,207,171
	Schedule	
	(a) Maintenance 191,916,300	
	(b) Rehabilitation 22,943,000	
	(c) Operational improvements 45,823,000	
	(d) Operation 32,247,000	
	(e) Local assistance 10,292,671	

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	(f) Program development	13,287,000
	(g) New facilities	43,518,000
	(h) Administration	99,067,200
	(i) Reimbursements	−4,069,000
	(j) Federal funds	−56,500,000
	(k) Toll bridge funds	−21,288,000
	(*l*) Amount payable from the environmental protection program fund (Item 165)	−30,000

provided, that up to 10 percent of any of the amounts scheduled in this item may be transferred to Item 169 or Item 453, as authorized under the provisions of Section 168 of the Streets and Highways Code, and provided, further, that any federal reimbursements shall be from any federal funds deposited in the State Highway Account, State Transportation Fund

Provided further, that 8.4 personnel years originally budgeted for business and personnel management services, 7.8 personnel years originally budgeted for traffic monitoring and evaluation activities, and 19 9 personnel years originally budgeted for landscape maintenance and transportation permit issuance operations shall be transferred to highway project development activities

Provided further, that by November 1, 1979, and April 1, 1980, the Department of Transportation shall report to the Legislature and the California Transportation Commission on the status of projects in the 1979–80 year element of the state transportation improvement program.

Provided further, that none of the funds appropriated by this item shall be available for encumbrance unless the Department of Transportation collects tolls on state-owned toll bridges on a 24-hour basis

164 1	—For support of the Department of Transportation, payable from the State Highway Account, State Transportation Fund	12,000,000

provided, that with the funds appropriated in this item, the department shall bring $75,000,000 in unbudgeted projects to a "ready-to-advertise" point of readiness by June 30, 1980

Provided further, that the projects shall be identified by the California Transportation Commission and shall already be included in the state transportation improvement program

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Provided further, that the advancement of the unbudgeted projects to a "ready-to-advertise" status shall not result in the reduction of the amount to be expended in any year of the five-year state transportation improvement program.

Provided further, that the funds made available by this item may be expended by the department to utilize the staff and resources of counties and cities and to retain private consultants.

Provided further, that in evaluating the role of counties, cities, and private consultants for purposes of this item, the department shall consider the mix of large scale and small scale projects, with the department focusing on the larger projects, and allowing others to develop the smaller projects

Provided further, the department shall keep a separate accounting of personnel and expenditures associated with this project development effort and shall report monthly to the commission on personnel and expenditures along with the unit's progress in meeting the goal of this item.

It is the intent of the Legislature that maximum use of state employees and resources shall be accorded the highest priority in achieving the goal specified in this item, that after every effort to achieve the identified goal through the use of state employees and resources has been exhausted, the department shall consider the utilization of the staff and resources of counties and cities to meet this goal, and that the third priority shall be the use of private consultants to aid the department in meeting this goal.

In enacting this item, it is the intent of the Legislature to direct departmental project development in such a way as to allow a balancing of geographical distribution of highway funding, meeting interstate system deadlines established in the Surface Transportation Assistance Act of 1978, gain available federal discretionary funding, avoid the erosion or resources through inflationary construction cost increases, allow projects to be available in the event unanticipated funds become available, and expediting the fulfillment of highway needs

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165—For support, Highway Transportation Program, Department of Transportation payable from the California Environmental Protection Program Fund, to be transferred to Item 164		30,000
166—For local assistance, Transportation Planning Program, Department of Transportation, payable from the Transportation Planning and Research Account, State Transportation Fund		2,031,500
Schedule:		
(a) Transportation planning	9,345,745	
(b) Reimbursements	−3,314,245	
(c) Federal funds	−4,000,000	
167—For local assistance, Mass Transportation Program, Department of Transportation, for allocation by the California Transportation Commission, payable from the State Highway Account, State Transportation Fund, in accordance with the provisions of Sections 199 and 199.1 of the Streets and Highways Code		29,607,000
provided, that $7,000,000 of the amount appropriated in this item for the purpose of funding intermodal transfer facilities shall be contingent upon a transfer of funds from the Motor Vehicle Account to the State Highway Account of not less than $7,000,000		
Provided further, that the California Transportation Commission shall be responsible for allocation of funds to specific intermodal facility projects, and in doing so the commission is encouraged to consider the intermodal transfer facility list developed by the Department of Transportation.		
Provided further, that the Department of Transportation shall provide, in its yearly priority listing of intermodal facility projects, a summary evaluation of the cost effectiveness of those projects which have been completed during the previous two calendar years.		
168—For local assistance, Aeronautics Program, Department of Transportation, for allocation by the Division of Aeronautics, payable from the Aeronautics Account, State Transportation Fund in accordance with Sections 21602 and 21684.5 of the Public Utilities Code		700,351
169—For local assistance, Highway Transportation Program, Department of Transportation, payable from the State Highway Account, State Transportation Fund		60,438,329

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	Schedule.	
	(a) Local assistance 220,683,329	
	(b) Federal funds ..... —160,245,000	
	provided, that up to 10 percent of any amounts scheduled in this item may be transferred to Item 164 or Item 453, as authorized under the provisions of Section 168 of the Streets and Highways Code, and provided, further, that any federal reimbursements shall be from any federal funds deposited in the State Highway Account, State Transportation Fund.	
169.1	—For local assistance, Highway Transportation Program, Department of Transportation, payable from the State Highway Account, State Transportation Fund	15,000,000
	provided, that these funds shall be allocated to local agencies by the California Transportation Commission for the purpose of matching federal highway funds made available to local agencies pursuant to the Surface Transportation Assistance Act of 1978.	
	Provided further, that any local transportation funds freed, as a result of the receipt of funds allocated to them under this item, may be used for street, road, and highway purposes.	
170	—For support of the Office of Traffic Safety, payable from the Motor Vehicle Account, State Transportation Fund	273,860
	Schedule	
	(a) State share 273,860	
	(b) Federal funds per Section 8.7 ..... (1,446,980)	
171	—For local assistance of the Office of Traffic Safety, payable from federal funds	(10,825,720)
	provided, that the amount specified by this item constitutes federal funds as defined in Section 8.7.	
172	—For support of Department of the California Highway Patrol, payable from the Motor Vehicle Account, State Transportation Fund	232,568,828
	Schedule	
	(a) Personal services 182,504,127	
	(b) Operating expenses and equipment 55,644,927	
	(c) Reimbursements ..... —2,570,500	
	(d) Federal funds ..... —1,470,489	
	(e) Amount payable from the Abandoned Vehicle Trust Fund (Item 172.1) ..... —1,539,237	
	provided, that four reserves shall be established	

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	for funds in category (b) as follows $147,284 for increases in future leasing costs, $126,101 for purposes of power-operated seats for department patrol vehicles purchased during fiscal year 1979–80, $750,000 for automotive expenses exceeding $13,052,095 in fiscal year 1979–80 and $52,600 for Stephen P. Teale Consolidated Data Center charges exceeding $382,830 during fiscal year 1979–80, and provided further, that the department shall notify the Joint Legislative Budget Committee of the expenditure of funds from the automotive operations reserve, the negotiated monthly rents of leased facilities and the unit cost of the power-assisted seats not later than 30 days after the expenditure of funds or the determination of such costs, as the case may be, except that if actual or negotiated costs are lower than the reserves provided in this item, any unencumbered balance may not be encumbered for any other purpose and shall revert to the Motor Vehicle Account of the State Transportation Fund.	
172	1—For support of the Department of the California Highway Patrol, payable from the Abandoned Vehicle Trust Fund to be transferred to Item 172...	1,539,237
173	—For payments of deficiencies in appropriations for the Department of the California Highway Patrol which may be authorized by the Director of Finance, with the consent of the Governor, the sum of $1,000,000, or so much thereof as may be necessary, is appropriated from the Motor Vehicle Account, State Transportation Fund..... .... provided, that the Director of Finance shall report allocations from this item in the same manner as required for reporting allocations from Item 436 of this act.	(1,000,000)
174	—To the Department of the California Highway Patrol, for advance authority for the department to incur automotive equipment purchase obligations in an amount not to exceed $2,500,000 during the 1979–80 fiscal year, for delivery beginning in the 1980–81 fiscal year, the sum of $2,500,000 is hereby appropriated from the Motor Vehicle Account, State Transportation Fund	(2,500,000)
175	—For support of Department of Motor Vehicles to be transferred to the Motor Vehicle Account, State Transportation Fund, Item 176 of this act for anatomical donor designation program and petit jury panel selection	144,086

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176—For support of Department of Motor Vehicles, payable from the Motor Vehicle Account, State Transportation Fund		130,482,479
Schedule:		
(a) Personal services	121,030,942	
(b) Operating expenses and equipment	45,430,738	
(c) Reimbursements	−10,229,497	
(d) Federal funds	−343,178	
(e) Amount payable from the General Fund (Item 175)	−144,086	
(f) Amount payable from the Motor Vehicle License Fee Account, Transportation Tax Fund (Item 178)	−20,469,535	
(g) Amount payable from the California Environmental Protection Program Fund (Item 179)	−2,935,761	
(h) Amount payable from the State Bicycle License and Registration Fund (Item 180)	−65,207	
(i) Amount payable from the Harbors and Watercraft Revolving Fund (Item 181)	−1,791,937	
177—For payment of deficiencies in appropriations for the Department of Motor Vehicles which may be authorized by the Director of Finance, with the consent of the Governor, the sum of $500,000, or so much thereof as may be necessary, is appropriated from the Motor Vehicle Account, State Transportation Fund		(500,000)
provided, that the Director of Finance shall report allocations from this item in the same manner as required for reporting allocations from Item 436 of this act		
178—For support of Department of Motor Vehicles, payable from the Motor Vehicle License Fee Account, Transportation Tax Fund		20,469,535
to be transferred to Item 176, as provided by Section 11003 of the Revenue and Taxation Code.		
179—For support of Department of Motor Vehicles, payable from the California Environmental Protection Program Fund		2,935,761
to be transferred to Item 176, as provided by Section 39101 of the Health and Safety Code.		
180—For support of Department of Motor Vehicles, payable from the State Bicycle License and Registration Fund		65,207

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	to be transferred to Item 176, as provided by Section 39001 of the Vehicle Code.	
181—For support of Department of Motor Vehicles, the sum of $1,791,937 is appropriated from the Harbors and Watercraft Revolving Fund .. .. to be transferred to Item 176, for undocumented vessel registration and fee collection.		(1,791,937)
182—For support of Traffic Adjudication Board .. .. Schedule:		0
	(a) Personal services	365,681
	(b) Operating expenses and equipment	634,853
	(c) Federal funds.	−1,000,534
	Notwithstanding Section 40702.5 of the Vehicle Code, all moneys received intended to pay for administrative costs of the board shall be deposited in the General Fund rather than the Traffic Adjudication Fund to pay for such administrative costs.	
182.5—For support of the Traffic Adjudication Board, to be transferred to Item 182, upon order of the Director of Finance.. .. .. provided, that any amount transferred shall be a temporary loan to be repaid upon such terms and conditions as may be prescribed by the Department of Finance.		(400,000)
183—For support of the Stephen P. Teale Consolidated Data Center, Business and Transportation Agency, the sum of $15,994,446 is appropriated from the Stephen P Teale Consolidated Data Center Revolving Fund. .... provided, that the limitations of Item 438 shall not apply to any deficiency expenditure authorization for the Stephen P. Teale Consolidated Data Center		(15,994,446)
	RESOURCES	
184—To Resources Agency for support of Waterways Management Planning Program pursuant to Chapter 761, Statutes of 1971, and the California Wild and Scenic Rivers Act (commencing with Section 5093 50) of the Public Resources Code...		335,519

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	provided, that $161,056 of the amount appropriated by this item shall be allocated by the Director of Finance for contract studies on the Eel, Klamath, and Kings Rivers and for administrative costs in connection therewith only after all of the following has occurred (1) Submission of a report by the Secretary of Resources Agency to the Chairman of the Joint Legislative Budget Committee describing Resources Agency recommendations to the United States Department of Agriculture and Congress on the management and classification of national forest roadless areas containing segments of the California Wild and Scenic Rivers System (2) Transmittal of completed waterway management plans to the Legislature for the Salmon, Scott, Smith, and Van Duzen Rivers in accordance with Section 5093 58 of the Public Resources Code, including legislative and administrative proposals to implement the plans. (3) Certification by the Secretary of the Resources Agency that the actions required by paragraphs (1) and (2) have been taken and concurrence by the Legislative Analyst with the facts of the certification	
185—For subvention to California Tahoe Regional Planning Agency		330,100
	Schedule	
	(a) Local assistance	230,100
	(b) Attorney General contract services	100,000
186—To Resources Agency for allocation to the Tahoe Regional Planning Agency for support		75,000
	provided, that the Secretary of the Resources Agency may allocate funds appropriated by this item solely for the defense of actions brought in inverse condemnation, for the enforcement of ordinances, and for the establishment of air and water standards for the Tahoe Basin	
187—For support of the Environmental Protection Program, Resources Agency, payable from moneys in the California Environmental Protection Program Fund to be allocated by the Department of Finance upon recommendation of the Secretary of the Resources Agency		1,091,500
	Schedule	
	(a) Department of Forestry	362,500

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	(b) Department of Parks and Recreation	360,000
	(c) Department of Fish and Game	355,000
	(d) Resources Agency	14,000
	provided, that the expenditure of funds for the Klamath River salmon enhancement project in this item shall not be construed to provide any increased or reduced control by the State of California with respect to Native American Indian subsistence or ceremonial fishery rights on the Klamath and Trinity Rivers, nor shall it be construed to affect the legal status of some or all of the Indian fisheries or the internal affairs of the Indian tribes involved.	
187.5	—To the Resources Agency, for support of the Santa Monica Mountains zone lands acquisition program, payable from moneys in the California Environmental Protection Program Fund, to be used for qualification for federal grants pursuant to subsection (n) of Section 507 of the National Parks and Recreation Act of 1978	84,000
	provided, that not more than $35,000 may be allocated by the Director of Finance to the Santa Monica Mountains Comprehensive Planning Commission for such purpose	
188	—For support of California Conservation Corps	16,046,616
	Schedule	
	(a) Personal services	6,680,384
	(b) Operating expenses and equipment	18,376,287
	(c) Reimbursements	−2,994,074
	(d) Federal funds	−6,015,981
	provided, that the amount expended under this item shall be reduced by order of the Director of Finance in an amount equal to any reimbursements for work projects in excess of $352,442	
189	—For support of State Energy Resources Conservation and Development Commission, payable from the State Energy Resources Conservation and Development Special Account, General Fund	22,169,809
	Schedule:	
	(a) Personal services	13,768,242
	(b) Operating expenses and equipment	17,232,017
	(c) Transfer from State Energy Resources Conservation and Development Reserve Account	−353,936
	(d) Federal funds	−6,267,386

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(e) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 189 5) .. .. —2,209,128

provided, that the $50,000 budgeted to encourage the development of the Heber geothermal powerplant in the Imperial Valley may be used only for that purpose.

Provided further, that $1,000,000 of the funds appropriated by this item shall be used by the commission to contract for the development and demonstration of an energy efficient coal fired, nonsteam cycle, energy source, utilizing coal substantially free of sulfur, moisture and ash and to burn with the substantial absence of sulfur dioxide and nitrous oxide without additional pollution control devices; provided further, that the contract shall result in a report and demonstration of the feasibility of such clean processed coal for use in turbine and internal or external combustion engines; provided further, that progress payments may be made on such a contract.

Provided further, that $850,000 of the funds appropriated by this item shall be used by the commission for nuclear assessment purposes with prime focus on (1) the assessment of controlled filtered venting of nuclear powerplant facilities, (2) the development of an emergency response plan for nuclear powerplant accidents, and (3) the monitoring of nuclear powerplant facilities

Provided further, that the commission shall work with the Office of Emergency Services in the development of the emergency response plan for nuclear powerplant accidents which shall be submitted to the Chairman of the Joint Legislative Budget Committee by February 1, 1980

Provided further, that the commission shall request the Office of Emergency Services to concur with the submitted plan and with any contract to be let by the commission relating to development of the plan and, in the event that the office refuses to concur with the submitted plan, then its nonconcurrence and comments thereon shall be included with the plan when it is submitted to the Chairman of the Joint Legislative Budget Committee

Provided further, that in the event that the office refuses to concur with any contract to be let by the commission relating to the development of

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	the plan, then the commission shall not let such a contract unless a 30 day prior notification of the refusal to concur by the office in such contract has been submitted by the commission to the Chairman of the Joint Legislative Budget Committee Provided further, that the additional positions for the fuel policy and allocation program funded by this item shall be limited to only one year.	
189.5	—To State Energy Resources Conservation and Development Commission, to be transferred to Item 189, payable from the Motor Vehicle Account, State Transportation Fund	2,209,128
	provided, that funds appropriated by this item shall be used by the commission to contract for the development and demonstration of energy efficient, coal fired, internal combustion engines utilizing coal substantially free of sulfur, moisture, and ash These engines shall meet California emission standards and shall be of a type adaptable for use in motor vehicles in California. The contract shall result in a report and demonstration of the feasibility of using coal for combustion in passenger vehicles and trucks Progress payments may be made on such contract	
190	—For support of Solid Waste Management Board..	1,301,457
	Schedule	
	(a) Personal services	2,119,846
	(b) Operating expenses and equipment	14,657,671
	(c) Federal funds	—2,219,500
	(d) Amount payable from the State Litter Control, Recycling and Resource Recovery Fund (Item 191)	—13,256,560
191	—For support of the State Solid Waste Management Board, for the purposes of the Litter Control, Recycling, and Resource Recovery Act of 1977 (commencing with Section 68000 of the Government Code), to be transferred to Item 190, payable from the State Litter Control, Recycling, and Resource Recovery Fund.	13,256,560
	provided, that notwithstanding the 5 percent expenditure requirement for program management and administrative costs contained in Section 68052 of the Government Code, the board shall follow Section 68042 of the Government Code in allocating the funds appropriated by this item.	

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192—For a loan, as determined and ordered by the Director of Finance, to the State Litter Control, Recycling, and Resource Recovery Fund ..... provided, that such loan shall be repaid with interest charged at the average rate of interest earned by moneys in the Pooled Money Investment Account during the 1979–80 fiscal year and shall be made on such terms and conditions as the Director of Finance may prescribe.		(3,300,000)
192.5—For support of State Air Resources Board. ..... Schedule:		3,165,661
(a) Personal services	12,255,802	
(b) Operating expenses and equipment	25,311,322	
(c) Reimbursements	−659,099	
(d) Federal funds	−1,597,506	
(e) Amount payable from the Motor Vehicle Account, State Transportation Fund (Item 193)	−14,794,607	
(f) Amount payable from the Automotive Repair Fund (Item 194)	−1,248,108	
(g) Amount payable from the California Environmental Protection Program Fund (Item 195)	−2,071,475	
(h) Amount payable from the Air Pollution Control Fund (Item 196) ..	−1,122,497	
(i) Amount payable from the Vehicle Inspection Fund (Item 197)	−12,908,171	
193—For support of vehicular program, State Air Resources Board, to be transferred to Item 192.5, payable from the Motor Vehicle account, State Transportation Fund		14,794,607
194—For support of State Air Resources Board, to be transferred to Item 192.5, payable from the Automotive Repair Fund		1,248,108
195—For support of State Air Resources Board, to be transferred to Item 192.5, payable from the Environmental Protection Program Fund		2,071,475
196—For support of the State Air Resources Board, to be transferred to Item 192.5, payable from the Air Pollution Control Fund		1,122,497
197—For the purposes of Chapter 20.4 (commencing with Section 9889.50) of Division 3 of the Business and Professions Code, to be transferred to Item 192.5, State Air Resources Board, payable from the Vehicle Inspection Fund		12,908,171
198—For assistance to counties in the operation of local air pollution control districts, State Air Resources		

ITEM		AMOUNT
	Board, in accordance with Chapter 5 (commencing with Section 39800) of Part 2 of Division 26 of the Health and Safety Code	3,700,000
	provided, that the amount appropriated by this item shall be reduced by order of the Director of Finance by the amount of any other funds that become available for the purposes of this item during the 1979–80 fiscal year	
199	—For assistance to counties in the operation of local air pollution control districts, State Air Resources Board, in accordance with Chapter 5 (commencing with Section 39800) of Part 2 of Division 26 of the Health and Safety Code, payable from the Motor Vehicle Account, State Transportation Fund	3,038,000
200	—For support of the Colorado River Board of California	152,261
	Schedule:	
	(a) Personal services	372,183
	(b) Operating expenses and equipment	84,600
	(c) Reimbursements	−304,522
201	—For support of Department of Conservation	7,679,844
	Schedule:	
	(a) Personal services	6,824,816
	(b) Operating expenses and equipment	4,787,659
	(c) California Institute of Technology seismograph network	57,000
	(d) Reimbursements	−2,271,261
	(e) Federal funds	−572,298
	(f) Amount payable from State Highway Account, State Transportation Fund (Item 202)	−11,400
	(g) Amount payable from California Water Fund (Item 203)	−11,400
	(h) Amount payable from Strong-Motion Instrumentation Program Fund (Item 204)	−1,123,272
202	—For support of Department of Conservation to fund the state share of the California Institute of Technology seismograph network, to be transferred to Item 201, payable from the State Highway Account, State Transportation Fund	11,400
203	—For support of Department of Conservation to fund the state share of the California Institute of Technology seismograph network, to be transferred to Item 201, payable from the California Water Fund	11,400

ITEM		AMOUNT
204—For support of Department of Conservation, in carrying out the functions of the Division of Mines and Geology, to be transferred to Item 201, payable from the Strong-Motion Instrumentation Program Fund		1,123,272
205—For support of Department of Forestry		83,801,152
Schedule:		
(a) Personal services	87,924,547	
(b) Operating expenses and equipment	24,452,525	
(c) Fire protection contract—counties	6,845,631	
(d) Fire protection contract—United States Forest Service	2,437,970	
(e) Reimbursements	−35,630,081	
(f) Federal funds	−1,882,125	
(g) Amount payable from Professional Forester Registration Fund (Item 207)	−49,946	
(h) Amount payable from Environmental Protection Program Fund (Item 208)	−282,959	
(i) Amount payable from Timber Tax Fund (Item 209)	−14,410	
provided, that an amount not more than $100,000 in emergency fire suppression and detection costs and related emergency revegetation costs may be expended from the amounts appropriated for categories (a) and (b) without approval of the Department of Finance.		
Provided further, that the sum of $164,297 for the support of timber harvest plan review shall be used only for Z'berg-Nejedly Forest Practice Act of 1973 inspections.		
Provided further, that the Department of Forestry shall terminate its contract with the County of Orange to provide local fire protection services on or before June 30, 1980, and that, upon such termination, local fire protection responsibilities shall be transferred to the county		
206—For allocation by the Director of Finance to the Department of Forestry for emergency fire suppression		5,000,000
207—For support of Department of Forestry, in carrying out the function of forester registration, to be transferred to Item 205, payable from the Professional Forester Registration Fund		49,946
208—For support of Department of Forestry to fund a		

ITEM		AMOUNT
soil erosion study and timber harvest plan review activities, to be transferred to Item 205, payable from the California Environmental Protection Program Fund		282,959
209—For support of Department of Forestry, to be transferred to Item 205, the sum of $14,410 is appropriated from the Timber Tax Fund		(14,410)
210—For support of State Lands Commission		5,266,460
Schedule		
(a) Personal services	6,126,802	
(b) Operating expenses and equipment	1,397,548	
(c) Reimbursements	−240,884	
(d) Reimbursements payable under the provisions of Chapter 138, Statutes of 1964 (First Extraordinary Session)	−1,942,006	
(e) Federal funds	−75,000	
211—For support of Seismic Safety Commission		374,252
Schedule		
(a) Personal services	232,983	
(b) Operating expenses and equipment	141,269	
212—For transfer to the Fish and Game Preservation Fund (Item 215), solely for the support of existing programs devoted to nongame species management and protection and environmental protection		3,943,669
213—For transfer to the Fish and Game Preservation Fund, as determined by the Department of Finance pursuant to Sections 712 and 7149.3 of the Fish and Game Code, the total amount of fees that would otherwise have been collected for sport fishing licenses and stamps and for hunting licenses and tags issued free of charge		781,740
214—For transfer to the Fish and Game Preservation Fund (Item 215), for the support of programs relating to environmental protection, management of nongame species, and for printing the California Fish and Wildlife Plan, Department of Fish and Game, payable from the California Environmental Protection Program Fund		1,285,108
215—For support of Department of Fish and Game, and for the maintenance and construction of fish screens and other stream improvements, and for the purchase of land for game production, improvement of waterfowl areas and research in game management under provisions of the Pitt-		

ITEM		AMOUNT
	man-Robertson Act, fish restoration and management projects under the provisions of the Dingell-Johnson Act, and for commercial fisheries research and development projects under the provisions of the Commercial Fisheries Research and Development Act (Bartlett Act), Department of Fish and Game, payable from moneys in the Fish and Game Preservation Fund, including revenues subject to the provisions of Section 13005 of the Fish and Game Code, which revenues are hereby appropriated to the extent required to meet the appropriation made by this item	28,336,241
	Schedule	
	(a) Personal services	28,762,224
	(b) Operating expenses and equipment	17,217,990
	(c) Reimbursements	−3,160,055
	(d) Federal funds	−8,394,881
	(e) Amount payable from the General Fund (Item 212)	−3,943,669
	(f) Amount payable from the California Environmental Protection Program Fund (Item 214)	−1,285,108
	(g) Transfer from Item 216 (market crab)	−309,937
	(h) Transfer from Item 217 (migrating waterfowl)	−279,400
	(i) Transfer from Item 218 (training)	−165,053
	(j) Transfer from Item 219 (native species preservation)	−30,870
	(k) Amount payable from Chapter 1340, Statutes of 1978	−75,000
216—For transfer to the Fish and Game Preservation Fund (Item 215), for the support of investigations into the decline of the market crab in state waters, Department of Fish and Game, payable from the Fish and Game Preservation Fund		309,937
217—For transfer to the Fish and Game Preservation Fund (Item 215), for the support of projects for the purpose of protecting and propagating migratory waterfowl and for the preservation of wetlands, Department of Fish and Game, payable from the Fish and Game Preservation Fund from revenues derived under the provisions of Section 3700 of the Fish and Game Code		279,400
218—For transfer to the Fish and Game Preservation Fund (Item 215), for the support of the education or training of department employees, Depart-		

ITEM		AMOUNT
ment of Fish and Game, payable from the Fish and Game Preservation Fund from revenues derived under the provisions of Section 12018 of the Fish and Game Code		165,053
219—For transfer to the Fish and Game Preservation Fund (Item 215), for the support of programs related to native species conservation and enhancement as prescribed in the Native Species Conservation and Enhancement Act, Department of Fish and Game, payable from the Native Species Conservation and Enhancement Account in the Fish and Game Preservation Fund		30,870
220—For support of Wildlife Conservation Board, payable from the Wildlife Restoration Fund		293,963
Schedule:		
(a) Personal services	227,556	
(b) Operating expenses and equipment	66,407	
provided, that any money in the Wildlife Restoration Fund in excess of the appropriation made by this item shall continue to be available pursuant to Section 1352 of the Fish and Game Code.		
221—For support of Department of Boating and Waterways, to be transferred to Item 222		230,782
222—For support of Department of Boating and Waterways, the sum of $2,030,134 is appropriated from the Harbors and Watercraft Revolving Fund		(2,030,134)
and in addition thereto, any amounts received from federal grants or other sources.		
Schedule:		
(a) Personal services	1,485,080	
(b) Operating expenses and equipment	755,836	
(c) Feasibility determinations	20,000	
(d) Amount payable from General Fund (Item 221)	−230,782	
(e) Boating safety financial assistance	250,000	
(f) Federal funds	−250,000	
223—For loans to cities, counties, or districts pursuant to Sections 70 2 and 71.4 of the Harbors and Navigation Code, Department of Boating and Waterways, the sum of $6,250,000 is appropriated from the Harbors and Watercraft Revolving Fund		(6,250,000)
Schedule:		
(a) Benicia Marina	400,000	
(b) Channel Island Marina	2,000,000	
(c) Oyster Point Marina	1,800,000	
(d) Redwood City Marina	1,000,000	

ITEM		AMOUNT
	(e) Richmond Marina	1,000,000
	(f) Planning Loans	50,000
	provided, that none of the funds specified in category (b) for Channel Island Marina may be encumbered unless and until the project is approved by the California Coastal Commission.	
	Provided further, that none of the funds specified in category (d) for Redwood City Marina may be encumbered unless and until an environmental impact report for the project has been certified as complete	
224	—For grants for construction and development of small craft launching facilities to cities, counties, districts, or other public agencies pursuant to Section 72.5 of the Harbors and Navigation Code, Department of Boating and Waterways, the sum of $1,670,000 is appropriated from the Harbors and Watercraft Revolving Fund	(1,670,000)
	Schedule:	
	(a) Basso Bridge	135,000
	(b) Crescent City	60,000
	(c) East Bay	300,000
	(d) Floating restrooms	100,000
	(e) Lucerne	50,000
	(f) Monterey	115,000
	(g) Redwood City	300,000
	(h) Skinner Lake	100,000
	(i) Stone's Landing	250,000
	(j) Ramp repairs and extensions	40,000
	(k) Suisun City	220,000
225	—For allotment, pursuant to Section 663.7 of the Harbors and Navigation Code, for boating safety and enforcement programs, Department of Boating and Waterways, the sum of $1,900,000 is appropriated from the Harbors and Watercraft Revolving Fund	(1,900,000)

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226—For allocation by the Director of Finance to provide for repairs, authorized by the Director of Finance, of damage at small craft harbor facilities constructed pursuant to Sections 70 2, 71 4, and 72.5 of the Harbors and Navigation Code, caused by emergency conditions, including but not limited to tidal waves or severe storms, and for payment of deficiencies in appropriations for the Department of Boating and Waterways which may be authorized by the Director of Finance; the sum of $100,000, or so much thereof as may be necessary, is appropriated from the Harbors and Watercraft Revolving Fund		(100,000)
227—For support of California Coastal Commission		5,085,105
Schedule.		
(a) Personal services	4,516,622	
(b) Operating expenses and equipment	2,156,063	
(c) Coastal Energy Impact Program Grants	1,516,420	
(d) Reimbursements	−54,000	
(e) Federal funds	−3,050,000	
228—For assistance to local governments, California Coastal Commission, for coastal planning assistance as provided in Section 16 of Chapter 1330 of the Statutes of 1976, as amended by Section 28 of Chapter 1331 of the Statutes of 1976		356,425
Schedule		
(a) Assistance to local planning agencies	1,701,425	
(b) Federal funds	−1,345,000	
229—For reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs, which relate to activities of the California Coastal Commission, of any new program or increased level of service of an existing program mandated by statute, State Controller		400,000
provided, that allocations to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute that mandates the reimbursement of such costs and of subdivision (d) of Section 2231 of the Revenue and Taxation Code		

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	Provided further, that none of the funds appropriated in this item may be approved for disbursement to any local entity unless the California Coastal Commission has first determined that federal funds are not available.	
230—For support of Department of Parks and Recreation		52,569,575
	Schedule:	
	(a) Personal services	44,709,473
	(b) Operating expenses and equipment	18,792,490
	(bb) Prenegotiation planning, outside appraisal, and legal services	500,000
	(c) Reimbursements	−5,897,154
	(d) Federal funds	−1,781,715
	(e) Amount payable from Park and Recreation Revolving Account, General Fund (Item 231)	−225,256
	(f) Amount payable from State Park Highway Account, Bagley Conservation Fund	−900,000
	(g) Amount payable from Collier Park Preservation Fund (Item 232)	−1,451,723
	(h) Amount payable from Off-Highway Vehicle Fund (Item 233)	−929,760
	(i) Amount payable from Harbors and Watercraft Revolving Fund (Item 234)	−246,780
	provided, that the sum of $428,583 and 20 positions appropriated in support of three redwoods state parks shall be available for expenditure until such time as they are transferred to the National Park Service.	
	Provided further, that contracts for outside legal services related to land acquisition projects are exempt from approval by the Attorney General.	
230.5—For support of the Department of Parks and Recreation, Point Dume—operating costs		50,000
231—For support of the Department of Parks and Recreation, to be transferred to Item 230 by the State Controller, payable from the Park and Recreation Revolving Account, General Fund		225,256
232—For support of the Department of Parks and Recreation, to be transferred to Item 230 by the State Controller, payable from the Collier Park Preservation Fund		1,451,723
233—For support of the Department of Parks and Rec-		

ITEM		AMOUNT
	reation, to be transferred to Item 230 by the State Controller, Payable from the Off-Highway Vehicle Fund	929,760
234	—For support of Department of Parks and Recreation, to be transferred to Item 230 by the State Controller, the sum of $246,780 is appropriated pursuant to subdivision (d) of Section 663 7 of the Harbors and Navigation Code, Harbors and Watercraft Revolving Fund	(246,780)
235	—For local assistance for urban open-space and recreation local grants program, Department of Parks and Recreation, to be available for expenditure during the 1979–80, 1980–81, and 1981–82 fiscal years, to be allocated by the Director of Parks and Recreation to counties, cities, cities and counties, and districts for acquisition or development, or both, of park and recreation areas and facilities and open-space areas in accordance with criteria approved in Section 2 of Chapter 6 of the Statutes of 1977	15,000,000
	provided, that the Department of Finance may authorize the Department of Parks and Recreation to retain from this item an amount for administration of this program and for studies of urban park needs	
	Provided further, that no grant funds will be disbursed sooner than 30 days after the Department of Parks and Recreation reports to the fiscal committees of both houses of the Legislature on the specific projects to be done with the grant funds	
235 1	—For grants to counties, cities, or cities and counties pursuant to subdivision (a) of Section 38270 of the Vehicle Code, Department of Parks and Recreation, payable from the Off-Highway Vehicle Fund	239,782
	Schedule	
	Projects in County of Alpine	
	(a) Hope Valley Snowmobile Parking Development	50,000
	(b) Hope Valley Snowmobile Parking/snow removal	9,000
	(c) Prairie City operation and maintenance 1979–80	180,782
	provided, that notwithstanding the provisions of Section 2 of this act, this item shall be available for expenditure until June 30, 1982	
235 2	—For acquisition projects, development projects,	

ITEM		AMOUNT
or both, for recreational use of off-highway vehicles pursuant to paragraph (2) of subdivision (a) of Section 38270 of the Vehicle Code, Department of Parks and Recreation, payable from the Off-Highway Vehicle Fund to be available for expenditure during the 1979–80, 1980–81, and 1981–82 fiscal years		748,800
Schedule:		
Ventura County:		
(a) U.S Forest Service, Los Padres National Forest OHV facilities	245,500	
Kern County:		
(b) Bureau of Land Management, Bakersfield District OHV facilities	98,000	
(c) Bureau of Land Management, Inter-District OHV facilities	37,000	
Riverside County:		
(d) Bureau of Land Management, Riverside District OHV facilities	216,500	
Sacramento County:		
(e) Bureau of Land Management, Folsom District OHV facilities	95,000	
Mendocino County		
(f) Bureau of Land Management, Ukiah District OHV facilities	56,800	
235.3—For local assistance, Department of Parks and Recreation, for a grant to the City of San Diego to provide funds for the reconstruction of the Old Globe Theatre		750,000
236—For local assistance grants to counties, cities, cities and counties, and districts, payable from Federal funds		(19,397,550)
(a) National Historic Preservation Act of 1966	600,000	
(b) Land and Water Conservation Fund Act of 1965	18,797,550	
provided, that the amount specified by this item constitutes Federal Funds as defined in Section 8.7		
237—For support of Department of Parks and Recreation, Division of Exposition and State Fair, and for payment of principal and interest on revenue bonds to meet the provisions of Section 15849 of the Government Code		3,044,918

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	(a) Personal services	2,734,022
	(b) Operating expenses and equipment	3,889,954
	(c) Payment of interest and principal on revenue bonds	1,130,000
	(d) Operating revenues payable from Item 238	−4,129,808
	(e) Amount payable from the Fair and Exposition Fund	−265,000
	(f) Reimbursements	−314,250

provided, that no more than the amount actually needed to pay any deficit in principal and interest on the revenue bonds shall be made available for expenditure from subitem (c) of this item; and provided further, that the amount appropriated by subdivision (a) of Section 19622 of the Business and Professions Code shall be transferred by the State Controller to this item.

238—For support of the Department of Parks and Recreation, Division of Exposition and State Fair, to be transferred to Item 237 by the State Controller provided, that the expenditures from the appropriation made by this item shall not exceed those operating revenues deposited in the General Fund by the Division of Exposition and State Fair. 4,305,508

239—For support of San Francisco Bay Conservation and Development Commission 635,496

Schedule:

(a)	Personal services	641,945
(b)	Operating expenses and equipment	303,551
(c)	Federal funds	−310,000

240—For reimbursement in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs, which relate to the San Francisco Bay Conservation and Development Commission, of any new program or increased level of service of an existing program mandated by statute, State Controller 9,800

provided, that allocations made to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute that mandates the reimbursement of such costs and of subdivision (d) of Section 2231 of the Revenue and Taxation Code; provided further, that none of the funds appropriated by this item may be approved for disbursement to any local entity unless the San Francisco Bay Conservation and

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	Development Commission has first determined that federal funds from the Coastal Zone Management Act are not available.	
241—For transfer to the Water Resources Revolving Fund, to be transferred by the State Controller in such amounts as the Department of Finance may authorize, for support of Department of Water Resources, including cooperative work with other agencies		19,525,300
Schedule		
(a) Continuing formulation of the California Water Plan	9,482,200	
(b) Implementation of the State Water Resources Development System	4,595,600	
(c) Public safety and prevention of damage	8,169,900	
(d) Services	666,900	
(e) Federal funds	−3,389,300	
provided, that the money so transferred be placed in a special account in that fund and shall not be available for expenditure after June 30, 1980; and any unencumbered balances shall be returned to the General Fund as of June 30, 1980, and that expenditures for General Management and Technical Services not exceed $5,919,300 and $7,397,100, respectively, without prior approval of the Department of Finance		
241.5—For expenditure by the Department of Water Resources, for a cooperative water conservation education program with schools, utilities, and water districts, for water conservation demonstration gardens, and for a project for use of integrated pest management on levees, payable from the California Environmental Protection Program Fund		198,200
242—For expenditure for the sole purpose of repaying a loan made to the Drought Emergency Task Force in the 1976–77 fiscal year from the reserve for contingencies and emergencies, Department of Water Resources		(21,300)
243—For expenditure by the Department of Water Resources, in accordance with Chapters 1 (commencing with Section 12570), 2 (commencing with Section 12639), 3 (commencing with Section 12800), 3.5 (commencing with Section 12840), and 4 (commencing with Section 12850) of Part 6 of Division 6 of the Water Code, for payment of, and		

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	for reimbursement for necessary advances made for, the cost of cooperation by the state for major flood control projects adopted by the Legislature, for small flood control projects approved under Section 12750 of the Water Code, and for watershed protection and flood prevention projects as authorized pursuant to Chapter 4 (commencing with Section 12850) of Part 6 of Division 6 of the Water Code, and administrative costs, Department of Water Resources	3,143,500
	provided, that no expenditure shall be made until the local organizations give assurances that they will maintain and operate the projects after completion in such manner as will accomplish the purposes for which the projects were authorized and constructed and as may be required by the federal agencies concerned and the Department of Water Resources, and that the local organizations will hold and save the State of California free from damages or claims due to the construction, installation, or operation of the project	
243.5	—For expenditure by the Department of Water Resources for reimbursement of agencies for maintenance or improvement costs incurred on nonproject levees	200,000
	provided, that no funds appropriated by this item shall be expended for the purposes of this item unless a nonstate entity provides hold-harmless assurances to the State of California for the work which would be done with such funds.	
244	—For support of State Water Resources Control Board	9,666,321
	Schedule:	
	(a) Personal services	18,023,489
	(b) Operating expenses and equipment	8,282,888
	(c) Reimbursements	−906,804
	(d) Federal funds	−11,206,224
	(e) Amount payable from State Clean Water Fund	−4,527,028
	HEALTH AND WELFARE	
245	—For support of the State Council on Developmental Disabilities, payable from federal funds	(2,296,014)
	provided, that the amount specified by this item constitutes federal funds as defined in Section 8 6	

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	(a) Personal services	244,666
	(b) Operating expenses and equipment	329,338
	(c) Community program development	688,804
	(d) Allocation for area boards	1,033,206
246—For support of area boards on developmental disabilities		0
	(a) Personal services	715,352
	(b) Operating expenses and equipment	317,854
	(c) Reimbursements	−1,033,206
247—For support of the Health and Welfare Agency Consolidated Data Center		(6,534,621)
The sum of $6,534,621 is appropriated from the Health and Welfare Consolidated Data Center Revolving Fund.		
Provided, that the limitations of Item 438 shall not apply to any deficiency expenditure authorization for the Health and Welfare Agency Consolidated Data Center		
248—For support of the Office of Statewide Health Planning and Development		1,120,831
Schedule:		
	(a) Personal services	3,659,889
	(b) Operating expenses and equipment	3,743,760
	(c) Reimbursements	−1,344,410
	(d) Federal funds	−2,716,707
	(e) Amount payable from Health Facilities Construction Loan Insurance Fund	−275,558
	(f) Amount payable from the Hospital Building Account, Architecture Public Building Fund	−1,839,228
	(g) Amount payable from other appropriations	−106,915

provided, that the Director of Statewide Health Planning and Development may give public notice relative to proposing or amending any rule and regulation which could result in increased cost to any program administered by the Office of Statewide Health Planning and Development only after approval by the Department of Finance as to the availability of funds, and provided further, that any rule or regulation adopted by the Director of Statewide Health Planning and Development during the 1979–80 fiscal year which adds

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to the cost of any program administered by the Office of Statewide Health Planning and Development shall only be effective on and after the date upon which it is approved as to the availability of funds by the Department of Finance		
249—For local assistance for the health manpower program, Office of Statewide Health Planning and Development		0
Schedule		
(a) Family physician training	2,832,500	
(b) Amount payable from Chapter 1300, Statutes of 1978	−2,832,500	
250—For reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs, which relate to activities of the Office of Statewide Health Planning and Development, of any new program or increased level of service of an existing program mandated by statute, State Controller.		198,000
provided, that allocations to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute that mandates the reimbursement of such costs and of subdivision (d) of Section 2231 of the Revenue and Taxation Code		
251—For support of Department on Aging and Commission on Aging		1,026,886
Schedule		
(a) Support, Department on Aging	91,625,474	
(b) Support, Commission on Aging	208,565	
(c) Reimbursements	−1,500	
(d) Federal funds	−90,805,653	
252—For support of the Department of Alcohol and Drug Abuse		4,696,833
Schedule		
(a) Personal services	4,296,628	
(b) Operating expenses and equipment	1,788,540	
(c) Special projects	975,675	
(d) Research center	473,565	
(e) Amount payable from other appropriations	−393,565	
(f) Reimbursements	−40,545	
(g) Federal funds	−2,403,465	
provided, that upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this item and Item 253		

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253—For local assistance for alcoholism programs in accordance with the provisions of Part 2 (commencing with Section 11775) of Division 10.5 of the Health and Safety Code, Department of Alcohol and Drug Abuse. 31,860,880
Schedule·
(a) County-based programs..... 35,918,976
(b) Federal funds ..... −4,958,096
(c) Public Inebriate Program 900,000
provided, that the Department of Finance may authorize the transfer of funds from this item to the Health Care Deposit Fund for the state's share of expenditures for alcoholism services provided to persons eligible under the California Medical Assistance Program

254—For local assistance for narcotics and drug abuse programs in accordance with the provisions of Part 3 (commencing with Section 11860) of Division 10 5 of the Health and Safety Code, Department of Alcohol and Drug Abuse 22,668,604
Schedule
(a) Local assistance 38,987,930
(b) Federal funds. . . . . −16,319,326
provided, that upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this item and Item 275 for purposes of paying the cost of local assistance, narcotics and drug abuse programs.

Provided further, that the Department of Finance may authorize the transfer of funds from this item to the Health Care Deposit Fund for the state's share of expenditures for narcotics and drug abuse services provided to persons eligible under the California Medical Assistance Program.

Provided further, that of the total amount appropriated by this item, the department shall make $3,710,001 available for treatment of adolescents, women, parenting, and polydrug users, and shall make $300,000 available for increases in reimbursements to residential facilities to meet the costs of licensing standards

255—For local assistance for narcotics and drug abuse programs, Department of Alcohol and Drug Abuse 355,000

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	provided, that the funds appropriated by this item shall be expended by grant or contract for intervention and education and other types of prevention activities specifically associated with the juvenile and adolescent use of phencyclidine, commonly referred to as PCP or Angel Dust.	
256—For support of the Governor's Advisory Committee on Child Care appointed pursuant to Section 8254 of the Education Code		77,444
256.1—To the Governor's Advisory Committee on Child Care for support of a study of child development services, preparing and distributing a report regarding such study, and preparing and distributing recommendations based upon such study, as specified		10,000
	provided, that the Governor's Advisory Committee on Child Care, as soon as possible after July 1, 1979, shall assemble a task force to guide, advise, and assist it in the implementation of the provisions of this item	
	Provided further, that such task force shall include, if possible, but shall not be limited to, at least one representative of each of the following:	
	(1) Providers of child development services (both subsidized and not subsidized with public funds)	
	(2) Parents of children who receive child development services (both subsidized and not subsidized with public funds)	
	(3) Employees of providers of child development services (both subsidized and not subsidized with public funds)	
	(4) The Department of Finance	
	(5) The Department of Education	
	(6) The Office of the Legislative Analyst	
	(7) The Office of the Auditor General	
	(8) The Senate Office of Research	
	(9) The Assembly Office of Research	
	(10) The Senate Committee on Education	
	(11) The Assembly Committee on Human Resources	
	(12) The State Department of Social Services	

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(13) The Office of Economic Opportunity within the Employment Development Department.

Provided further, that the study funded pursuant to this item shall include, but shall not be limited to, the following:

(1) An evaluation of current systems of assessing needs for child development services.

(2) An evaluation of the present method for allocating public funds which support child development services

(3) An evaluation of the feasibility and desirability of utilizing regionally or locally established entities to assess child development needs and to determine priorities for the allocation of public funds which support child development services in their respective areas, including, but not limited to, the development of alternative models, if feasible and desirable, for the establishment of such entities on a pilot program or permanent basis.

Provided further, that the Governor's Advisory Committee on Child Care shall report the results of its study, and shall submit recommendations based thereupon, on or before January 1, 1980, to the Joint Legislative Budget Committee, the committee in each house which considers appropriations and, to the extent possible, all agencies and individuals requesting such report and recommendations.

Provided further, that the funds appropriated by this item may be expended by the Governor's Advisory Committee on Child Care, with the consent of the Department of Finance, and subject to applicable provisions of law and regulation, for the following purposes

(1) To employ temporary personnel to carry out the provisions of this item, including, but not limited to, payment of stipends to student interns

(2) To pay individuals serving on the task force per diem and to other-

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	wise reimburse such individuals for expenses associated with their participation on the task force.	
	(3) To contract for services or supplies needed to carry out the provisions of this item	
	(4) To pay for the preparation, printing, and distribution of the report and recommendations as specified in this item.	
257—For support of Department of Health Services .. Schedule:		59,285,345
	(a) Personal services 80,627,662	
	(b) Operating expenses and equipment .. . 43,176,035	
	(c) For transfer to the Health Care Deposit Fund 28,202,519	
	(d) Reimbursements . −11,141,456	
	(e) Federal funds . . .. −6,356,500	
	(f) Amount payable from other appropriations . ... −412,402	
	(g) Amount payable from Hazardous Waste Control Account, General Fund . . −1,013,819	
	(h) Amount payable from Motor Vehicle Account, State Transportation Fund (Item 259) −311,545	
	(i) Amount payable from Health Care Deposit Fund .. . −60,205,872	
	(j) Amount payable from Item 258 (licensing) −12,389,743	
	(k) Amount payable from General Fund loan to the Genetic Disease Testing Fund in accordance with Section 6 of Chapter 1037, Statutes of 1977 −889,534	
	(*l*) Federal funds per Section 8 6 . .(32,003,353)	
provided, that the funds appropriated in subitem (c) shall be transferred by the Controller to the Health Care Deposit Fund to match federal funds for support of the Department of Health Services, provided further, that the Director of Health Services may give public notice relative to proposing or amending any rule or regulation which could result in increased cost to any program administered by the Department of Health Services only after approval by the Department of Finance as to the availability of funds, provided further,		

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that any rule or regulation adopted by the Director of Health Services shall only be effective from and after the date upon which it is approved as to availability of funds by the Department of Finance

Provided further, that should any additional funds become available to the state for venereal disease programs, such funds shall be used in lieu of funds appropriated from the General Fund for such purpose.

Provided further, that any funds appropriated by this item for grants and contracts for lupus erythematosus research shall be subject to the provisions of Section 3 of Chapter 983, Statutes of 1978

Provided further, the department shall offer to counties currently receiving public health services from the state under contract the option of receiving financial support in lieu of such contract services To the extent that local agencies are not willing or able to establish the twenty-two positions reduced in contract counties, the State Department of Health Services, with the approval of the Department of Finance, may reestablish the necessary positions to continue providing public health services to the counties, provided further, that such positions shall be exempt from the provisions of Section 20 of the Budget Act of 1978

Provided further, that any positions budgeted for within the Budget Act of 1978, proposed for deletion in the 1979–80 Governor's Budget and subsequently included by the Legislature in the Budget Act of 1979, shall not be subject to Section 20 of the Budget Act of 1978

Provided further, that the department shall use two full-time equivalent field auditor positions to inspect relevant payroll and personnel records of skilled nursing facilities and intermediate care facilities to ensure that legislatively mandated wage and benefit increases are implemented

Provided further, that the department shall design and implement a pilot project to test concepts relating to long-term care including alternate methods of classifying patients and determining reimbursement rates The department shall consult with counties which operate long-term care facilities, take into consideration their experience in the project design, and may include

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	both county and noncounty facilities in the pilot project The department shall seek federal approval and funding of the pilot project, which may utilize, to the extent permitted by law, county funds to meet the matching requirement for federal financial participation. Pilot project implementation shall be contingent upon obtaining federal approval and funding. Upon conclusion of the pilot project, the department shall not be mandated to continue to fund those services included in the pilot project. The department shall report to the Legislature on the status of the pilot project on or before January 1, 1980.	
258—For support of the Department of Health Services for licensing and certification		5,485,534
Schedule		
(a) Health care facilities licensing	12,389,743	
(b) For transfer to the Health Care Deposit Fund	1,056,853	
(c) Federal funds	−2,785,955	
(d) Amount payable from Health Care Deposit Fund .	−5,175,107	
(e) Federal funds per Section 8 6 .	(4,118,254)	
provided, that upon order of the Department of Finance, the State Controller shall transfer funds from (b) of this item to the Health Care Deposit Fund for the state's share of expenditures under the California Medical Assistance Program.		
259—For support of Department of Health Services, to be transferred to Item 257 payable from the Motor Vehicle Account, State Transportation Fund		311,545
260—For transfer to the Public Health Federal Fund to reflect the grants received for Special Project activities		(60,412,676)
provided that the amount specified by this item constitutes Federal Funds as defined in Section 8 6		
261—For transfer to the Health Care Deposit Fund to provide for the Medical Assistance Program expenditures for medical care and services, other than induced abortions		1,522,372,580
Schedule		
(a) State share	1,522,372,580	
(b) Federal Funds per Section 8 7	(1,545,688,671)	
provided, except as otherwise provided in this item, that the amount authorized to be expended by this item shall fully cover the state's share of		

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payments for medical care and services as defined in the Welfare and Institutions Code, for the 1979–80 fiscal year; provided further, that notwithstanding any other provision of law, funds transferred from this item to the Health Care Deposit Fund by the State Controller shall not exceed the state's share, determined pursuant to a plan approved by the Director of Finance, of bills for services and administration approved for payment as certified by the Director of Health Services

Provided further, that after June 30, 1980, a transfer to the Health Care Deposit Fund from this item shall be permitted to meet the total General Fund obligation.

Provided further, that upon the request of the Director of Health Services and the approval of the Director of Finance, funds may be advanced to the Health Care Deposit Fund only pursuant to the provisions of Section 16351 of the Government Code

Provided, notwithstanding any other provision of law, that the Department of Health Services may give public notice relative to proposing or amending any rule or regulation which could result in increased cost to the Medical Assistance Program only after approval by the Department of Finance as to the availability of funds, provided further, that any rule or regulation adopted by the Director of the Department of Health Services during the 1979–80 fiscal year which adds to the cost of the Medical Assistance Program shall only be effective from and after the date upon which it is approved as to availability of funds by the Department of Finance

Provided, that notwithstanding any other provision of law, any federal and county funds received under the provisions of Section 14157 of the Welfare and Institutions Code during the 1979–80 fiscal year, for expenditures for health care services pursuant to Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code, made from funds transferred to the Health Care Deposit Fund from the General Fund in prior years, shall be transferred from the Health Care Deposit Fund to the General Fund

Provided, that notwithstanding any other provision of law, the disposition of any money recovered for previously paid health care services

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provided pursuant to Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code shall be as follows

(1) If recovered from a third party who is civilly liable or under a contractual obligation, the nonfederal share shall, after being deposited in the Health Care Deposit Fund, be transferred to the General Fund

(2) If recovered by the fiscal intermediary, both federal and nonfederal shares, except as provided in paragraph (1) of this proviso, are hereby appropriated and shall be expended as soon as practicable for medical care and services as defined in the Welfare and Institutions Code

(3) If recovered by the state for settlement of county hospital cost report audits, both federal and nonfederal shares are hereby appropriated and shall be expended as soon as practicable for medical care and services as defined in the Welfare and Institutions Code.

(4) If not otherwise provided for in this proviso, the nonfederal share shall, after being deposited in the Health Care Deposit Fund, be transferred to the General Fund

Provided, that notwithstanding any other provision of law, accounts receivable, for recoveries as described in this item, shall have no effect upon the positive balance of the General Fund or the Health Care Deposit Fund.

Provided, that notwithstanding any other provision of law, money recovered as described in this item required to be transferred from the Health Care Deposit Fund to the General Fund shall be credited by the State Controller to the General Fund without regard to the appropriation from which it was drawn.

Provided further, that funds appropriated by this item for the Mediscreen Program shall be allocated and administered in conjunction with funds appropriated in Item 264 for the Child Health Disability Prevention Program.

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Provided further, that the Department of Health Services shall reimburse hospitals operated by the University of California for medical teaching purposes, where the university is responsible for the operating costs of such a hospital, at rates for services to Medi-Cal patients which results in the minimum General Fund liability for the care of such patients

Provided further, that the General Fund shall make a loan available not to exceed $45 million to be transferred from time to time as needed to the Health Care Deposit Fund (HCDF) to meet cash needs. Provided further, that any additional loan requirement in excess of $45 million shall be processed in the manner prescribed by Section 16351 of the Government Code.

Provided further, that the Director of Finance may authorize the State Controller to transfer such amounts from this item to Item 261.5 necessary for the purposes of that item.

261.5—For transfer to the Health Care Deposit Fund to provide for the Medical Assistance Program expenditures for induced abortions 9,802,400

provided, that none of the funds appropriated by this item shall be used to pay for abortions, except under any of the following circumstances

(a) Where the life of the mother would be endangered if the fetus were carried to full term.

(b) Where the pregnancy is ectopic

(c) Where the pregnancy results from an act punishable under Section 261 of the Penal Code, and such act has been reported, within 60 days, to a law enforcement agency or a public health agency which has immediately reported it to a law enforcement agency, and the abortion occurs during the first trimester

(d) Where the pregnancy results from an act punishable under Section 261 5 of the Penal Code, and the female is under 18 years of age, and the abortion is performed no later than the first trimester, provided the female's parent or guardian or, if none, an adult of the female's choice is notified at least five days prior to the abortion by the physician who performs the abortion. Regulations governing the notice requirement shall be promulgated by the State Director of Health Services.

(e) Where the pregnancy results from an act

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punishable under Section 285 of the Penal Code, and such act has been reported to a law enforcement agency or a public health agency which has immediately reported it to a law enforcement agency and the abortion occurs no later than during the second trimester

(f) Where it is determined by prenatal studies limited to amniocentesis, fetal blood sampling, fetal antiography, ultrasound, X-ray, or maternal blood examination that the mother is likely to give birth to a child with a major or severe genetic or congenital abnormality due to the presence of chromosomal abnormalities, neural tube defects, biochemical diseases, hemoglobinopathies, sex-linked diseases, and infectious processes.

(g) Where severe and long-lasting physical health damage to the mother would result if the pregnancy were carried to term, when so certified under penalty of perjury by two physicians, one of whom, where practicable, is a specialist in the affected medical discipline, and documentation thereof is provided with the claim for payment

Provided further, that nothing in this item shall be interpreted to prohibit payment for drugs or devices to prevent implantation of the fertilized ovum

Provided further, that limitation on payment for abortions provided for in this item shall apply only to abortions performed after August 15, 1979

Provided further, that in every case, there be, prior to abortion, appropriate counseling regarding the situation, complications, risks, benefits, and alternatives.

Provided further, that the State Department of Health Services provide the Legislature by May 1, 1980, a report listing the number of abortions theretofor paid for during fiscal year 1979–1980 pursuant to this act, with such report to specify the number of abortions performed under each category, and further specify the reasons or conditions within each category which qualified the particular pregnancy for the abortion and payment pursuant to this item

Provided further, that if any of the provisions of this item or the application thereof to any person or circumstances is stayed, enjoined, otherwise delayed or invalidated by court action, the De-

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	partment of Finance shall authorize the State Controller to transfer from Item 261 to this item such sums determined by the Director of Finance which are necessary to provide for the costs of those abortions fundable as a result of such court action. The Department of Finance shall give the Legislature notice of any such authorization within 30 days after the authorization.	
261 6—For transfer to the Health Care Deposit Fund to provide for the Medical Assistance Program expenditures for abortions ..... Schedule:		—0—
	(a) For payment for abortions 12,500,000	
	(b) Transfer from Item 261. .....—12,500,000	
	provided, that funds appropriated in this item shall be available for expenditure for abortions only to the extent that legislation is enacted during the 1979–80 Regular Session which amends Section 14132 of the Welfare and Institutions Code to provide for payment for abortions which are not payable under the provisions of Item 261 5	
262—For transfer to the Health Care Deposit Fund to provide for the state's share of Medical Assistance Program expenditures for fiscal intermediary services ..... Schedule.		23,777,600
	(a) Fiscal intermediary services—Medi-Cal intermediary operations 16,338,900	
	(b) Fiscal intermediary services (new contractor) 7,438,700	
	(c) Federal funds per Section 8 7 (46,002,200)	
	provided, that the amount authorized to be expended by this item shall fully cover the state's share of payments for fiscal intermediary services for the 1979–80 fiscal year, provided further, that notwithstanding any other provision of law, funds transferred from this item to the Health Care Deposit Fund by the State Controller shall not exceed the state's share, determined pursuant to a plan approved by the Director of Finance, of bills for services and administration approved for payment as certified by the Director of Health Services	
	Provided further, that after June 30, 1980, a transfer to the Health Care Deposit Fund from this item shall be permitted to meet the total General Fund obligation. Provided further, that upon the request of the Director of Health Services, and	

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the approval of the Director of Finance, funds may be advanced to the Health Care Deposit Fund only pursuant to the provisions of Section 16351 of the Government Code

Provided further, that notwithstanding any other provision of law, the Department of Health Services may give public notice relative to proposing or amending any rule or regulation which could result in increased cost to the Medical Assistance Program only after approval by the Department of Finance as to the availability of funds; provided further, that any rule or regulation adopted by the Director of Health Services during the 1979-80 fiscal year which adds to the cost of the Medical Assistance Program shall only be effective from and after the date upon which it is approved as to availability of funds by the Department of Finance.

Provided further, that change orders to the fiscal intermediary contract for amounts exceeding $50,000 shall be approved not sooner than 30 days after written notification of the change order to the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee, or not sooner than such lesser time as the Chairman of the Joint Legislative Budget Committee, or his designee, may designate.

263—For transfer to the Health Care Deposit Fund to provide for the state's share of Medical Assistance Program expenditures for county administration 97,966,200

Schedule:

(a) State share 97,966,200

(b) Federal funds per Section 8 7 (44,735,321)

provided, that the amount authorized to be expended by this item shall fully cover the state's share of payments for county administration for the 1979-80 fiscal year; provided further, that notwithstanding any other provision of law, funds transferred from this item to the Health Care Deposit Fund by the State Controller shall not exceed the state's share, determined pursuant to a plan approved by the Director of Finance, of bills for services and administration approved for payment as certified by the Director of Health Services.

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Provided further, that after June 30, 1980, a transfer to the Health Care Deposit Fund from this item shall be permitted to meet the total General Fund obligation

Provided further, that upon the request of the Director of Health Services, and upon the approval of the Director of Finance, funds may be advanced to the Health Care Deposit Fund only pursuant to the provisions of Section 16351 of the Government Code

Provided further, that notwithstanding any other provision of law, the Department of Health Services may give public notice to proposing or amending any rule or regulation which could result in increased cost to the Medical Assistance Program only after approval by the Department of Finance as to the availability of funds; provided further, that any rule or regulation adopted by the Director of Health Services during the 1979–80 fiscal year which adds to the cost of the Medical Assistance Program shall only be effective from and after the date upon which it is approved as to availability of funds by the Department of Finance

Provided further, that during the 1979–80 fiscal year, the Department of Health Services shall continue the implementation of a plan whereby costs for county administration will be effectively controlled within the amount appropriated by this item

Provided further, that notwithstanding any provisions of the Welfare and Institutions Code to the contrary, the amount of state funds available to counties for the administration of the Medical Assistance Program shall be limited to the amount appropriated in this item, administered in accordance with the County Administrative Cost Control Plan by the Department of Health Services for fiscal year 1979–80

Provided further, that notwithstanding any provision of the Welfare and Institutions Code to the contrary, none of the funds appropriated by this item shall be used to provide cost-of-living increases to county employees which are in excess of 6 percent

Provided further that recoveries of advances made to counties in prior years pursuant to Section 14153 of the Welfare and Institutions Code

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are hereby reappropriated to the Health Care Deposit Fund for reimbursement of those counties where allowable costs exceeded the amounts advanced; provided further, that recoveries in excess of the amounts required to fully reimburse allowable costs shall be transferred to the General Fund

Provided further, that the department shall institute a county administrative cost control plan for the 1979–80 fiscal year which identifies counties with low worker productivity. The department's plan shall utilize the most recent data available and shall identify the ratio of eligibility workers, clerical and administrative staff per unit of workload and excessive nonsalary overhead expenditures per unit of workload Counties with low worker productivity or excessive overhead expenditures as defined by the department shall receive reduced allocations in order to induce counties to improve worker productivity and/or reduce excessive overhead costs The department's cost control plan shall recognize distinctions between large, medium and small counties and may include other such categories as the department deems appropriate The department may provide additional funds to counties with reduced allocations if an augmentation is requested and if the county submits an acceptable plan for improving its productivity per worker and reducing excessive overhead.

Provided further, that in the event of a surplus of funds in this item, the department shall not allocate such funds to any county to defray county cost overruns which result from county failure to meet the minimum productivity expectations approved by the department.

Provided further, that the department shall prepare budget justification proposals to justify special county projects which will add to the total cost of county administration in the 1980–81 fiscal year

264—For assistance to cities, counties, and local public and private agencies for child health disability prevention services, Department of Health Services 7,630,785

Schedule:

(a) Child health disability prevention in accordance with Article 3.4

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	(commencing with Section 320), Chapter 2, Part 1, Division 1, of the Health and Safety Code.....	12,908,263
	(b) Child health disability prevention, supplemental program.....	1,000,000
	(c) For transfer to the Health Care Deposit Fund.	2,313,425
	(d) Amount payable from the Health Care Deposit Fund	−8,590,903
	(e) Federal Funds per Section 8.6 .	(6,277,478)

provided, that upon order of the Department of Finance, the State Controller shall transfer funds from subitem (c) to the Health Care Deposit Fund for the state's share of expenditures for child health disability prevention services provided to persons eligible under the California Medical Assistance Program.

265—For transfer to Items 261, 264, 266, and 267, upon order of the Department of Finance, for the state's share of rate increases for providers of health care services under the California Medical Assistance Program, and under the Child Health Disability Prevention Program, Article 3 4 (commencing with Section 320), Chapter 2, Part 1, Division 1, Health and Safety Code, California Children Services Program, Article 2 (commencing with Section 248), Chapter 2, Part 1, Division 1, Health and Safety Code, and Family Planning Services, Section 14503, Welfare and Institutions Code ... 98,169,820

Schedule

(a) State Share 98,169,820

(b) Federal Funds per Section 8 7. (77,320,655)

provided, that $74,796,054 shall be used to provide all programs and providers an 8 percent rate increase

Provided further, that the remaining $23,373,766 appropriated by this item shall be used to provide additional rate increases to any program or provider for purposes of making equity adjustments based on usual and customary fees for services Such additional rate increases shall be determined by the Director of Health Services, but shall result in total rate increases for specified services as follows

Service	Percentage Increase
(1) Obstetrical and gynecological physician services	47

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(2)	Pediatrician services..	12.5
(3)	Hospital emergency room physician services	12.5
(4)	Orthotics and prosthetics	23
(5)	Physical and occupational therapy	69.7
(6)	Speech Therapy...	38.2
(7)	Community rehabilitation centers and independent rehabilitation facilities shall be increased in accordance with the appropriate rate or rates specified in (5) and (6)	

Provided further, that it is the intent of the Legislature that if the Governor makes any reduction in the total amount appropriated by this item, such reduction shall be proportionate between the $74,796,054 for the 8 percent across-the-board rate increase and the $23,373,766 for the equity rate adjustments.

Provided further, that notwithstanding any other provision of law, the nursing home rate increase made pursuant to this item shall be in addition to any other legislatively mandated nursing home rate increase.

Provided further, that the reimbursement rate for any procedure or service shall not be increased to exceed the Medicare rate for a comparable procedure or service, nor shall the reimbursement rate for any procedure or service which is currently above the Medicare rate be increased above its current level.

Provided further, that the Director of Health Services shall adopt regulations, which provide for the rate increases under this item, as emergency regulations in accordance with the provisions of the Administrative Procedure Act (Chapter 4.5 (commencing with Section 11371), Part 1, Division 3, Title 2 of the Government Code); and provided further, that for purposes of the Administrative Procedure Act, the adoption of the rate increase regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare.

266	—For assistance to cities, counties and local public and private nonprofit agencies for health services, Department of Health Services..... ..... Schedule.	44,267,360

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(a) For a tuberculosis control program in accordance with the provisions of Sections 3279 to 3295 and 3315 to 3317, inclusive, of the Health and Safety Code.			364,922
(b) Local health agencies, districts, and private nonprofit agencies, in accordance with the provisions of Article 3 (commencing with Section 300), Chapter 2, Part 1, Division 1 of, Chapter 8 (commencing with Section 1100), Part 2, Division 1 of, and Chapter 7 (commencing with Section 3380), Division 4 of the Health and Safety Code			11,373,329
(c) Special medical care program			3,985,049
Subschedule:			
(1) Renal dialysis program in accordance with Article 7.7 (commencing with Section 417), Chapter 2, Part 1, Division 1 of the Health and Safety Code	716,994		
(2) Genetically handicapped person's program in accordance with Article 3 6 (commencing with Section 340) of Chapter 2 of Division 1 of the Health and Safety Code. .	3,268,055		
(d) Genetic disease prevention			990,236
(e) Tay-Sachs disease screening. . .			393,260
(f) Immunization assistance.			1,236,519
(g) Indian health services in accordance with Article 14 (commencing with Section 429 30), Chapter 2 of Part 1 of Division 1 of the Health and Safety Code.....			2,445,073
(h) Family planning services in accordance with Sections 14503 and 14504 of the Welfare and Institutions Code			28,594,764

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(i)	Maternal and child health services	9,423,841
(j)	Rural health in accordance with Part 4 (commencing with Section 1185) of Division 1 of the Health and Safety Code	2,856,848
(k)	Federal funds	−16,771,617
(*l*)	Amount payable from other appropriations	−74,864
(m)	Amount payable from the Immunization Adverse Reaction Fund in accordance with Article 14.5 (commencing with Section 429 35) Chapter 2 of Part 1 of Division 1 of the Health and Safety Code	−50,000
(n)	Reimbursements	−500,000

provided, that should influenza vaccine, or funding for influenza vaccine, become available to the state, such resources or funds shall be used in lieu of equivalent funds appropriated from the General Fund for such purpose to the extent that the same target population is served.

Provided further, that the department shall implement a repayment system for the genetically handicapped person's program which shall include, but not be limited to, the following:

(1) No repayments shall be required for families whose previous year's adjusted gross income is below 200 percent of the AFDC Minimum Basic Standards of Adequate Care, plus a monthly allowance for the higher cost of living for the disabled person in the household, as allowed by the Supplemental Security Income Program.

(2) Repayment obligations for families that do not meet the above criteria shall be the actual cost of care to the program, up to 200 percent of the family's total state tax liability.

(3) The repayment system shall not take property or assets into account in determining repayment obligations.

(4) An appeals system shall be made available to adjust repayment obli-

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gations on the basis of the substantial changes in income since the previous tax year or on the basis of unavoidable family expenses which dramatically reduce disposable income in the current year.

267—For assistance to cities, counties, and local public and private nonprofit agencies for California children's services, Department of Health Services.. 26,944,825
Schedule:

(a) Services to physically handicapped children in accordance with provisions of Article 2 (commencing with Section 248) of Chapter 2 of Division 1 of the Health and Safety Code.... 32,614,525
(b) Federal funds..... .....—4,704,700
(c) Family repayments. ..... —965,000

provided, that any person who is eligible for and is receiving services under the program funded by this item shall not be denied services or suffer an interruption of services because of any relocation within this state.

Provided further, that the department shall implement a repayment system for the California Children's Services program which shall include, but not be limited to, the following:

(1) No repayment shall be required for families whose previous year's adjusted gross income is below 200 percent of the AFDC Minimum Basic Standards of Adequate Care, plus a monthly allowance for the higher cost of living for the disabled person in the household, as allowed by the Supplemental Security Income Program
(2) Repayment obligations for families that do not meet the above criteria shall be the actual cost of care to the program, up to 200 percent of the family's total state tax liability.
(3) The repayment system shall not take property or assets into account in determining repayment obligations
(4) An appeals system shall be made

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	available to adjust repayment obligations on the basis of substantial changes in income since the previous tax year or on the basis of unavoidable family expenses which dramatically reduce disposable income in the current year.	
268—For reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs, which relate to activities of the Department of Health Services, of any new program or increased level of service of an existing program mandated by statute, State Controller		169,488
provided, that allocations to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute that mandates the reimbursement of such costs and of subdivision (d) of Section 2231 of the Revenue and Taxation Code.		
269—For support of the State Department of Developmental Services		9,323,299
Schedule:		
(a) Personal services	16,674,382	
(b) Operating expenses and equipment	4,908,963	
(c) Reimbursements	−2,107,394	
(d) Special project activities	0	
(1) Special project activities	3,690,875	
(2) Reimbursements .	−2,926,680	
(3) Federal funds	−764,195	
(e) Amount payable from Item 271 (c)	−10,152,652	
Provided further, that the Director of Developmental Services may give public notice relative to proposing or amending any rule or regulation which could result in increased cost to any program administered by the State Department of Developmental Services only after approval by the Department of Finance as to the availability of funds.		

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Provided further, that any rule or regulation adopted by the Director of Developmental Services during the 1979–80 fiscal year which adds to the cost of any program administered by the State Department of Developmental Services shall only be effective from and after the date upon which it is approved as to availability of funds by the Department of Finance

270—For support of the state hospitals in the State Department of Developmental Services 0
Schedule:
(a) State hospitals..... 343,637,929
(b) Payable from Item 271(a) .....—242,799,255
(c) Payable from appropriations to the Department of Mental Health—94,438,198
(d) Reimbursements ..... —6,400,476
provided, that upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this item and Items 271, 274 and 275.

271—For local assistance for the developmental disabilities program, State Department of Developmental Services 400,159,228
Schedule:
(a) State hospital services 242,799,255
(b) For contracts with regional centers 145,895,343
(1) Operations..... 52,374,681
(2) Purchase of services 84,500,152
(3) Price and provider rate increase..... 9,020,510
(c) Protective living services 10,152,652
(d) Program Development Fund (Sec. 4677, W & I Code)..... 1,620,400
(e) Developmental Disabilities Prevention Project..... 248,293
(f) Amount payable from the Program Development Fund..... —1,620,400
(g) Cultural center for the handicapped 63,685
(h) Community living continuums 1,000,000
provided, that the Department of Finance may authorize the transfer of funds from this item to Item 287 to match federal funds to provide protective living services to the mentally retarded; provided further, that upon order of the Department of Finance, the State Controller shall transfer such

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funds as are necessary between this item and Items 270, 274, and 275; provided further, that the Department of Finance may authorize the transfer of funds from this item to the Health Care Deposit Fund for the state's share of expenditures for developmental disabilities services provided to persons eligible under the California Medical Assistance Program

Provided further, that the State Department of Developmental Services shall comply with the provisions of Article 3 (commencing with Section 4300) of Chapter 2 of Division 4 of the Welfare and Institutions Code; and provided further, that no position shall be administratively established nor shall any authorized position be redirected to replace the person appointed as chief executive officer of the state hospital.

Provided further, that the State Department of Developmental Services shall not use positions or funds budgeted in the state hospitals elsewhere in the department

Provided further, that, notwithstanding any other provision of law, the Director of the Department of Developmental Services shall establish guidelines for the expenditure of funds budgeted for the regional centers.

Provided further, that the Department of Developmental Services shall develop, establish, and implement by June 30, 1980, in conjunction with the Association of Regional Centers' Agencies, uniform accounting, encumbrance budgeting and reporting systems, uniform definitions for eligibility and services, and uniform codes of services and timely billing requirements.

Provided further, that the Department of Developmental Services shall report to the Joint Legislative Budget Committee and the appropriate policy and fiscal committees on or before March 15, 1980, on the development, establishment and implementation of uniform accounting, encumbrance, budgeting and reporting systems, uniform definitions for eligibility and services, and uniform codes, and timely procedures for billing.

Provided further, that the Department of Developmental Services shall report to the Joint Legislative Budget Committee and the appropriate policy and fiscal committees on or before January 1, 1980 on its progress in meeting the require-

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	ments delineated in Sections 4629 and 4631 of the Welfare and Institutions Code which mandate that state contracts with the regional centers include specific performance and reporting requirements and strict accountability and reporting of all expenditures and an assessment of the effectiveness of the regional centers' operations.	
	Provided further, that the department shall offer the academic portion of at least one of the new psychiatric apprenticeship classes in the evening during fiscal year 1979–80.	
272—For reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs, which relate to activities of the State Department of Developmental Services, of any new program or increased level of service of an existing program mandated by statute, State Controller		123,438
	provided, that allocations to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute that mandates the reimbursement of such costs and of subdivision (d) of Section 2231 of the Revenue and Taxation Code.	
273—For support of the State Department of Mental Health		11,559,077
	Schedule:	
	(a) Personal services	18,008,005
	(b) Operating expenses and equipment	10,616,022
	(c) Amount payable from other appropriations	−7,175,249
	(d) Reimbursements	−8,779,165
	(e) Federal funds	−1,110,536

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provided, that the Director of Mental Health may give public notice relative to proposing or amending any rule or regulation which could result in increased cost to any program administered by the State Department of Mental Health only after approval by the Department of Finance as to the availability of funds; and provided further, that any rule or regulation adopted by the Director of Mental Health during the 1979–80 fiscal year which adds to the cost of any program administered by the State Department of Mental Health shall only be effective from and after the date upon which it is approved as to availability of funds by the Department of Finance.		
Provided further, that no funds may be expended for utilization review until the guidelines and standards are adopted and not sooner than 30 days after notification in writing of such review by the Chairman of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairman, or such person's designee, may determine.		
274—For support of the hospitals for the mentally ill for judicially committed patients and patients committed pursuant to the Penal Code, State Department of Mental Health		40,203,285
Schedule:		
(a) State-operated services	36,874,207	
(b) Community-based programs	3,217,778	
(c) Program evaluation and patient tracking system	111,300	
provided, that upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this item and Items 270, 271 and 275.		
275—For assistance to local agencies in the establishment and operation of mental health services, in accordance with the provisions of Division 5 (commencing with Section 5000) of the Welfare and Institutions Code, State Department of Mental Health		404,998,441
Schedule:		
(a) Local mental health services	261,028,358	
(b) State-operated services	122,375,634	
(c) Hospital diversion programs	12,594,449	
(d) Community residential treatment programs and community support services	15,000,000	

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	(e) Prevention programs	750,000
	(f) Community residential treatment systems pursuant to Chapter 1233, Statutes of 1978	6,750,000
	(g) Small county funding.....	1,500,000

and in addition, any amounts transferred from the Health Care Deposit Fund shall augment and be available for expenditure for the purposes specified in categories (a) and (c).

Provided, that the Department of Finance may authorize the transfer of funds from this item to the Health Care Deposit Fund for the state's share of expenditures for mental health services provided to patients eligible under the California Medical Assistance Program.

Provided further, that upon order of the Department of Finance, the State Controller shall transfer such funds as are necessary between this item and Items 270, 271 and 274.

Provided further, that the State Department of Mental Health shall prepare a report to the Legislature on or before October 1, 1979 describing the program in category (d), provided, further that the amount specified in category (d) shall be held in reserve until such report is made to the Legislature and until the amount is reappropriated by the Legislature.

Provided further, notwithstanding the provisions of Section 27 or any other provision of law, no funds may be transferred among categories scheduled within this item except funds may be transferred between categories (a) and (b).

Provided further, that funds in category (g) may be utilized to provide for maintenance of program effort in those small counties which received an allocation of funds reappropriated under Chapter 332, Statutes of 1978, for the purpose of maintaining the 1977–78 level of local mental health services only if enabling legislation is enacted to continue the waiver of the local financial participation of the Short-Doyle program in fiscal year 1979–80

Provided further, that allocations or reallocations to counties be approved by the Department of Finance and certified by the State Department of Mental Health as to the source and availability of funds, and that such action would not create a deficiency

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Provided further that, of the amount appropriated under category (f), $2,250,000 shall be earmarked to provide programs and services for children and youth.

Provided further, that upon order of the Department of Finance, funds may be transferred to Item 287 to match federal funds in order to provide services to former, potential, and current recipients of public assistance receiving mental health services under the provisions of Division 5 (commencing with Section 5000) of the Welfare and Institutions Code.

Provided further, that the State Department of Mental Health shall comply with the provisions of Article 3 (commencing with Section 4300) of Chapter 2 of Division 4 of the Welfare and Institutions Code, and provided further, that no position shall be administratively established nor shall any authorized position be redirected to replace the person appointed as chief executive officer of the state hospital

Provided further, that the State Department of Mental Health shall not use positions or funds budgeted in the state hospitals elsewhere in the department

Provided further, that the amount specified in category (c) shall be used for the purpose of establishing or continuing such community-based services deemed necessary to reduce admissions to state hospitals and local hospital-based mental health services, provided further, that such funds shall be allocated upon the approval of the Department of Finance and on the basis of county plans approved by the Department of Mental Health, and, provided further, that allocations from category (c) shall not duplicate funds available for local programs in category (b) resulting from reduced state hospital utilization

276—For reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs, which relate to activities of the State Department of Mental Health, of any new program or increased level of service of an existing program mandated by statute, State Controller . . . 298,660

provided, that allocations to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute that man-

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	dates the reimbursement of such costs and of subdivision (d) of Section 2231 of the Revenue and Taxation Code.	
277—For support of Employment Development Department .... Schedule:		17,002,725
(a)	Work incentive programs, as specified in Division 2 (commencing with Section 5000) of the Unemployment Insurance Code, for transfer by the State Controller to the Unemployment Administration Fund	4,731,297
	provided, that the State Controller shall transfer these funds only at such time as federal funds are deposited in the Unemployment Administration Fund and no transfer so made shall exceed 12.5 percent of the amount of federal funds so deposited; and provided, further, the amount available for transfer shall be reduced by the amount in cash or in kind available from other sources as the state's share of the work incentive program, as determined by the Employment Development Department and certified to the State Controller	
(b)	Service Center Program as specified in Section 301 5 of the Unemployment Insurance Code.	4,805,765
(c)	Office of Economic Opportunity and, in addition, any amounts received from federal grants or other sources shall be available for expenditure in accordance with the provisions of this item	155,500
	provided, that no funds may be expended for this category unless and until federal matching funds are available for the purpose of funding this office; provided further, that positions funded by this category shall be used only for authorized activities of the Office of Economic Opportunity.	
(d)	Job Agents Program as specified in Division 3 (commencing with Section 9000) of the Unemployment Insurance Code	1,952,089
(e)	Youth Employment and Development Act of 1977 as specified in	

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Part 1 of Division 3 (commencing with Section 9800) of the Unemployment Insurance Code..... 5,000,000

(g) Contractors Law Enforcement Program as specified in Chapters 4 and 10 of Part 1 of Division 1 of the Unemployment Insurance Code .. 308,074

provided further, that it is the intent of the Legislature that state funds shall be appropriated for support of the Contractors Law Enforcement Program for the 1979–80 fiscal year, and that any future General Fund appropriation shall be based on the results of a program report to be submitted by January 1, 1980, to the Joint Legislative Budget Committee

(h) Displaced homemakers service center in Alameda County to be matched by available funds 50,000

(i) Federal funds per Section 8.6 . . .. (165,540,887)

(j) Federal funds per Section 8.7 . . ..(1,440,653,728)

277.1—For allocation by the Department of Finance to the Employment Development Department, on approval of an expenditure plan by the Secretary of the Health and Welfare Agency, for census outreach programs which encourage participation in the 1980 census in the poor and minority communities. Provided, that authorization for expenditures shall become effective no sooner than 30 days after notification in writing by the Department of Finance to the Joint Legislative Budget Committee, or no sooner than such lesser time as the committee, or its designee, may in each instance determine 650,000

278—For support of Employment Development Department, payable from the Department of Employment Development Contingent Fund... ... 7,100,728

and in addition thereto, any grants made available by the federal government; provided, that all or any portion of this appropriation may be transferred to the Unemployment Administration Fund upon executive order of the Department of Finance

Provided further, that Item 437 of this act shall not apply to any deficiency expenditure authorization for the purposes authorized by the appropriation made by this item

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279—For administration of unemployment compensation disability benefits, Employment Development Department, the sum of $28,774,124 is appropriated from the Unemployment Compensation Disability Fund			(28,774,124)
280—For reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs, which relate to activities of the Employment Development Department, of any new program or increased level of service of an existing program mandated by statute, State Controller			600,000
provided, that allocations to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute that mandates the reimbursement of such costs and subdivision (d) of Section 2231 of the Revenue and Taxation Code			
281—For support of Department of Rehabilitation			13,929,801
Schedule.			
(a) I. Vocational rehabilitation of the disabled		10,656,872	
(1) Total program	101,800,067		
(2) Reimbursements	−4,669,405		
(3) Federal funds	−86,473,790		
(b) II Small business and job development		280,462	
(1) Total program	4,298,910		
(2) Special Deposit Fund—Vending Stands Account—fees	−994,156		
(3) Federal funds—Special Deposit Fund—Vending Stands Account—fees	−1,551,867		
(4) Federal funds	−1,472,425		
(c) III Development of community rehabilitation resources		153,367	
(1) Total program	4,674,759		
(2) Reimbursements	−9,243		
(3) Federal funds	−4,512,149		
(d) IV Habilitation Services		2,839,100	
Total Program	4,567,044		
Federal Funds	−1,727,944		
(e) V General		−0−	

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(1) Departmental administration 10,627,116
(2) Amount chargeable to programs I through IV. —10,627,116

provided, that upon approval of the Director of Finance, the above programs may be augmented from other budget items in this act where funds have been budgeted for transfer to the Department of Rehabilitation for the programs contained in this budget item. Provided further, that such transfers shall enable the state to make maximum utilization of available federal funds

282—For support of Department of Social Services, together with any grants made available by the federal government for support of the Department of Social Services 35,205,213

Schedule

(a) Personal services 62,434,144
(b) Operating expenses and equipment 32,438,585
(c) Reimbursements . . . . —1,958,721
(d) Federal funds . —57,708,795

provided, that any rule or regulation adopted and any all-county letters issued by the Department of Social Services which adds to the cost of any public assistance program included in Items 284–290 inclusively and Section 32 5 shall only be effective from and after the date upon which it is approved as to availability of funds by the Department of Finance

Provided further, that funds appropriated by this item may be transferred to the Health Care Deposit Fund to be matched by federal funds for administrative services rendered under the Medi-Cal Program

Provided further, that in the event federal funds for the Office of Child Abuse Prevention and the Indo-Chinese Refugee Assistance program are terminated or reduced, the Department of Finance shall inform the Legislature of the continuation of any positions budgeted for support of these programs pursuant to the provisions of Section 28

Provided further, that of the increase of funds in this item, $367,611, including $183,806 from the General Fund, shall be used to continue the current food stamp outreach contracts

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Provided further, that the Department of Social Services shall conduct a cost containment and priority setting project to (1) survey all counties and account for social services program expenditures by program, caseload and unit costs, (2) analyze the funding and statutory history of individual services and make recommendations on future state financial participation by program, (3) design and recommend specific cost containment mechanisms by program, of those services reflecting the highest costs and increases, (4) identify the linkages between recipients of cash grants and social services programs by county in order to more clearly reflect total program costs, and (5) identify statutory and administrative changes necessary to implement the department's recommendations in (3) above. The results of this project shall be reported to the Legislature during the 1980–81 budget hearings.

283—For the support of the Department of Social Services, for the state share of attorneys' fees and costs awarded to applicants or recipients pursuant to Section 10962 of the Welfare and Institutions Code in actions against the Department of Social Services, Department of Social Services 15,000
provided, that funds appropriated by this item may be transferred to and in augmentation of Item 282

284—For state supplementary payment program for aged, blind, and disabled, as provided in Article 1 (commencing with Section 12000) to Article 5 (commencing with Section 12200), inclusive, of Chapter 3 of Part 3 of Division 9 of the Welfare and Institutions Code, Department of Social Services 894,841,250
provided, that this appropriation is in addition to the county contribution required for this program as prescribed by Section 12400 of the Welfare and Institutions Code; and

Provided further, that in addition to state funds appropriated in this item it is estimated that the federal share of program costs will be $717,567,600 These federal funds are reported under the definition provided in Section 8 7 and will not be subject to the provisions of Section 28

Provided further, that there is further appropriated for purposes of this item, subject to the review of the Director of Finance, such funds as

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are required to meet the terms of the contract between the State of California and the Secretary of Health, Education, and Welfare relating to the State Supplementary Program for Aged, Blind, and Disabled The Director of Finance shall report to the Legislature within 15 days any such reviews of expenditures in excess of the amount appropriated in this item. At such time as a report is made, the amount of this appropriation shall be increased by the amount of such excess expenditure unless or until otherwise provided by law.

Provided further, that the Director of Finance may transfer funds appropriated in this item to Item 282 or Item 288 for the cost of administering food stamp benefits as may be required by federal law

In addition, the Director of Finance is authorized to approve expenditures in those amounts necessary to reimburse counties for the costs of administering food stamps If the director determines expenditures will exceed the funds provided in this item for food stamp administrative costs, the director shall so report to the Legislature. At such time as the report is made, the amount of this item shall be augmented by the amount of such excess unless and until otherwise provided by law

Provided further, that funds transferred from the Federal Revenue Sharing Fund pursuant to Item 432 shall be expended prior to the remaining $618,641,250 of general funds in this item

Provided further, that any appropriation made pursuant to this act shall be in lieu of any appropriations made pursuant to Section 15201 of the Welfare and Institutions Code for the 1979–80 fiscal year

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285—For the costs of the state's share of special adult programs, including (a) special circumstances, as defined in Sections 11212, 12550, and 12551 of the Welfare and Institutions Code, (b) special benefits, pursuant to Section 12553 of the Welfare and Institutions Code, (c) aid to the potentially self-supporting blind, pursuant to Chapter 5 (commencing with Section 13000) of Part 3 of Division 9 of the Welfare and Institutions Code, (d) emergency payments, pursuant to Section 12525 of the Welfare and Instutitions Code, and (e) temporary assistance for repatriates, Department of Social Services		5,196,600
Schedule		
(a) Special circumstances	2,516,800	
(b) Special benefits	107,700	
(c) APSB	1,540,700	
(d) Emergency payments	1,031,400	
(e) Temporary assistance for repatriates	35,000	
(f) Federal funds	−35,000	
286—For payment of state costs resulting from a decision in the case of Harrington v Obledo, 140 Cal Rptr 294, pursuant to Section 12151 of the Welfare and Institutions Code, and for payment of administrative costs, Department of Social Services provided, that funds appropriated in this item may be transferred, upon order of the Director of Finance, to Item 282 or Item 288 to fund administrative costs		40,100
287—For the cost of special social service programs for which federal grants-in-aid are made to the state, for rehabilitative and employment services; for grants or services to local agencies for the extension of child welfare services, for the cost of the adoption programs and care of children, to be expended in accordance with the provisions of Chapter 2 (commencing with Section 16100) of Part 4 of Division 9 of the Welfare and Institutions Code, for the costs incurred by counties, including but not limited to, the required matching funds, for in-home supportive services as provided by Article 7 (commencing with Section 12300) of Chapter 3 of Part 3 of Division 9 of the Welfare and Institutions Code, for the cost of local agency special training and statewide demonstration programs, for the cost of providing child development services pursuant to Chapter 2		

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(commencing with Section 8200) of Part 6 of Division 1 of Title 1 of the Education Code, and for the cost of community rehabilitation of mentally handicapped, Department of Social Services. Schedule		145,734,881
(a) Adult social services	243,147,325	
(1) In-home supportive services	209,913,276	
(2) Other	33,234,049	
(b) Family and Children social services	254,991,593	
(c) Adoptions	13,569,830	
(d) Demonstration programs	5,588,466	
(1) Projects for the deaf	1,373,426	
(2) Other	4,215,040	
(g) Facilities evaluation	13,175,768	
(h) Reimbursements and transfers	−11,115,758	
(i) Federal funds	−317,092,554	
(j) County funds	−48,999,939	
(k) Amount payable from other appropriations	−7,529,850	

Provided, that funds appropriated in this item may be transferred to the Health Care Deposit Fund to be matched by federal funds for services rendered under the Medi-Cal program

Provided further, that the Director of Finance may authorize the transfer of funds from category (g) to Item 282, in order to perform the facilities evaluation function in the event the counties fail to perform such function

Provided further, that any funds specified in categories (a)(2) and (b) of this item for the "other county social services" component of adult social services and family and children social services shall be available only when matched by 25 percent in county program funds

Provided further, that in the event that additional federal funds under Title XX of the federal Social Security Act become available to the state, $6,845,100 of such funds shall be used for the "other county social services" component of adult social services and family and children social services

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Provided further, that General Fund support in the amount of $1,373,426 budgeted for category (d) (1) shall be used in the 1979–80 fiscal year to extend department contracts with those organizations providing services to the deaf in the 1978–79 fiscal year.

Provided further, that the department shall evaluate demonstration projects for the deaf and report the findings of its evaluation to the Legislature no later than March 15, 1980.

287.1—For the cost of special social services training, Department of Social Services ..... -0-

Schedule:

(a)	County services staff development		3,110,100
	(1) Out-of-home care for children	888,400	
	(2) Protective services for children	688,400	
	(3) Out-of-home care for adults	350,000	
	(4) Protective services for adults	425,000	
	(5) In-home supportive services	350,000	
	(6) Information and referral	133,000	
	(7) Family planning	80,000	
	(8) Day care	70,000	
	(9) Health-related	70,000	
	(10) Employment-related	55,300	
(b)	Service training programs		13,753,200
	(1) Training for county welfare departments	10,453,200	
	(A) Out-of-home care for children	2,586,600	
	(B) Protective services for children	3,211,600	
	(C) Out-of-home care for adults	1,312,500	
	(D) Protective services for adults	1,592,500	
	(E) In-home supportive services	1,125,000	
	(F) Child day care	625,000	
	(2) Training for direct services providers	3,050,000	

ITEM		AMOUNT
(A) Foster care	1,100,000	
(B) Child day care/ family day care	1,150,000	
(C) In-home supportive services . . .	800,000	
(3) Research and development	250,000	
(c) Administration		341,250
(d) Reimbursements and transfers . .		−3,471,112
(e) Federal funds		−12,955,913
(f) County funds.....		−777,525

provided, that the Director of Finance may authorize the transfer of funds from category (c) to Item 282 to provide for departmental support and contractual services

288—For the state's share of the nonfederal administrative costs of administering (a) the payment of aid grants as specified in Section 15204 2 of the Welfare and Institutions Code, (b) Special Adult Programs, (c) food stamps, as provided by Chapter 10 (commencing with Section 18900) of Part 6 of Division 9 of the Welfare and Institutions Code, (d) emergency payments, (e) nonmedical out-of-home care, and (f) staff development, Department of Social Services 88,890,600

Schedule

(a) AFDC administration . .		66,505,500
(1) Total program ..	244,726,300	
(2) Federal funds	−178,220,800	
(b) Administration of Special Adult Programs ..		1,055,000
(c) Food stamp administration		20,149,600
(1) Total program	61,872,100	
(2) Federal funds	−41,722,500	
(d) Emergency payments administration .		445,500
(e) Nonmedical out-of-home care administration		735,000
(f) Staff development		5,028,800
(g) Federal funds		−5,028,800

provided, that the department may act in the place of any county and assume direct responsibility for the administration of eligibility and grant determination Upon recommendation of the Director of Social Services, the Department of Finance may authorize the transfer of funds to Item 282 for this purpose

Provided further, that during the 1979–80 fiscal

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year, the Department of Social Services shall continue the implementation of a plan whereby costs for county administration will be effectively controlled within the total amount appropriated by this item

Provided further, that notwithstanding any provisions of the Welfare and Institutions Code to the contrary, the total amount of state funds available to the counties for administration of the programs specified in this item shall be limited to the amount appropriated by this item.

Provided further, that during the 1979–80 fiscal year, the department in administering the plan to control county administrative costs, shall not allocate funds to cover county cost overruns which result from county failure to meet cost control plan requirements

Provided further, that the state funds appropriated in this item for the AFDC and Food Stamp programs shall be administered during the 1979–80 fiscal year, in accordance with the county administrative cost control plan, as approved by the Department of Social Services during the 1979–80 fiscal year

Provided, that notwithstanding any other provision of law, the Department of Social Services may withhold state financial support of a county's automated welfare operations if the county does not provide a fiscal accounting of such operations in the form and manner as may be requested by the department; provided further, that the Department of Social Services may enter into an agreement with a county wherein state financial support for the development or modification of county-automated welfare operations is conditioned upon the realization of savings projected by the county

Provided further, that notwithstanding any provision of the Welfare and Institutions Code to the contrary, none of the funds appropriated by this item shall be used to provide cost-of-living increases to county employees which are in excess of 6 percent

2881—For the support of the Department of Social Services to carry out the Local Rape Victim Counseling provisions of Chapter 37 (commencing with Section 1598) of Division 2 of the Health and Safety Code 200,000

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	provided, that the Department of Social Services, in addition to the report required by Section 1598 3 of the Health and Safety Code, shall report to the Joint Legislative Budget Committee by January 1, 1980, regarding the effectiveness of the grant program for rape victim counseling centers (Chapter 1312, Statutes of 1978). The report shall include the following: (a) Total number of persons served during the first year of operation. (b) The number of additional persons served as a result of the grant program. (c) Types of services provided. (d) Funding levels by source for each of the centers assisted	
289	—For reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs, which relate to activities of the Department of Social Services, of any new regulations or regulation changes, Department of Social Services	2,134,000
290	—For reimbursement of the costs, which relate to activities of the Department of Social Services, of any new program or increased level of service of an existing program mandated by statute, notwithstanding the provisions of Section 2231 of the Revenue and Taxation Code, Department of Social Services ..... provided, that allocations to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute that mandates the reimbursement of such costs and subdivision (d) of Section 2231 of the Revenue and Taxation Code.	14,891,400
291	—For support of California Health Facilities Commission payable from the California Health Facilities Commission Fund, in accordance with the provisions of Part 1 7 (commencing with Section 440) of Division 1 of the Health and Safety Code Schedule.	1,941,679
	(a) Personal services 1,315,323	
	(b) Operating expenses and equipment 724,105	
	(c) Reimbursements —97,749	
292	—For support of Department of Corrections Schedule	264,426,234
	(a) I Reception and diagnosis 3,039,477	
	(b) II Institutional program 224,923,393	

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	(c) III Community Correctional Program	26,283,643
	(d) IV Administration	18,280,378
	(e) Reimbursements	−8,008,880
	(f) Federal funds	−91,777
	provided, that no funds appropriated by this act or any other statute may be expended by the Health and Welfare Agency or the Department of Corrections to maintain or establish an agency/department relationship, as specified in Part 2.5 (commencing with Section 12800) of Division 3 of Title 2 of the Government Code, between those two entities	
293	—For payment of worker's compensation claims of inmates pursuant to Sections 3364.55, 3365, and 3370 of the Labor Code and Section 2700 of the Penal Code; and for payment of unemployment insurance and disability insurance claims of, and for support of Department of Corrections, Employment Development Department, and California Unemployment Insurance Appeals Board for claims of inmates pursuant to Chapter 5.8 (commencing with Section 1480) of Part 1 of Division 1 of the Unemployment Insurance Code, Department of Corrections	2,779,000
	provided, that expenditures made pursuant to this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.	
294	—For support of the Department of Corrections, Inmate Welfare Fund	(6,356,238)
	Schedule.	
	(a) Personal Services	913,876
	(b) Operating expenses and equipment	5,367,571
	(c) Inmate pay	74,791
295	—For support of the Correctional Industries program, Department of Corrections, in accordance with Chapter 5 (commencing with Section 2700) of Title 1 of Part 3 of the Penal Code, payable from the Correctional Industries Revolving Fund	(20,812,841)
	Schedule	
	(a) Personal services	5,853,921
	(b) Operating expenses and equipment	13,796,920
	(c) Inmate pay	1,162,000
296	—For transportation of prisoners to and between state prisons, including the return of parole violators to prison and for the conveying of persons	

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	under provisions of Division 3 (commencing with Section 3000) of the Welfare and Institutions Code and the Western Interstate Corrections Compact (commencing with Section 11190 of the Penal Code), in accordance with the provisions of Section 26749 of the Government Code	233,200
	provided, that claims made against this item of appropriation shall be filed by the local jurisdictions within six months after the end of the month in which such transportation costs were incurred; and provided further, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.	
297	—For expenses of returning fugitives from justice from outside the state, in accordance with the provisions of Sections 1389, 1549 and 1557 of the Penal Code	816,200
	provided, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller, and any restitution received by the state for such expenses be credited to the appropriation of the year in which the State Controller's receipt is issued	
298	—For court costs and county charges, payable under Sections 4700 and 4700.5 of the Penal Code, in connection with coroners' services and trials of inmates charged with commission of a crime or crimes while incarcerated in a state institution or prison under the Department of Corrections, Department of Corrections	924,550
	provided, that claims filed payable under Section 6005 of the Penal Code may be paid by the Department of Corrections from funds appropriated by this item.	
	Provided further, that claims made against this item of appropriation shall be filed by the local jurisdictions within six months after the end of the month in which such court costs and county charges were incurred; and provided further, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller	
299	—For reimbursement to counties for the cost of detaining state parolees pursuant to Section 4016.5 of the Penal Code, Department of Corrections .	120,142

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	provided, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.	
299.5	—For allocation to Del Norte County, the amount necessary to pay the interest for the 1979–80 fiscal year on the loan made to Del Norte County pursuant to Item 398.6 of the Budget Act of 1962 (Ch. 1, 2nd Ex. Sess, Stats. 1962), but not to exceed $12,000	12,000
300	—For support of the Community Release Board	4,742,085
	Schedule:	
	(a) Personal Services 2,599,229	
	(b) Operating Expenses and Equipment 2,142,856	
301	—For support of Department of the Youth Authority	121,771,091
	Schedule:	
	(a) I. Prevention and Community Correction 2,606,399	
	(b) II. Institutions and Camps 101,225,944	
	(c) III Parole Services 15,910,792	
	(d) IV. Planning, Research, Evaluation and Development 2,096,229	
	(e) V. Youth Authority Board 1,735,964	
	(f) VI. Administration undistributed 7,412,200	
	(g) Reimbursements −8,683,628	
	(h) Federal funds −532,809	
	provided, that no funds appropriated by this act or any other statute may be expended by the Health and Welfare Agency or the Department of the Youth Authority to maintain or establish an agency-department relationship, as specified in Part 2.5 (commencing with Section 12800) of Division 3 of Title 2 of the Government Code, between those two entities	
302	—For transportation of persons committed to Department of the Youth Authority to or between its facilities, including the return of parole violators; provided, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.	43,540
303	—For county delinquency prevention commissions, Department of the Youth Authority, to be allocated by the Director of the Youth Authority, in accordance with Section 1792.1 of the Welfare and Institutions Code	33,300
304	—For contracting with public or private agencies engaged in prevention of delinquency, as author-	

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	ized by Article 5 5 (commencing with Section 1790) of Chapter 1 of Division 2 5 of Welfare and Institutions Code, Department of Youth Authority.	1,000,000
	provided that, any such contracts shall be monitored and evaluated by the department with funds made available by this item to determine the extent to which the contractors have met their stated program goals	
	Provided further, that the department, in considering proposals for funding from this item, shall give preference to projects funded by the department from funds made available to it by the Budget Act of 1978; provided, further that this preference does not entitle such projects to funding, but only to consideration of their application, and shall be applicable only for the 1979–80 fiscal year.	
	Provided further, that the department shall ensure that the funds from this appropriation shall be distributed in such manner as to provide equitably for the delinquency prevention needs of rural, suburban, and urban areas.	
304	1—For contracting with the 8 youth services bureaus originally funded by a grant from the Office of Criminal Justice Planning to the Department of Youth Authority for delinquency prevention programs, as authorized by Article 10 (commencing with Section 1900) of Chapter 1 of Division 2 5 of the Welfare and Institutions Code, Department of Youth Authority.....	480,000
305	—For reimbursement to counties for the cost of the detention of Youth Authority parolees, who are detained on alleged parole violations, pursuant to Section 1776 of the Welfare and Institutions Code	20,000
306	—For assistance to counties in the operation of programs pursuant to the County Justice System Subvention Program in accordance with Article 7 (commencing with Section 1805) of Chapter 1 of Division 2.5 of the Welfare and Institutions Code, Department of the Youth Authority . . .	58,137,290

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provided, that notwithstanding subdivision (c) of Section 1813 of the Welfare and Institutions Code none of the funds appropriated by this item shall be used to provide a price adjustment for the County Justice System Subvention Program greater than 6 percent during the 1979–80 fiscal year

EDUCATION

Education—K–12

307—For support of Department of Education, Superintendent of Public Instruction, and State Board of Education 22,340,399

(a) Personal services 39,975,778
(b) Operating expenses and equipment 51,717,921
(c) Education Commission of the States 35,000
(d) Special projects 5,979
(e) Unallocated: Legal 110,000
(f) Reimbursements . . . . . −4,594,057
(g) Federal funds . . . . . −27,862,007
(h) Amounts payable from other support appropriations . . . . . −36,421,212
(i) Amounts payable from local assistance appropriations . . . . . −627,003

Provided, that the funds specified in category (e) may be expended only upon their allocation to category (b), subject to the approval of the Department of Finance The Department of Finance shall notify the Chairman of the Joint Legislative Budget Committee upon giving such approval

Provided further, that, notwithstanding Section 33403 of the Education Code, or any other provision of law, the Department of Education shall not prepare evaluation reports on the following programs during the 1979–80 fiscal year

(a) Bilingual teacher corps
(b) Alternative school programs
(c) Demonstration programs in reading and math

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Provided further, that on the effective date of this act, the Department of Education shall issue a stop work order to all contractors working on the independent evaluation of the school improvement program authorized by Section 52043 of the Education Code.

Provided further, that a new contract for the independent evaluation of the school improvement program shall be issued pursuant to Section 52043 of the Education Code, except that notwithstanding the provisions of such section, such new contract shall not require (1) evaluation of staff development and resource centers established pursuant to Chapter 3.1 (commencing with Section 44670) of Part 25 of the Education Code and (2) information on adult citizenship and career skills.

Provided further, that, notwithstanding Sections 54024, 54025, 54027, 54028, 54053, 54054, and 54056 of the Education Code, and the second paragraph of Section 87 of Chapter 894 of the Statutes of 1977, in the event that funds are appropriated for the 1979–80 fiscal year for the economic impact aid program in excess of the 1978–79 fiscal year funding level for the educationally disadvantaged youth program and bilingual education programs, sufficient funds shall be transferred from that source in augmentation of this item for the department to establish a position on a one-time basis to provide leadership in coordinating the resources of the state's K–12 categorical programs with postsecondary education student affirmative action programs such as the Mathematics, Engineering, and Science Achievement Program; provided further, that if program expansion funds are not provided, the department shall fund the position from resources within this support appropriation.

Provided further, that if legislation is chaptered on or before September 1, 1979, which repeals the requirement that persons of a specified age must successfully complete a driver training course in order to be eligible to be issued a driver's license or instruction permit, the Department of Education shall eliminate positions for the administration of the driver training program and the State Controller, upon order of the Department of Finance, shall reduce the funds appropriated by this item by the amount budgeted for such positions

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	with the exception of those funds appropriated for positions to administer special education driver training programs	
307	1—To the Department of Education for further independent study of the feasibility of using the variable cost index for school apportionment purposes	20,000
	Provided, that the scope of the study shall be approved by the Department of Finance; provided further, that no such approval may be given sooner than 30 days after the Director of Finance gives written notification to the Chairman of the Joint Legislative Budget Committee, or not sooner than such lesser time as such chairman, or his designee, may determine	
	Provided further, that a final report shall be submitted to the committee of each house which considers appropriations, the Office of the Legislative Analyst, and the Department of Finance no later than March 1, 1980.	
308	—To the Department of Education, in lieu of the appropriation made by subdivision (b) of Section 41312, and in lieu of the apportionment of funds specified in Section 41353, of the Education Code, for the state administrative expenses related to the child nutrition program and nutrition education projects	840,050
309	—For the purposes of developing a driver training course and training the instructional personnel to conduct the course according to provisions of Section 41094 of the Education Code, the sum of $109,801 is appropriated from the Driver Training Penalty Assessment Fund for transfer to the General Fund and from the General Fund to the Department of Education.	109,801
310	—To the Department of Education for the purpose of administering the California High School Proficiency Examination Program	200,000
	Schedule	
	(a) Distribution of printed information regarding the California High School Proficiency Examination Program 15,908	
	(b) General administration 184,092	
	provided, that funds specified in category (b) may be allocated by the Director of Finance only when the Superintendent of Public Instruction certifies that application fees are insufficient to support	

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	the administration of this program and only in such amount as is necessary to make up the deficiency in fees received	
311—For support of Department of Education, the sum of $190,044 is appropriated from the State School Building Aid Fund		(190,044)
312—For support of the California State Agency for Surplus Property, the sum of $29,054,957 is appropriated from the Surplus Property Revolving Fund		(29,054,957)
	provided, that funds in excess of $5,317,678 may not be expended without the approval of the Director of Finance	
313—For support of special schools, Department of Education		20,429,028
	and in addition, any amounts received from federal grants or other sources shall be available for expenditure in accordance with the provision of this item	
	Schedule	
	(a) California School for the Blind	2,539,870
	(1) Support 3,100,129	
	(2) Reimbursements −560,259	
	(b) Diagnostic School for Neurologically Handicapped Children, Northern California	1,627,880
	(1) Support 1,733,521	
	(2) Reimbursements −105,641	
	(c) Diagnostic School for Neurologically Handicapped Children, Southern California	1,611,604
	(1) Support 1,878,006	
	(2) Reimbursements −266,402	
	(d) California School for the Deaf, Berkeley	6,065,868
	(1) Support 7,046,948	
	(2) Reimbursements −981,080	
	(e) California School for the Deaf, Riverside	7,131,276
	(1) Support 8,139,608	
	(2) Reimbursements −1,008,332	
	(f) Diagnostic School for Neurologically Handicapped Children, Central California	1,452,530
	(1) Support 1,538,545	
	(2) Reimbursements −86,015	

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provided, that transfers between items in the above schedule may not be made without the approval of the Department of Finance

Provided further, that any vacant position at the California School for the Deaf, Riverside shall be reclassified to Speech Therapist—Teacher positions, to a maximum of four, if such reclassification of positions can be accomplished without adversely affecting the educational program at such school.

314—For support of Division of Libraries, California Library Services Board, Department of Education and Board of Library Examiners. 5,171,198

315—For transfer by the State Controller to Section A of the State School Fund in lieu of the appropriations made for the 1979–80 fiscal year pursuant to subdivisions (a) and (b) of Section 75 of Chapter 894 of the Statutes of 1977, for the purpose of making allowances for the School Improvement Program and notwithstanding the third paragraph of Section 87 of Chapter 894 of the Statutes of 1977, there is hereby appropriated pursuant to Article 4 (commencing with Section 52045) of Chapter 6 of Part 28 of the Education Code 135,434,259

Schedule:

(a) For the purpose of making allowances for kindergarten and grades 1 to 6, inclusive 118,397,782

(b) For the purpose of making allowances for grades 7 to 12 inclusive 17,036,477

Provided, that no funds appropriated by this item may be allocated pursuant to subdivision (a) of Section 52049 of the Education Code

Provided further, that the State Board of Education shall allocate the funds appropriated by this item to each district eligible to receive an allowance on the basis of the per unit of average daily attendance amounts specified in subdivision (b) of Section 52049 of the Education Code, adjusted on a pro rata basis to conform to the amounts appropriated by this item.

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Provided further that, notwithstanding the provisions of Section 52045 of the Education Code, in computing allowances authorized pursuant to subdivision (b) of Section 52049 of the Education Code, the Superintendent of Public Instruction shall not reduce such allowances by the amount per pupil apportioned pursuant to Article 4 (commencing with Section 54160) of Chapter 2 of Part 29 of the Education Code

316—For transfer by the State Controller to Section A of the State School Fund, in lieu of the amount which would otherwise be appropriated for the Staff Development and Resource Centers Program pursuant to subdivisions (a) and (b) of Section 74 of Chapter 894, Statutes of 1977, for the purpose of making allowances for purposes of Article 1 (commencing with Section 44670) and Article 2 (commencing with Section 44680) of Chapter 3.1 of Part 25 of the Education Code 1,235,700

Schedule.

(a) For purposes of Article 1 785,700

(b) For purposes of Article 2 450,000

317—To the Department of Education for environmental education, payable from the California Environmental Protection Program Fund ..... 481,423 provided, that notwithstanding the provisions of Section 39102 of the Health and Safety Code, such funds shall be expended pursuant to the provisions of Chapter 4 (commencing with Section 8700) of Part 6 of Division 1 of Title 1 of the Education Code

318—For transfer by the State Controller to Section A of the State School Fund, in lieu of the appropriations made for the 1979–80 fiscal year pursuant to Section 54053, subdivision (c) of Section 54054, and subdivision (a) of Section 54056 of the Education Code, and notwithstanding the second paragraph of Section 87 of Chapter 894, Statutes of 1977, for the purposes of the Economic Impact Aid Program, pursuant to Chapter 1 (commencing with Section 54000) of Part 29 of the Education Code 147,500,000

Schedule·

(a) Total program 147,500,000

(b) Federal funds per Section 8 6 ...(226,595,501)

Provided, that, notwithstanding subdivision (b) of Section 54024 of the Education Code, the Superintendent of Public Instruction shall not include

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entitlements allowed from Part A of Title 1 of the Elementary and Secondary Education Act of 1965 in the calculation of each district's available resources.

Provided further, that $2,325,800 of the funds in excess of $124,051,882 in category (a) Total Program shall be used for the purpose of increasing the supply of bilingual teachers as follows (1) for support of the bilingual teacher corps, $1,063,000; (2) for transfer to the Student Aid Commission for support of the Bilingual Teacher Development Grant Program, $762,800, and (3) for support of staff development resource centers, $500,000. If the amount in excess of $124,051,882 is less than $2,325,800, such funds shall be allocated for the three purposes on a pro rata basis to reflect the same percentage of support for each purpose as would otherwise be allocated if the amount was in excess of $126,377,682

Provided further, that $2,000,000 of the funds in excess of $126,377,682 in category (a) Total Program shall be allocated to school districts by the Department of Education after review by the Board of Control and upon approval by the Department of Finance, only to reimburse districts for costs mandated by the state, as defined in Section 2207 5 of the Revenue and Taxation Code, incurred pursuant to Article 3 (commencing with Section 52160) of Chapter 7 of Part 28 of the Education Code.

Provided further, that up to $8,000,000 of the funds in excess of $128,377,682 in category (a) Total Program shall be allocated by the Superintendent of Public Instruction pursuant to Section 54041 of the Education Code, to a limited number of districts with high concentrations of limited- and non-English-speaking pupils and other economic impact aid pupils that receive insufficient funds through the economic impact aid formula.

Provided further, that, notwithstanding Section 10107 of the Education Code, the provisions of Chapter 2 (commencing with Section 10100) of Part 7 of the Education Code establishing the Bilingual Teacher Development Grant Program shall continue to be operative through June 30, 1980

Provided further, that in approving plans submitted by school districts for intradistrict alloca-

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	tion of compensatory education funding, the Department of Education (a) shall insure that the average amount per pupil, for schools scheduled to receive such funds, does not exceed 107 percent of the average amount per pupil allocated for compensatory education in 1978–79, and (b) shall insure, to the extent allowed by law, that at least 50 percent of the funding which is in excess of 107 percent of the funding received in 1978–79 is directed toward pupils in grades 7 to 12, who have not received such services in prior years; provided further, that for purposes of this item, compensatory education funding shall be considered to be those funds received by districts for compensatory education services from the state economic impact aid program and Part A of Title I of the Elementary and Secondary Education Act (PL 95-561).	
319	—For transfer by the State Controller to Section A of the State School Fund, in lieu of the appropriation made for the 1979–80 fiscal year for the Urban Impact Aid Program by Section 85 of Chapter 323 of the Statutes of 1976, by subdivision (c) of Section 54058 of the Education Code, and by subdivision (c) of Section 54057, and notwithstanding the second paragraph of Section 87 of Chapter 894 of the Statutes of 1977, for the purposes of Chapter 1 5 (commencing with Section 54060) of Part 29 of the Education Code	44,065,800
320	—For the following two compensatory education programs: (1) demonstration programs in reading and mathematics pursuant to Chapter 4 (commencing with Section 58600) of Part 31 of the Education Code, and (2) the professional development and program improvement center program as specified in Article 10 (commencing with Section 44630) of Chapter 3 of Part 25 of the Education Code, Department of Education	3,998,395
	Schedule:	
	(a) Demonstration programs in reading and mathematics 3,295,078	
	(b) Professional development centers 703,317	

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	provided, that the Department of Education, in utilizing the funds appropriated by this section, shall support the programs in the 1979–80 fiscal year in 13 school districts and shall include as criteria for participation a district's efforts to establish a multidistrict project and to obtain and use matching funds from local, state, or federal sources	
321	—For special elementary school reading instruction program teachers under the Miller-Unruh Reading Act of 1965, Department of Education	14,585,689
322	—For local assistance for Migrant Education, payable from federal funds, Department of Education	(39,276,894)
	provided, that the amount in this item constitutes federal funds defined in Section 8 6.	
323	—For transfer by the State Controller to Section A of the State School Fund, in lieu of the amount which would otherwise be appropriated for transfer from the General Fund in the State Treasury to Section A of the State School Fund for the 1979–80 fiscal year pursuant to Section 14004 of the Education Code for the Master Plan for Special Education Program, for apportionment pursuant to Article 5 (commencing with Section 56300) of Chapter 2 of Part 30 of the Education Code during the 1979–80 fiscal year, an amount not to exceed one hundred forty-nine million four hundred four thousand one hundred forty-three dollars	149,404,143
	Schedule:	
	(a) Total program 149,404,143	
	(b) Federal funds per Section 8.6 .....(79,490,000)	
	provided, that the federal funds in this schedule may be used for any special education program	
324	—To the Department of Education to reimburse school districts and county superintendents of schools for the costs of providing occupational training of physically handicapped and mentally retarded pupils pursuant to Section 56072 of the Education Code	192,600
325	—To the Department of Education for apportionment to school districts and other eligible agencies maintaining development centers for handicapped pupils pursuant to Chapter 6 (commencing with Section 56800) of Part 30 of Division 4 of Title 2 of the Education Code..	11,069,865
	Schedule:	
	(a) Total program 12,142,865	

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(b) Federal funds .. .. −1,073,000
provided, that notwithstanding any other provisions of law, the Superintendent of Public Instruction may allocate funds from the appropriation made by this item to school districts or county superintendents of schools in order to increase the reimbursement per child-hour allowed pursuant to Section 56810 of the Education Code from $1.75 to $2.27 to meet cost increases due to inflation and increase the maximum reimbursement for transportation allowed pursuant to Section 56830 of the Education Code from $675 to $811 to meet cost increases due to inflation.

326—For local assistance for vocational education programs, payable from federal funds, Department of Education ..... (55,355,751)
provided, that the amount in this item constitutes federal funds defined in Section 8.6.

Provided further, that up to 20 percent of federal funds under Subpart 3, P.L. 94-482, may be transferred to state operations, upon approval by the Director of Finance. The Department of Finance shall notify the Chairman of the Joint Legislative Budget Committee upon giving such approval.

Provided further, that the funds appropriated by this item shall be allocated by the Department of Education in accordance with the formula adopted by the State Board of Education at its meetings in April, May, and June, 1979

327—To the Department of Education for apportionment to the career guidance center operated by the Office of Superintendent of Schools of the County of San Diego and the center operated by the County of Los Angeles, as described in Section 52340 of the Education Code 267,500

328—For child development programs, for allocation to school districts and other eligible agencies maintaining children's centers and child care programs pursuant to Chapter 2 (commencing with Section 8200) or Chapter 2.5 (commencing with Section 8400) of Part 6 of the Education Code, Department of Education 129,761,594
Schedule:
(a) General child development programs 144,052,200
(b) Campus children's centers 3,584,597

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	(c) High-school-age parenting and infant development	2,904,339
	(d) Migrant day care	4,061,136
	(e) Special allowances for rent	319,447
	(f) Special allowances for handicapped	536,519
	(g) Alternative child care program	22,651,600
	(h) Annualization funds	3,000,000
	(i) Reimbursements	−51,881,940
	(j) Federal funds	−457,000
	(k) Less administration (shown in Item 307)	−3,465,005
	(*l*) Child care expansion	4,455,701

provided, that the 1978–79 average daily enrollment funding standards shall be increased by seven percent and that no local agency shall receive more than the applicable maximum under such increased funding standards

Provided further, that $1,189,225 of the funds scheduled in category (a) for general child development programs, are used to continue state General Fund revenues provided in 1978–79 by Chapter 292 of the Statutes of 1978, in lieu of no longer available county revenues provided in 1977–78 and prior years pursuant to Section 8384 of the Education Code, to maintain the 1970–71 level of county expenditure for child care services.

Provided further, that $1,189,225 of the funds provided in category (a) for general child development programs are used to replace funds that are provided to county welfare departments in comprehensive local government fiscal relief legislation for fiscal year 1979–80.

Provided further, that the Director of Finance shall direct the State Controller to reduce each county government's fiscal relief from the state by an amount equal to the 1970–71 level of county expenditure for child care services, if such reduction has not been expressly provided for in any local government fiscal relief legislation for fiscal year 1979–80

Provided further, that, notwithstanding Section 8384 of the Education Code, each county shall not be required to maintain the level of expenditure for child care services provided by the county during the 1970–71 fiscal year.

Provided further, that the amount scheduled in category (h) may be allocated among categories

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(a), (b), (c), (d) and (g) to meet the annualization of program costs incurred with the 1978–79 child care program expansion.

Provided further, that, notwithstanding any other provision of law, agencies maintaining child care and child development programs funded through this item shall adhere to the following child attendance recording requirements·

Children regularly enrolled in a child care or child development program who are absent on account of illness, quarantine, illness or quarantine of their parent or parents, family emergency requiring travel away from home, or traveling away from home to spend time with a parent or other relative that has been required by a court of law or is in the clear best interest of the child, shall be considered to be in regular attendance for the portion of the day for which they are enrolled, whenever the child care or child development agency certifies that such absence was on account of one of these reasons and is verified by the agency in such manner as the Superintendent of Public Instruction shall require All enrollment attendance shall be recorded in accordance with the requirements of the Superintendent of Public Instruction

Provided further, that $39,590,000 of the funds scheduled in category (a) for general child development programs for district child development programs are used to continue state General Fund revenues provided in fiscal year 1978–79 by Chapter 292 of the Statutes of 1978 in lieu of no longer available district revenues generated by child development permissive taxes levied pursuant to Sections 8329 and 8330 of the Education Code in 1977–78 for such programs.

Provided further, that, notwithstanding Section 8251 of the Education Code, the Department of Education may authorize the disbursement of funds provided by the $39,590,000 included in category (a) for general child development programs in excess of the maximum reimbursement rate to the child development programs which received funds from taxes levied pursuant to Sections 8329 and 8330 of the Education Code for the 1977–78 fiscal year, and in no case shall the amount disbursed to these child development programs exceed 107 percent of the amount required to be

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made available to child development programs under Section 6 5 of Chapter 332 of the Statutes of 1978 for fiscal year 1978–79.

Provided further, that $39,590,000 of the funds scheduled in category (a) may be expended for capital outlay, but only for the purpose of completing projects currently underway

Provided further, that funds allocated to these general child development programs may be in accordance with plans submitted by the districts to the Superintendent of Public Instruction in compliance with Section 6.5 of Chapter 332 of the Statutes of 1978; and provided further, that any portion of the $39,590,000 in excess of these needs may be allocated for any child development program included in category (a) or (b)

Provided further, that the Superintendent of Public Instruction shall reduce the 1979–80 entitlement of funds from Section A of the State School Fund to each school district by the amount of funds authorized to be received by the school district as in-lieu moneys generated by the child development permissive taxes levied pursuant to Sections 8329 and 8330 of the Education Code, unless the calculation of school district revenues to be received pursuant to comprehensive local government fiscal relief legislation enacted on or before January 1, 1980, expressly excludes revenues received by districts in lieu of moneys generated by child development permissive taxes levied pursuant to Sections 8329 and 8330 of the Education Code.

Provided further, that, notwithstanding any other provision of law, allocations by the Department of Education for special allowances for rent to private contractors who deliver child care services shall be made to an eligible agency promptly upon the proper submission of all required documents by such agency.

Provided further, that, notwithstanding Section 8250 of the Education Code, a 12.5 percent local matching requirement shall be required for agencies receiving funds scheduled in category (b) for campus children's centers.

Provided further, that, notwithstanding Section 8400 of the Education Code, funds allocated in category (g) for alternative child care programs may be used to fund alternative child care pro-

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grams established pursuant to Chapter 2 5 (commencing with Section 8400) of Part 6 of the Education Code.

Provided further, that the use of funds scheduled in category (*l*) shall be for expansion of child care services to children not currently served.

Provided further, that the Department of Education shall make every reasonable effort to allocate the expansion funds, or a pro rata share of the expansion funds, scheduled in category (*l*), as follows· (1) infant care, $2,056,477; (2) extended day care, $771,179, (3) high-school-age parenting and infant development, $514,120; and (4) care for pre-school-age children, $1,113,925

Provided further, that the Department of Education shall make every reasonable effort to allocate expansion funds, to the degree that such funds are available in category (*l*), such that (1) rural areas, as defined in the allocation process for the alternative child care program, receive their fair share of expansion funds; (2) campus and migrant child care programs receive proportional funding increases at least equal to the proportion of child care funds currently received by such agencies; (3) among those campus programs applying for expansion funds, priority be given to those programs which propose to coordinate their activities with college child development training programs, and (4) information and referral services be considered eligible to receive such expansion funds

Provided further, that funds allocated in category (*l*) for child care expansion to individual programs shall be limited to a pro rata share of full-year funding, depending on when a program becomes operational

Provided further, that in allocating (1) any funds for expansion of child development programs appropriated by this act or through other legislation enacted during the 1979–80 fiscal year or (2) any available funds resulting from termination of Department of Education contracts with agencies funded during the 1978–79 fiscal year, the Department of Education shall assure that child care services are delivered in a cost-effective manner and are available through a wide variety of local providers Such local providers shall reflect local-level needs, diversity and resources,

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	and shall include, but need not be limited to, public and private community-based organizations, other local public agencies, private proprietary programs, parent cooperatives, and family day care homes and networks.	
	Provided further, that in order to foster local flexibility and cost-effective programs, any available moneys to fund new child care services may be used in accordance with the provisions of Chapter 2.5 (commencing with Section 8400) of Part 6 of the Education Code which establish alternative child care programs.	
	Provided further, that the Department of Education shall submit to the Legislature by January 1, 1980, a description of procedures for allocation of child care funds in accordance with these provisions, and the Auditor General shall report to the Legislature by March 1, 1980, on their implementation	
329—To Department of Education for child development programs for apportionment to school districts and other eligible agencies maintaining preschool programs pursuant to Chapter 2 (commencing with Section 8200) of Part 6 of Division 1 of Title 1 of the Education Code		27,675,844
Schedule:		
(a) Total program	28,432,023	
(b) Less administration (shown in Item 307)	−756,179	
provided, that $3,133,800 of the funds appropriated in category (a) shall be allocated to programs with annual per capita costs of less than $1,350 in order that all such programs shall have an annual per capita cost level of $1,350 by September 30, 1979		
Provided further, that programs with annual per capita costs in excess of $1,350 shall reduce their costs over a two-year period to the statewide average.		
330—To Department of Education for Indian Education Centers, provided that the appropriation made by this item is limited to carrying out the provisions of Article 6 (commencing with Section 33380) of Chapter 3 of Part 20 of Division 2 of Title 2 of the Education Code		649,226
Schedule		
(a) Total program	777,267	

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	(b) Less administration (shown in Item 307)	−128,041
331—To the Department of Education for the Native American Indian Education Program, as provided in Chapter 6 5 (commencing with Section 52060) of Part 28 of the Education Code		275,611
Schedule		
	(a) Total program	302,734
	(b) Less administration (shown in Item 307)	−27,123
332—For maintaining the Bilingual Teacher Corps Program pursuant to Article 2 (commencing with Section 52150) of Chapter 7 of Part 28 of the Education Code, Department of Education		1,496,000
332.1—To the Department of Education for the purpose of increasing the supply of bilingual teachers for allocation in accordance with the following schedule		2,325,800
Schedule·		
	(a) For support of the bilingual teacher corps	1,063,000
	(b) For transfer to the Student Aid Commission for support of the Bilingual Teacher Development Grant Program.	762,800
	(c) For support of staff development resource centers.	500,000

provided, that funds appropriated by this item shall be available only in the event that funds are not appropriated for 1979–80 for the economic impact and program in excess of the 1978–79 fiscal year funding level for the educationally disadvantaged youth and bilingual education programs.

Provided further, that, notwithstanding the provisions of Sections 54024, 54025, 54027, 54028, 54053, 54054, and 54056 of the Education Code and the second paragraph of Section 87 of Chapter 894 of the Statutes of 1977, in the event that funds are appropriated for 1979–80 for the economic impact aid program in excess of the 1978–79 fiscal year funding level for the educationally disadvantaged youth and bilingual education programs, $2,325,-800 of funds for the economic impact aid program shall be made available to increase the supply of bilingual teachers in accordance with the above schedule

Provided further, that the allocation of $500,000 contained in category (c) shall be for staff devel-

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opment resource centers established pursuant to Chapter 3.1 (commencing with Section 44670) of Part 25 of the Education Code for the purpose of providing in-service training for teachers currently on waiver, and provided further, that such funds shall be allocated to those resource centers which are in closest proximity to, and best able to serve, teachers on waiver.

333—For transfer by the State Controller, in lieu of the appropriation provided for in Section 60246 of the Education Code, to the State Instructional Materials Fund, for allocation pursuant to Article 3 (commencing with Section 60240) of Chapter 2 of Part 33 of the Education Code during the 1979–80 fiscal year, forty-one million thirty-five thousand six hundred fifty-six dollars. 41,035,656
provided, that such funds shall be transferred to the State Instructional Materials Fund by the State Controller in amounts claimed by the Department of Education, and that the remaining balance, if any, be transferred to the State Instructional Materials Fund on June 30, 1980.

334—To Department of Education for instructional television programs, to be expended in accordance with the provisions of Section 41920 of the Education Code 841,364
Schedule:
(a) Total program 861,525
(b) Less administration (shown in Item 307) . ... −20,161
provided, that in lieu of the allowance of fifty cents ($0.50) per pupil provided in Section 41920 of the Education Code, participating districts shall be allowed an amount of up to fifty-three and one-half cents ($0.535) per pupil.

335—For support of local assistance for instructional support, payable from federal funds, Department of Education .... (30,596,909)
provided, that the amount in this item constitutes federal funds as defined in Section 8.6.

336—For support of local assistance for adult basic education, payable from federal funds, Department of Education . ... (6,137,608)
provided, that the amount in this item constitutes federal funds defined in Section 8.6

337—For transfer to the State Child Nutrition Fund pursuant to Section 41312 of the Education Code for child nutrition programs pursuant to the provi-

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	sions of Section 41311 and clause (3) of subdivision (a) of Section 41312 of the Education Code, Department of Education.....	46,210,444
	Schedule:	
	(a) Total program	47,050,494
	(b) Less administration (shown in Item 308).	−840,050
	(c) Federal funds per Section 8 6 ...	(282,939,516)
	provided, that claims for reimbursement of meals pursuant to this item shall be submitted by school districts not later than September 30, 1980, to be eligible for reimbursement.	
338	—For transfer by the State Controller during the 1979–80 fiscal year to Section A of the State School Fund, in lieu of the amount which would otherwise be appropriated for transfer from the General Fund in the State Treasury to Section A of the State School Fund for the 1979–80 fiscal year pursuant to Sections 14002, 14003, 14004, 14006, 14007 and 41304 of the Education Code, an amount as needed, in addition to the sums accruing to Section A of the State School Fund from other sources for the purposes specified in this item, for apportionment pursuant to Chapter 3 (commencing with Section 41300), Chapter 4 (commencing with Section 41600) and Chapter 5 (commencing with Section 41700) of Part 24 of the Education Code and Chapter 8 (commencing with Section 52200) of Part 28 of the Education Code, during the 1979–80 fiscal year an amount not to exceed two billion six hundred ninety-eight million two hundred thirty-seven thousand five hundred sixty-five dollars	2,698,237,565
	Provided, that of the funds appropriated by this item no more than thirteen million three hundred seventy-three thousand five hundred fifty dollars ($13,373,550) shall be expended for the purpose of Chapter 8 (commencing with Section 52200) of Part 28 of the Education Code.	
	Provided further, that of the funds appropriated by this item no more than nineteen million eight hundred thousand dollars ($19,800,000) shall be expended for the purposes of Section 41306 and Article 12 (commencing with Section 41900) of Chapter 5 of Part 24 of the Education Code, provided further, that if legislation is chaptered on or before September 1, 1979, which repeals the re-	

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quirement that persons of a specified age must successfully complete a driver training course in order to be eligible to be issued a driver's license or instruction permit, funds appropriated by this item for the purpose of Article 12 (commencing with Section 41900) of Chapter 5 of Part 24 of the Education Code shall not be expended for such purpose and shall revert to the General Fund.

Provided further, that of the funds appropriated by this item no more than sixty million three hundred thousand dollars ($60,300,000) shall be expended for the purpose of Article 10 (commencing with Section 41850) of Chapter 5 of Part 24 of the Education Code.

Provided further, that of the funds appropriated by this item no more than one hundred twenty-eight million eight hundred forty-three thousand two hundred dollars ($128,843,200) shall be expended for apportionments pursuant to Education Code Sections 41716 and 41716.5.

Provided further, that each school district and county superintendent of schools receiving funds appropriated by this item shall maintain a 1979–80 average daily attendance of 90 percent and an expenditure level of at least 97 percent of the 1977–78 expenditure level in adult programs in elementary and secondary basic skills in mathematics, history, science, government, and language arts, and courses specifically required for the completion of a high school diploma by the local governing board, adult programs in English as a second language, adult programs in citizenship for immigrants, adult programs for substantially handicapped persons, adult programs for apprentices, adult vocational programs with high employment potential, adult programs for survival skills for older adults in health, consumer resources and entitlements and managing money for self-maintenance, and adult programs in parenting including parent cooperative preschools, classes in child growth and development, and parent/child relationships, and classes in parenting, provided further, that the Department of Education shall notify districts of programs to be mandated no later than August 15, 1979

Provided further, that if the Superintendent of Public Instruction has determined that a district or a county superintendent of schools did not

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maintain the required level of service in each program for the 1978–79 school year as specified in Item 316 1 of the Budget Act of 1978 (Chapter 359 of the Statutes of 1978) and has withheld 1978–79 apportionments accordingly, the 1979–80 apportionments pursuant to this item shall be recalculated so that the 1979–80 apportionments shall restore the funding withheld in 1978–79 which exceeded four times the expenditure level for those students not served at the required average daily attendance and expenditure level

Provided further, that if the Superintendent of Public Instruction determines that a district or county superintendent of schools has not maintained a proportionate level of service in each component of each category of program for 1979–80 required by this item, he shall reduce such district's or county superintendent's entitlement from Section A of the State School Fund by an amount equal to four times the amount which he determines that district or county superintendent of schools would have expended to maintain the level of service which was not actually maintained

Provided further, that the level of service of any program for 1979–80 required by this item may be waived for a school district or county superintendent of schools by the Superintendent of Public Instruction upon certification from the school district or county superintendent of schools that the local demand for the program was less than the required level of service or where local shifts in population have reduced demands significantly

Provided further, that the governing board of each high school district or unified school district shall establish a separate fund to be known as the Adult Education Fund, and moneys received pursuant to the adult education provisions of this item shall be deposited in such fund and shall only be expended for the program specified in the adult education provisions of this item

Provided further, that for purposes of adult programs in this item, substantially handicapped persons are those who have handicaps which are likely to continue indefinitely or for a prolonged period and whose handicap results in substantial functional limitations in one or more of the following activities: self-care, receptive or expression

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language, learning, mobility, self-direction, capacity for independent living, or economic self-sufficiency.

Provided further, that each school district and county superintendent of schools receiving funds appropriated by this item shall maintain a 1979–80 average daily attendance of 90 percent and an expenditure level of at least 97 percent of the 1977–78 expenditure level in summer school programs for substantially handicapped students.

Provided further, that for the purposes of extended year programs in this item, substantially handicapped persons are identified as individuals with exceptional needs who, because of intensive educational needs, are placed in special classes or centers pursuant to any of the following sections of the Education Code: 1850(a), excluding remedial classes; 1850(c), 56332(a)(1), 56511(a); 56516; 56519; 56600.2(a); 56601(b); 56601(c); 56702(a); 56800 et seq.; and individuals with exceptional needs who are not placed in special classes or centers but whose individualized education plan specifies an extended year (summer) program

Provided further, that in those instances in which a school district or county superintendent of schools did not conduct the programs in 1977–78 which are listed in the immediately preceding paragraphs, but for which local demand exists in the 1979–80 fiscal year, the school district or county superintendent of schools shall meet such demands and shall offer at least a 20 instructional day program for each student, and shall receive an allocation of funds from this item for such purposes

Provided further, that no district shall receive apportionments from the funds appropriated by this item for support of the mentally gifted minor program for a greater number of students in 1979–80 than the number for which it received apportionments in 1978–79, except under the following conditions: (1) if less than 2 percent of a district's culturally disadvantaged students are enrolled in the mentally gifted minor program, such district may enroll in the program such culturally disadvantaged students who qualify for admission to the program up to the specified 2 percent level, or (2) if at least 2 percent of a district's culturally disadvantaged students are enrolled in the men-

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tally gifted minor program, or, should fewer than 2 percent of such culturally disadvantaged students qualify for admission, as many such culturally disadvantaged students as are qualified for admission are enrolled in the mentally gifted minor program, and such district has less than 3 percent of its total students enrolled in such program, such district may enroll students who qualify for admission to the program, regardless of cultural disadvantage, up to the specified 3 percent level

Provided further, that any school district and county superintendent of schools receiving funds appropriated by this item shall offer in the summer of 1979 and the summer of 1980 summer school programs for high school seniors in need of courses required for graduation prior to September

Provided further, that any school district and county superintendent of schools receiving funds appropriated by this item shall offer in the summer of 1980 summer school programs for (1) students not meeting district proficiency standards, and (2) students whose academic achievement level is two or more grade levels behind the grade level they will enter in the next school year in those districts which have not developed or applied proficiency standards; provided further that of the funds appropriated by this item, the Superintendent of Public Instruction may certify for apportionment from Section A of the State School Fund funds for average daily attendance in such programs offered during the summer of 1979

Provided further, that the Superintendent of Public Instruction shall not certify for apportionment, not including special allowances for handicapped students, to any school district or county superintendent of schools from Section A of the State School Fund an amount for 1979–80 summer school attendance greater than 70 percent of that district's 1979–80 revenue limit as calculated pursuant to subdivision (f) or (g) of Section 42238 of the Education Code, as amended by Chapter 894 of the Statutes of 1977

Provided further, that all school districts, county offices of education, and community college districts shall, upon request, make facilities available, at cost, for the operation of migrant summer school programs

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339—For support of the California Library Services Board for allocation to eligible libraries and library systems pursuant to Chapter 4 (commencing with Section 18700) of Part 11 of the Education Code, State Librarian . . .		4,628,369
Schedule.		
(a) Total program . .	4,825,827	
(b) Less administration (shown in Item 307)	−197,458	
340—For support of local assistance for public libraries, payable from federal funds, Department of Education, Division of Libraries		(4,442,547)
provided, that the amount in this item constitutes federal funds as defined in Section 8 6		
341—For reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs, which relate to educational programs, of any new program or increased level of service of an existing program mandated by statute, State Controller		319,231
provided, that allocations to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute that mandates the reimbursement of such costs and of subdivision (d) of Section 2231 of the Revenue and Taxation Code		
342—For support of the California Advisory Council on Vocational Education and Technical Training		88,241
Schedule		
(a) Personal services .	160,733	
(b) Operating expenses and equipment . .	104,593	
(c) Federal funds	−177,085	
343—For transfer by State Controller to the Teachers Retirement Fund for State Teachers' Retirement System		144,300,000
344—For support of Commission for Teacher Preparation and Licensing, payable from the Teacher Credentials Fund		3,223,631
Schedule:		
(a) Personal services	2,161,330	
(b) Operating expenses and equipment	1,232,301	
(c) Federal funds	−170,000	
provided, that no funds appropriated by this item for external assessment shall be expended after December 31, 1979, or such date thereafter, as the Director of Finance and the Legislative Analyst		

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	may jointly determine, unless a plan for evaluation of (1) programs approved by the Commission on Teacher Preparation and Licensing and (2) the performance of persons credentialed by the commission has been approved by the Director of Finance and the Legislative Analyst	
	Provided further, that such a plan shall be developed by the Commission on Teacher Preparation and Licensing and submitted to the Director of Finance and the Legislative Analyst by November 15, 1979	
	Higher Education	
345—For support of California Postsecondary Education Commission		1,664,935
Schedule		
(a) Personal services . .	1,410,655	
(b) Operating expenses and equipment	1,933,301	
(c) Federal funds . . .	—1,679,021	
346—For support of University of California, exempt from Section 31 of this act		793,141,042
Schedule		
(a) Support .. .	793,141,042	
(b) Federal funds per Section 8 7	(1,010,499,341)	
provided, that none of the funds appropriated by this item may be expended to initiate major capital outlay projects, either by contract or lease-purchase agreement, without prior legislative approval		
Provided further, that no expenditure may be made from the $483,500 appropriated by this item for development of management information systems unless it is matched by the university with an equal contribution from funds not appropriated by this act		
Provided further, that funds appropriated by this item for the Student Affirmative Action Program are available only on the condition that the university provides a contribution of $1,888,650 for such program from funds not appropriated by this act		
346 1—For support of a university-wide research program in integrated pest management, University of California, exempt from Section 31 of this act		1,125,000

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346.2—For support of a space related research program, University of California, exempt from Section 31 of this act	455,000
346.3—For salary increases and increases in benefits related thereto, to be allocated by the Department of Finance to the Regents of the University of California, in augmentation of appropriations for support or for other purposes in such amounts as will defray the cost, including staff benefits, of increases in compensation for faculty and faculty-related positions provided in any increased salary range or rate established on or after July 1, 1979, for the 1979–80 fiscal year by the Regents of the University of California, exempt from Section 31 of this act	24,311,000
provided, that the appropriation provided in this this item shall be used by the Regents of the University of California to increase the salary rates or ranges by 7 percent in addition to the increase provided in Item 346 5	
Provided further, that increases in compensation provided by increased salary ranges for positions established for the 1979–80 fiscal year shall not result in total annual salary increases of more than $24,311,000 Before the Regents of the University of California establish any increased salary range or rate for the 1979–80 fiscal year, a certification shall be obtained from the Department of Finance that sufficient money either is available in funds authorized for the University of California or may be made available from the appropriation in this item to meet the cost of such increases	
346 4—For salary increases and increases in benefits related thereto, to be allocated by the Department of Finance to the Regents of the University of California, in augmentation of appropriations for support or for other purposes, in such amounts as will defray the cost, including staff benefits, of increases in compensation for nonfaculty positions provided in any increased salary range or rate established on or after July 1, 1979, for the 1979–80 fiscal year by the Regents of the University of California, exempt from Section 31 of this act	21,707,000
provided, that the appropriation provided in this item shall be used by the Regents of the University of California to increase the salary rates or ranges by 7 percent in addition to the increase provided for in Item 346 6	

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Provided further, that increases in compensation provided by increased salary ranges for positions established for the 1979–80 fiscal year shall not result in total annual salary increases of more than $21,707,000 Before the Regents of the University of California establish any increased salary range or rate for the 1979–80 fiscal year, a certification shall be obtained from the Department of Finance that sufficient money either is available in funds authorized for the University of California or may be made available from the appropriation in this item to meet the cost of such increases.

346.5—For salary increases and increases in benefits related thereto, to be allocated by the Department of Finance to the Regents of the University of California, in augmentation of appropriations for support or for other purposes, in such amounts as will defray the cost, including staff benefits, of increases in compensation for faculty and faculty-related positions provided in any increased salary range or rate established on or after July 1, 1979, for the 1979–80 fiscal year by the Regents of the University of California, exempt from Section 31 of this act 29,197,000

provided, that the increase in compensation provided in any increased salary range or rate established on or after July 1, 1979, shall be adjusted after those salaries have been adjusted pursuant to Item 346 3

Provided further, that increases in compensation provided by increased salary ranges for positions established for the 1979–80 fiscal year shall not result in total annual salary increases of more than $29,197,000. Before the Regents of the University of California establish any increased salary range or rate for the 1979–80 fiscal year, a certification shall be obtained from the Department of Finance that sufficient money either is available in funds authorized for the University of California or may be made available from the appropriation in this item to meet the cost of such increases

346 6—For salary increases and increases in benefits related thereto, to be allocated by the Department of Finance to the Regents of the University of California, in augmentation of appropriations for support or for other purposes, in such amounts as will defray the cost, including staff benefits, of increases in compensation for nonfaculty positions

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	provided in any increased salary range or rate established on or after July 1, 1979, for the 1979–80 fiscal year by the Regents of the University of California, exempt from Section 31 of this act ..	26,235,000

provided, that the increase in compensation provided in any increased salary range or rate established on or after July 1, 1979, shall be adjusted after those salaries have been adjusted pursuant to Item 346.4.

Provided further, that increases in compensation provided by increased salary ranges for positions established for the 1979–80 fiscal year shall not result in total annual salary increases of more than $26,235,000. Before the Regents of the University of California establish any increased salary range or rate for the 1979–80 fiscal year, a certification shall be obtained from the Department of Finance that sufficient money either is available in funds authorized for the University of California or may be made available from the appropriation in this item to meet the cost of such increases.

347	—For support of a universitywide Institute of Appropriate Technology, University of California, exempt from Section 31 of this act .	150,000

provided, that among its functions, the institute shall provide grants for research regarding appropriate technology to faculty and students of the university and shall act as an information clearinghouse linking university personnel, private citizens, and state agencies to those who are interested in learning more about research regarding appropriate technology and policy options, and provided, further, that a report containing the following information shall be submitted to the Department of Finance and the Joint Legislative Budget Committee by February 1, 1980

(a) The specific objectives which the institute seeks to advance

(b) The activities engaged in by the institute during the 1979–80 fiscal year

(c) A detailed budget for the 1979–80 fiscal year for the institute, from all sources, and a proposed budget for the 1980–81 fiscal year

For the purposes of this item, "appropriate technology" means a technology which is less harmful

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	to people and the environment than our present technologies, which reduces dependence on nonrenewable resources, which is economically and ecologically sound, and which offers small-scale, practical alternatives to our current level of resource consumption.	
	Provided further, that at least 80 percent of the grants shall be for not more than $10,000.	
	Provided further, that at least one person from the Office of Appropriate Technology shall be placed on the institute's board of directors.	
348	—For support of University of California—State Data Program, exempt from Section 31 of this act	119,500
349	—For financing undergraduate teaching excellence, University of California, exempt from Section 31 of this act	1,381,700
350	—For the planning of a University of California medical education program in the Fresno-San Joaquin Valley Region, exempt from Section 31 of this act	77,400
351	—For the support of a University of California medical education program at its Berkeley campus, exempt from Section 31 of this act	745,210
352	—For support of a University of California biomedical education program at its Riverside campus, exempt from Section 31 of this act	623,913
353	—For a loan, to be allocated by the Department of Finance following the adoption of a resolution by the Regents of the University of California declaring a teaching hospital fiscal emergency, to the University of California to ensure that the University of California teaching hospitals suffer no fiscal penalties in the 1979–80 fiscal year as a result of the Medicare cost reimbursement limits issued pursuant to the authority of paragraph (1) of subsection (v) of Section 1861 of the Social Security Act (para. (1), subsec (v), Sec 1395x, Title 42, U.S.C.) and the Medi-Cal program cost reimbursement limits issued pursuant to the authority of Sections 14105, 14106, and 14124.5 of the Welfare and Institutions Code and defined in Section 51508 of Title 22 of the California Administrative Code	3,919,600
	provided, that funds appropriated by this item may be allocated on the basis of estimates by the University of California of the differences for each hospital in the reimbursement limits allowed by the Medicare and Medi-Cal programs and the	

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reimbursement rates claimed by the University of California, considering not only such estimates of differences, but also the financial condition of each hospital.

Provided further, that no allocation may be made sooner than 30 days after notification in writing of the necessity therefor is made to the Chairman of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairman of the committee, or his designee, may in such instance determine

Provided further, that the University of California shall appeal for exceptions to the reimbursement limits pursuant to procedures for requesting such appeals

Provided further, that any funds allocated under the authority of this item shall be repaid to the General Fund with the proceeds of every claim successfully appealed, without regard to fiscal year, as such proceeds become available.

Provided further, the University of California shall report annually in its budget on the status of such appeals

Provided further, that after the procedures for requesting appeals have been exhausted and all decisions are rendered, the Director of Finance shall determine the amount of the loan to be repaid by the University of California, and such determination shall become final 30 days after notification in writing is made to the Chairman of the Joint Legislative Budget Committee.

354—For support of University of California program of clinical health sciences education, research, and public service, conducted in conjunction with the Charles R Drew Postgraduate Medical School, as provided for in Sections 1, 2 and 3 of Chapter 1140 of the Statutes of 1973, exempt from Section 31 of this act ... 2,678,210

Provided, that the University of California shall ensure by adequate controls that funds appropriated by this item are expended solely for the support of such programs

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355—For support of a program of basic and clinical health science education and primary health care delivery research in the field of podiatry, University of California, to be conducted in conjunction with the California College of Podiatric Medicine as provided for in Sections 1 to 4, inclusive, of Chapter 1497, Statutes of 1974, exempt from Section 31 of this act		726,800
356—For support of the Institute of Transportation Studies, University of California, payable from the Driver Training Penalty Assessment Fund, exempt from Section 31 of this act		539,300
357—For research in mosquito control, University of California, exempt from Section 31 of this act, payable from the California Water Fund		100,000
358—For support of Hastings College of Law		4,627,180
Schedule		
(a) Personal services	4,772,307	
(b) Operating expenses and equipment	2,548,345	
(c) Reimbursements	−1,796,302	
(d) Federal funds	−897,170	
359—For support of Trustees of the California State University and Colleges and the California State University and Colleges.		721,268,853
Schedule:		
(a) Instruction	466,194,513	
(b) Organized research	99,630	
(c) Public service	407,014	
(d) Academic support	86,382,535	
(e) Student service	107,233,018	
(f) Institutional support	181,769,642	
(g) Independent operations	31,079,154	
(h) Reimbursements	−97,655,525	
(i) Federal funds	−53,241,128	
(j) Unspecified reduction	−1,000,000	
(*l*) Federal Funds per Section 8 7 Foundations and Auxiliary Operations	(30,752,000)	

provided, that the funds appropriated in this item may be reallocated upon order of the Trustees of the California State University and Colleges subject to being reported to the Department of Finance, provided further, that no instructional faculty positions authorized for the 1979–80 fiscal year shall be used for administration, administrative assistance, department chairmanships, or noninstructional research.

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	Provided further, that no portion of the funds appropriated in this item for instructionally related activities may be expended for intercollegiate athletics	
	Provided further, that $616,461 of the funds appropriated by this item shall be expended only for energy conservation projects approved by the Director of Finance; provided further, that expenditures for such projects shall not be authorized sooner than 30 days after notification of such approval in writing has been delivered to the Chairman of the Joint Legislative Budget Committee, or such lesser time as the chairman of such committee, or his designee, may in each instance determine.	
	Provided further, that availability of $175,092 appropriated by this item for two rural cooperative outreach projects shall be contingent upon Department of Finance determination, after consultation with the California Postsecondary Education Commission, that plans are fully developed and are agreed upon with the two rural school districts; provided further, that before such determination is made the Trustees of the California State University and Colleges shall submit such plans for review to the California Postsecondary Education Commission.	
	Provided further, that reimbursements in excess of the amount budgeted for nonresident tuition shall revert to the General Fund, unless authorized for expenditure by the Department of Finance with written notification to the Joint Legislative Budget Committee and the committee in each house which considers appropriations.	
359.1	—For support of disabled student services, in addition to and in augmentation of Item 359, Trustees of the California State University and Colleges, to be allocated by the Department of Finance pursuant to the recommendation of the September 1, 1979, report of the California Postsecondary Education Commission Task Force on Disabled Student Education Support	924,885
359.2	—For increases above the 1978–79 levels in the price of electricity, gas, and oil, in addition to and in augmentation of Item 359, Trustees of the California State University and Colleges, to be allocated by the Department of Finance	2,312,120
359.3	—For salary increases and increases in benefits	

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	related thereto, to be allocated by the Department of Finance to the Trustees of the California State University and Colleges, in augmentation of appropriations for support or for other purposes, in such amounts as will defray the cost, including staff benefits, of increases in compensation for academic and academic-related positions provided in any increased salary range or rate established on or after July 1, 1979, for the 1979–80 fiscal year by the Trustees of the California State University and Colleges	29,626,000
	provided, that the appropriation provided in this item shall be used by the Trustees of the California State University and Colleges to increase the salary rates and ranges by 7 percent in addition to the increase provided for in Item 359 5	
	Provided further, that increases in compensation provided by this item for increased salary ranges for positions established for the 1979–80 fiscal year shall not result in total annual salary increases of more than $29,626,000	
	Provided further, that before the Trustees of the California State University and Colleges establish any increased salary range or rate for the 1979 –80 fiscal year, a certification shall be obtained from the Department of Finance that sufficient money either is available in funds authorized for the California State University and Colleges or may be made available from the appropriation in this item to meet the cost of such increases	
359.4	—For salary increases and increases in benefits related thereto, to be allocated by the Department of Finance to the Trustees of the California State University and Colleges, in augmentation of appropriations for support or for other purposes, in such amounts as will defray the cost, including staff benefits, of increases in compensation for nonacademic positions provided in any increased salary range or rate established on or after July 1, 1979, for the 1979–80 fiscal year by the Trustees of the California State University and Colleges .	16,059,000
	provided, that the appropriation provided in this item shall be used by the Trustees of the California State University and Colleges to increase the salary rates or ranges by 7 percent in addition to the increase provided in Item 359 6	
	Provided further, that increases in compensation provided by this item for increased salary	

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	ranges for positions established for the 1979–80 fiscal year shall not result in total annual salary increases of more than $16,059,000 Before the Trustees of the California State University and Colleges establish any increased salary range or rate for the 1979–80 fiscal year, a certification shall be obtained from the Department of Finance that sufficient money either is available in funds authorized for the California State University and Colleges or may be made available from the appropriation in this item to meet the cost of such increases.	
359 5	—For salary increases and increases in benefits related thereto, to be allocated by the Department of Finance to the Trustees of the California State University and Colleges, in augmentation of appropriations for support or for other purposes, in such amounts as will defray the cost, including staff benefits, of increases in compensation for academic and academic-related positions provided in any increased salary range or rate established on or after July 1, 1979, for the 1979–80 fiscal year by the Trustees of the California State University and Colleges	33,968,000
	provided, that the increase in compensation provided in any increased salary range or rate established on or after July 1, 1979, shall be adjusted after those salaries have been adjusted pursuant to Item 359 3.	
	Provided further, that increases in compensation provided by this item for increased salary ranges for positions established for the 1979–80 fiscal year shall not result in total annual salary increases of more than $33,968,000. Before the Trustees of the California State University and Colleges establish any increased salary range or rate for the 1979–80 fiscal year, a certification shall be obtained from the Department of Finance that sufficient money either is available in funds authorized for the California State University and Colleges or may be made available from the appropriation in this item to meet the cost of such increases	
359.6	—For salary increases and increases in benefits related thereto, to be allocated by the Department of Finance to the Trustees of the California State University and Colleges, in augmentation of appropriations for support or for other purposes,	

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	in such amounts as will defray the cost, including staff benefits, of increases in compensation for nonacademic positions provided in any increased salary range or rate established on or after July 1, 1979, for the 1979–80 fiscal year by the Trustees of the California State University and Colleges .	18,413,000
	provided, that the increase in compensation provided in any increased salary range or rate established on or after July 1, 1979, shall be adjusted after those salaries have been adjusted pursuant to Item 359.4	
	Provided further, that increases in compensation provided by this item for increased salary ranges for positions established for the 1979–80 fiscal year shall not result in total annual salary increases of more than $18,413,000. Before the Trustees of the California State University and Colleges establish any increased salary range or rate for the 1979–80 fiscal year, a certification shall be obtained from the Department of Finance that sufficient money either is available in funds authorized for the California State University and Colleges or may be made available from the appropriation in this item to meet the cost of such increases	
360—For replacement of batch computer equipment, Trustees of the California State University and Colleges and the California State University and Colleges		2,999,600
	Schedule	
	(a) Site preparation	499,000
	(b) Hardware	1,079,000
	(c) Operating expense	885,000
	(d) Communications	536,600
361—For support of California Maritime Academy		2,371,984
	Schedule	
	(a) Personal services	2,553,629
	(b) Operating expenses and equipment	1,643,016
	(c) Reimbursements	−1,306,982
	(d) Federal funds	−517,679
362—For support of Board of Governors of the California Community Colleges		2,815,874
	Schedule	
	(a) Personal services	3,091,607
	(b) Operating expenses and equipment	1,124,194
	(c) Reimbursements	−982,410

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	(d) Amount payable from Community Colleges Credentials Fund.. .	−411,181
	(e) Amount payable from Community College Fund for Instructional Improvement	−6,336
	provided that a total of $90,000 shall be transferred to the Community College Fund for Instructional Improvement for the purpose of state operations	
363	—For support of the credentials office of the Board of Governors of the California Community Colleges, payable from the Community Colleges Credentials Fund	411,181
364	—For transfer by the State Controller during the 1979–80 fiscal year to Section B of the State School Fund, in lieu of the amounts which would otherwise be appropriated for transfer from the General Fund in the State Treasury to Section B of the State School Fund pursuant to Section 14020 of the Education Code, in addition to the sums accruing to Section B of the State School Fund from other sources, for apportionment pursuant to Article 4 5 (commencing with Section 84762) and Article 11 (commencing with Section 84850) of Chapter 5 of Part 50 of the Education Code during the 1979–80 fiscal year	567,380,794
	Provided, that each community college district receiving funds appropriated by this item shall maintain a 1979–80 average daily attendance of 85 percent and an expenditure level of at least 92 percent of the 1977–78 average daily attendance and expenditure level in adult noncredit programs for substantially handicapped persons, adult programs for apprentices, adult vocational programs with high employment potential, adult programs for survival skills for older adults in health, consumer resources, and entitlements and managing money for self-maintenance, and adult programs in parenting, including parent cooperative preschools, classes in child growth and development, and parent/child relationships, and classes in parenting	

ITEM AMOUNT

Provided further, that in those instances in which a community college district did not conduct the programs in 1977–78 which are listed in the immediately preceding paragraph, but for which local demand exists in the 1979–80 fiscal year, the district may meet such demands and shall receive an allocation of funds from this item for such purposes

Provided further, that for purposes of adult programs in this item, substantially handicapped persons are those who have handicaps which are likely to continue indefinitely or for a prolonged period and whose handicap results in substantial functional limitations in one or more of the following activities· self-care, receptive or expression language, learning, mobility, self-direction, capacity for independent living, or economic self-sufficiency

Provided further, for the 1979–80 school year, if the Chancellor of the California Community Colleges has determined that a district has not maintained the required level of service as specified in this item, the Chancellor shall reduce such district's 1979–80 entitlement from Section B of the State School Fund by an amount equal to four times the expenditure level which would have been required had the program been offered in 1979–80

Provided further, that the level of service of any program for 1979–80 required by this item may be waived for a community college district by the Chancellor of the California Community Colleges upon certification from the district that the local demand for the program was less than the required level of service or where local shifts in population have reduced demands significantly

365—For community college extended opportunity programs and services, Board of Governors of the California Community Colleges, conducted under the provisions of Article 8 (commencing with Section 69640) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code . . 25,472,092

provided, that the board of governors shall allocate funds on a priority basis and only to local programs which have the greatest need for student financial aid and services and which demonstrate program effectiveness with 70 percent weight given to student need and 30 percent to

ITEM		AMOUNT
	effectiveness; provided further, that any funds appropriated by this item in excess of $17,389,919 (appropriated by Item 341, Budget Act of 1978) shall be allocated on the basis of need only	
366—For transfer to the Community College Fund for Instructional Improvement.. ... . provided, that the appropriation in this item is expended according to the following schedule.		755,000
	Schedule:	
	(a) Grants.	755,000
367—For support of Student Aid Commission . . .. Schedule.		3,165,531
	(a) Personal services	2,158,289
	(b) Operating expenses and equipment	1,644,635
	(c) Amount payable from the State Guaranteed Loan Reserve Fund (Item 370)	−51,204
	(d) Amount payable from the State Guaranteed Loan Reserve Fund, Chapter 1201, Statutes of 1977 (Item 371).	−586,189
368—For awards in the Cal Grant Program under provisions of Article 4 (commencing with Section 69560), Article 5 (commencing with Section 69580), and Article 6 (commencing with Section 69600) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code, Student Aid Commission Schedule:		71,078,280
	(a) Scholarships (Cal Grant (a))	56,808,936
	(b) College opportunity grants (Cal Grant (b))	23,358,090
	(c) Occupational education and training grants (Cal Grant (c))	3,311,154
	(d) Federal funds . .. .:	−12,399,900
	provided, that upon order of the Director of Finance, the State Controller shall transfer such funds as are necessary between these categories	
369—For grant awards and graduate fellowship awards under provisions of Education Code Section 10104 and under provisions of Article 9 (commencing with Section 69670) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code, for awards under provisions of Sections 2193 75 through 2193 78 of the Business and Professions Code, and for scholarship awards under provisions of Section 4709 of the Labor Code, Student Aid Commission		3,528,000

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	Schedule:	
	(a) Fellowships for graduate study ...	2,698,000
	(b) Clinical training program	500,000
	(c) Dependents of deceased or disabled peace officers program. . ..	15,000
	(d) Bilingual teacher development grants	315,000
	provided, that upon order of the Director of Finance, the State Controller shall transfer funds as are necessary between these subitems and between this item and Item 368.	
370	—For support of Student Aid Commission, the sum of $51,204 is appropriated from the State Guaranteed Loan Reserve Fund for transfer to Item 367	(51,204)
371	—For support of the Student Aid Commission, State Guaranteed Student Loan Program, for the purposes of Chapter 1201 of the Statutes of 1977, the sum of $586,189 is appropriated from the State Guaranteed Loan Reserve Fund for transfer to Item 367	(586,189)

GENERAL GOVERNMENT

General Administration

372	—For support of the Political Reform Act of 1974 (Proposition 9), in addition to the funds provided pursuant to Section 83122 of the Government Code, the following sums are hereby appropriated to the following agencies and officers for the administration, investigation, and regulation of political campaigns, officials, and lobbyists..	3,094,859
	Schedule:	
	(a) Attorney General, to be transferred by the State Controller to Item 47..	187,814
	(b) Secretary of State, to be transferred by the State Controller to Item 63.....	421,442
	1 Total program. 435,599	
	2. Reimbursements..... −14,157	
	(c) Franchise Tax Board, to be transferred by the State Controller to Item 113..	2,485,603
	(d) Fair Political Practices Commission, Government Code Section 83122	(1,415,435)
	provided, that no expenditure shall be made from	

ITEM		AMOUNT
	category (c) after January 1, 1980, until a midyear revision for the Political Reform Audit Division of the Franchise Tax Board is submitted to the Department of Finance for approval. Provided further, that such revision is submitted to the Joint Legislative Budget Committee at least 30 days prior to approval by the Department of Finance Provided further, that the Department of Finance, in giving its approval, shall reduce the appropriation for the Political Reform Audit Division to reflect savings achieved under the new audit standards and the random audit selection	
373—For support of Agricultural Labor Relations Board Schedule		7,578,924
	(a) Personal services	5,222,810
	(b) Operating expenses and equipment	2,356,114
	provided, that as of January 1, 1980, funding for 10 positions shall be contingent upon Department of Finance approval that such funding is workload justified	
374—For support of Public Employment Relations Board Schedule		3,798,359
	(a) Personal services	2,485,048
	(b) Operating expenses and equipment	1,086,361
	(c) Factfinding (EERA)	176,950
	(d) Impasse (SEERA, HEERA)	50,000
	provided, that 10.5 new positions for the regional offices, the general counsel, and the administrative program, and the 6 2 positions for legal assistance and temporary help shall be limited to June 30, 1980	
375—For transfer, in augmentation of Item 374 for support of the Public Employment Relations Board, by the State Controller		1,285,812
	provided, that none of the funds appropriated by this item shall be transferred to Item 374 unless and until authorized in writing by the Department of Finance	
376—For support of Department of Finance Schedule		9,082,011
	(a) Personal services	8,608,968
	(b) Operating expenses and equipment	1,928,644

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	(c) Reimbursements	−1,455,601
377—To the Department of Finance for support of the California Fiscal Information System (CFIS)		2,469,976
Schedule:		
	(a) Personal services	862,045
	(b) Operating expenses and equipment	186,931
	(c) Data processing services for CFIS	180,000
	(d) Modify Department of Finance Budget Preparation System for Governor's Budget to CFIS for fiscal year 1980–81	50,000
	(e) Modify Department of Finance Budget Preparation System for new Governor's Budget and Budget Bill for fiscal year 1981–82	70,000
	(f) Select and Begin Implementation of Standard Accounting System	400,000
	(g) Select and Begin Implementation of Controller's System	500,000
	(h) Select and Begin Implementation of Institution's Systems	450,000
	(i) Install Institutional Test Hardware in Dept. of Finance	100,000
	(j) Reconciliation of Controller's System and CFIS	30,000
	(k) Eight Departmental System's Data to CFIS	120,000
	(*l*) Consulting Services	300,000
	(m) Departmental participation in CFIS	200,000
	(n) CFIS Terminals for Legislative and Executive Branches	300,000
	(o) Amount payable from Item 377 1	−1,279,000

provided, that such amounts as are needed shall be transferred between categories scheduled in this item

Provided further, that the funds appropriated in this item shall be transferred by the State Controller, upon order of the Department of Finance, or made available by the Department of Finance as a reimbursement to other items and departments for CFIS related activities.

Provided further, that the funds appropriated in this item shall be used for support of activities provided for in Chapter 1284, Statutes of 1978.

Provided further, that notwithstanding Section 6.1, funds appropriated in category (h), Select and

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	Begin Implementation of Institution's Systems, may be expended for alterations no sooner than 30 days after notification in writing of the necessity thereof to the Chairman of the Joint Legislative Budget Committee and the chairman of the committee in each house which considers appropriations	
377.1	—For transfer, in augmentation of Item 377, for support of the Department of Finance, California Fiscal Information System (CFIS), by the State Controller	1,279,000
	provided, that none of the funds appropriated by this item shall be transferred to Item 377 unless and until authorized in writing by the Director of Finance; provided further, that no such authorization may be given sooner than 30 days after the Director of Finance gives written notification to the Chairman of the Joint Legislative Budget Committee and the chairman of the committee of each house which considers appropriations, or not sooner than such lesser time as each chairman, or such person's designee, may in each instance determine.	
378	—For support of Department of Food and Agriculture	22,784,816
	Schedule:	
	(a) Personal services	30,104,594
	(b) Operating expenses and equipment	16,205,805
	(c) Reimbursements	—2,458,533
	(d) Federal funds	—2,514,206
	(e) Amount payable from the Department of Agriculture Fund (Item 379)	—17,805,322
	(f) Amount payable from the Fair and Exposition Fund (Item 380)	—490,627
	(g) Amount payable pursuant to subdivision (1) of Section 224 of the Food and Agricultural Code	—256,895
	provided, that revenue in excess of $220,000 collected in fiscal year 1979–80 from fees for veterinary laboratory services due to increases in the fee schedule shall be transferred by the State Controller to the unappropriated surplus of the General Fund.	
	Provided further, that the Director of the Department of Food and Agriculture shall propose regulations specifying collection of funding and	

ITEM		AMOUNT
	use-oriented information regarding economic poisons sales in the state, hold public hearings on such regulations, discuss feasible alternatives, and adopt final regulations by January 1, 1980, establishing a format for collection of such information.	
379—For support of Department of Food and Agriculture, to be transferred to Item 378, payable from the Department of Agriculture Fund		17,805,322
380—For support of Department of Food and Agriculture, to be transferred to Item 378, payable from the Fair and Exposition Fund		490,627
381—For salaries of county agricultural commissioners or compensation for services performed for county agricultural departments, Department of Food and Agriculture, to be expended in accordance with the provisions of Sections 2221 to 2224, inclusive, of the Food and Agricultural Code		368,816
382—The sum of $188,756 of the money appropriated by Section 19630 of the Business and Professions Code, for district agricultural fairs or citrus fairs and expositions, is hereby reappropriated from the Fair and Exposition Fund during the 1979–80 fiscal year for engineering services, Department of Food and Agriculture		188,756
383—For support of Department of Industrial Relations Schedule:		61,057,540
	(a) Personal services	54,479,506
	(b) Operating expenses and equipment	21,075,855
	(c) Reimbursements	−1,262,294
	(d) Federal funds	−13,235,527
	provided, that $250,000 included in this item for implementation of the Hazardous Substance Information Alert System shall not be available for encumbrance until 30 days after the Chairman of the Joint Legislative Budget Committee is notified of the approval of a detailed plan by the Department of Finance.	
384—For reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs, which relate to activities of the Department of Industrial Relations, of any new program or increased level of service of an existing program mandated by statute, State Controller		22,141,937
	provided, that allocations to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute that man-	

ITEM		AMOUNT
	dates the reimbursement of such costs and of subdivision (d) of Section 2231 of the Revenue and Taxation Code	
385—For payment of the additional compensation for subsequent injury provided for by Sections 4750 through 4755 of the Labor Code, Department of Industrial Relations		3,327,000
	provided, that this item shall not be construed as a limitation on expenditures provided by Section 4706.5 of the Labor Code.	
	Provided further, that the amount available from this item shall not be available for expenditure at any time that funds appropriated by Section 4706 5 of the Labor Code are available for expenditure.	
	Provided further, that at the end of fiscal year 1979–80, any expenditures made from the General Fund against this appropriation item shall be reduced by any amounts remaining available from the funds appropriated by Section 4706.5 of the Labor Code.	
	Provided further, that notwithstanding any other provisions of law the funds made available by Section 4706.5 of the Labor Code will be available without regard to fiscal year.	
386—For furnishing of workers' compensation to disaster service workers and their dependents, in accordance with the provisions of Sections 3201 through 6002 of the Labor Code, including the reimbursing of the State Compensation Insurance Fund for the cost of services as adjusting agent, Governor's Office, Office of Emergency Services. The State Compensation Insurance Fund may draw from the State Treasury out of the appropriation made by this item, without at the time presenting vouchers and itemized statements, any portion of the appropriation contained in this item, to be used as a cash revolving fund. Expenditures made from the revolving fund in payment of claims for workers' compensation and adjusting services are excepted from the operation of Section 925.6 of the Government Code Reimbursement of the revolving fund for such expenditures shall be made upon presentation to the State Controller of an abstract or statement of such expenditures. Such abstract or statement shall be in such form as the State Controller requires		200,000

ITEM		AMOUNT
387—For support of Commission on California State Government Organization and Economy.. .... provided, that no funds appropriated in this item shall be expended for contracting with private persons or groups for professional and technical services where such services are available through contract with state agencies.		176,591
388—For support of California Commission on Interstate Cooperation		78,964
389—For support of the California Arts Council .. . . Schedule:		7,425,132
(a) Personal services	573,486	
(b) Operating expenses and equipment	690,850	
(c) Grants for programs and projects supporting the arts	7,317,196	
(d) Federal funds.. .. ..—	1,156,400	
provided, that any organization applying for a grant under the support to large-budget arts organizations element of the organizational and group support program may not receive a grant under either the local organization and group development element or the expanding public participation element of the organizational and group support program. Provided further, that any organization applying for a grant under either the local organization and group development element or the expanding public participation element of the organizational and group support program may not receive a grant under the support to large-budget arts organization element of the organization and group support program. Provided further, that funds in category (c) for the local organization and group development, expanding public participation, and support for large-budget arts organizations program elements shall not be expended unless the grant recipient provides a dollar for dollar cash match, provided further, that for grants to individual artists no matching funds shall be required.		
390—For support of California Public Broadcasting Commission, to be transferred by the State Controller to the California Public Broadcasting Fund		657,350
391—For support of the California Public Broadcasting Commission, the sum of $673,017 is appropriated from the California Public Broadcasting Fund .. Schedule:		(673,017)

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	(a) Personal services	120,980
	(b) Operating expenses and equipment	61,587
	(c) Grants to public broadcasting stations	490,450
392—For support of Commission for Economic Development		271,507
	Schedule:	
	(a) Personal services	152,481
	(b) Operating expenses and equipment	119,026
	provided, that the commission shall work with the Department of Economic and Business Development and the advisory council to the department to avoid duplication of efforts.	
393—For support of Military Department		8,346,735
	Schedule.	
	(a) Personal services	11,982,267
	(b) Operating expenses and equipment	6,923,215
	(c) Reimbursements	−1,513,552
	(d) Federal funds	−9,045,195
	(e) Federal funds per Section 8.7	(119,306,658)
	provided, that no expenditures shall be made from this appropriation as a substitution for personnel, equipment, facilities, or other assistance, or for any portion thereof, which in the absence of such expenditure, or of this appropriation, would be available to the Commanding General of the State Military Forces, the California National Guard or the California National Guard Reserve from the federal government.	
394—For payment of military retirements, in accordance with the provisions of Sections 228 and 256 of the Military and Veterans Code, Military Department		920,350
395—For support of California Cadet Corps		363,196
	Schedule:	
	(a) Personal services	141,614
	(b) Operating expenses and equipment	221,582
396—For support of Public Utilities Commission		14,396,380
	Schedule:	
	(a) Personal services	22,655,338
	(b) Operating expenses and equipment	4,903,507
	(c) Reimbursements	−1,829,020
	(d) Federal funds	−135,218

ITEM		AMOUNT
(e) Amount payable from the Transportation Rate Fund (Item 397)	−9,191,427	
(f) Amount payable from Chapter 855, Statutes of 1977 (as reappropriated by Section 10 15 of this act)	−1,668,000	
(g) Amount payable from the State Energy Resources Conservation and Development Special Account, General Fund (Item 396.1)	−338,800	
396.1—For support of Public Utilities Commission, payable from the State Energy Resources Conservation and Development Special Account, General Fund		338,800
397—For support of Public Utilities Commission, to be transferred to Item 396, payable from the Transportation Rate Fund		9,191,427
398—For support of Commission on the Status of Women		260,713
Schedule:		
(a) Personal services	180,901	
(b) Operating expenses and equipment	79,812	
399—For support of Native American Heritage Commission		157,327
Schedule:		
(a) Personal services	93,889	
(b) Operating expenses and equipment	63,438	
400—For support of the Motion Picture Council		−0−
Schedule:		
(a) Personal services	90,866	
(b) Operating expenses and equipment	100,346	
(c) Reimbursements	−191,212	
401—For support of California Horse Racing Board, payable from the Fair and Exposition Fund		948,932
Schedule:		
(a) Personal services	1,402,096	
(b) Operating expenses and equipment	314,823	
(c) Special items of expense	591,603	
(d) Reimbursements	−717,987	
(e) Amount payable from the General Fund pursuant to Section 19619(e) of the Business and Professions Code	−641,603	

ITEM		AMOUNT
402—For support of Board of Osteopathic Examiners of the State of California, payable from the Contingent Fund of the Board of Osteopathic Examiners		209,607
403—For support of Board of Chiropractic Examiners, payable from the State Board of Chiropractic Examiners' Fund		338,098
404—For support of Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun, payable from the Board of Pilot Commissioners' Special Fund		56,813
405—For support of Commission on Peace Officer Standards and Training, payable from the Peace Officers' Training Fund		2,450,057
Schedule:		
(a) Personal services	1,771,015	
(b) Operating expenses and equipment	679,042	
406—For allocation to cities, counties, and cities and counties, pursuant to Section 13523 of the Penal Code, and for payment of contracts pursuant to Section 13503(c) of the Penal Code, Commission on Peace Officer Standards and Training, payable from the Peace Officers' Training Fund		11,652,392
407—For support of the Office of Criminal Justice Planning		631,694
Schedule:		
(a) Personal services	1,122,949	
(b) Operating expenses and equipment	1,384,243	
(c) Federal funds	−1,875,498	

provided, that funds appropriated from the General Fund shall not be expended in excess of the minimum amount required to match federal grant expenditures for support of the Office of Criminal Justice Planning.

Provided further, that this item is appropriated subject to action by the California Council on Criminal Justice Planning taken prior to June 30, 1979

ITEM		AMOUNT
408	For allocation by the Office of Criminal Justice Planning, to the several state offices, departments, boards, bureaus, commissions and other state agencies in augmentation of their respective appropriations for support or for other purposes chargeable to the General Fund in such amounts as will make sufficient money available for the state's matching fund contribution for federal grants made by the Law Enforcement Assistance Administration ..... provided that, notwithstanding Section 2 of this act, the amount appropriated in this item shall be available for expenditure until June 30, 1982. Provided further, that if any federal statute or regulation, or both, modifies state matching requirements for the Law Enforcement Assistance Administrative program, that funds may be transferred from this item by Executive Order of the Director of the Department of Finance in the following priority order: (1) to Item 407 a sum sufficient to maintain the Office of Criminal Justice Planning at its 1979–80 budgeted level, including state and federal funds, and (2) to the California Crime Resistance Program to be allocated pursuant to Chapter 5 (commencing with Section 13840) of Title 6 of Part 4 of the Penal Code, any remaining balance of funds up to a maximum of $500,000.	1,049,572
409	For allocation by the Office of Criminal Justice Planning, to the several state offices, departments, boards, bureaus, commissions, and other state agencies in augmentation of their respective appropriations for support or for other purposes chargeable to the General Fund in such amounts as will make sufficient money available for the state's matching fund contribution for reallocated prior-year federal block grant funds ...	100,000
410	For support, Office of Criminal Justice Planning (state agencies grant), payable from Federal funds ..... provided, that the amount specified by this item constitutes Federal funds as defined in Section 8 6	(9,730,625)
411	For allocation by the Office of Criminal Justice Planning Schedule	3,643,521

ITEM		AMOUNT
	(a) State's matching fund contribution to secure federal grants, to be allocated to local agencies for criminal justice programs	1,477,715
	(b) California Career Criminal Prosecution Program, to be allocated pursuant to Chapter 2.3 (commencing with Section 999b) of Title 6 of Part 2 of the Penal Code	2,165,806
	(c) California Crime Resistance Program, to be allocated pursuant to Chapter 5 (commencing with Section 13840) of Title 6 of Part 4 of the Penal Code, not to exceed $500,000 to be allocated from category (a) pursuant to the provisions of the second provision of this section.	

provided, that notwithstanding Section 2 of this act, the amount scheduled in category (a) shall be available for expenditure until June 30, 1982

Provided further, that if any federal statute or regulation, or both, modifies state matching requirements for the Law Enforcement Assistance Administration grant program that category (a) of this item shall be used, in part, to provide the minimum match necessary for the Office of Criminal Justice Planning regional planning units (Title 6.5 (commencing with Section 13900) of Part 4 of the Penal Code) to carry out federally mandated state planning agency functions performed by those units; provided further, that any remaining funds in category (a) may be transferred by executive order of the Director of the Department of Finance in the following priority order (1) to Item 407 a sum sufficient to maintain the Office of Criminal Justice Planning at its 1979–80 budgeted level, including state and federal funds, and (2) to category (c) of this item, any remaining balance of funds up to a maximum of $500,000

412—For local assistance, office of Criminal Justice Planning, payable from Federal funds		(31,801,857)
provided, that the amount specified by this item constitutes Federal funds as defined in Section 8.6		
413—For support of the Office of the State Public Defender.		5,727,343

ITEM	AMOUNT
414—For contribution to counties for providing legal assistance to indigents in accordance with Section 987 6 of the Penal Code	775,000
415—For reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs, which relate to the activities pursuant to Section 987 9 of the Penal Code, of any new program or increased level of service of an existing program mandated by statute, State Controller	1,000,000
provided, that allocations to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute that mandates such costs and subdivision (d) of Section 2231 of the Revenue and Taxation Code.	
416—For reimbursement, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of the costs, which relate to guardianship and conservatorship proceedings, of any new program or increased level of service of an existing program mandated by statute, State Controller	1,835,989
provided, that allocations to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute that mandates the reimbursement of such costs and subdivision (d) of Section 2231 of the Revenue and Taxation Code	
417—For payment to counties for cost of homicide trials pursuant to Sections 15201 to 15203, inclusive, of the Government Code, Department of Finance	100,000
provided, that expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller	
418—For the payment of tort liability claims, settlements, compromises and judgments against the state, its officers, servants and employees of state agencies, departments, boards, bureaus or commissions supported from the General Fund, for expenditure by the Department of Justice, subject to approval of the Department of Finance in its discretion	500,000
and in addition thereto, there is hereby appropriated from each fund, other than the General Fund, an amount sufficient for payment of tort liability claims, settlements, compromises and judgments against the state, its officers, servants and employees of state agencies, departments,	

ITEM		AMOUNT
	boards, bureaus or commissions, arising from activities supported from such fund; provided, that no expenditures from any such appropriation from a fund other than the General Fund for payment of tort liability claims, settlements, compromises and judgments shall be made unless approved by the Department of Finance in its discretion; and provided further, that notwithstanding the limitation in the first paragraph of this section, expenditures made under this item shall be charged to the fiscal year in which the warrant is issued by the State Controller.	
419—For support of State Board of Control ..... Schedule:		493,979
	(a) Personal services 1,288,010	
	(b) Operating expenses and equipment 561,627	
	(c) Reimbursements ..... −1,355,658	
420—For the payment of claims and Board of Control services pursuant to Chapter 5 (commencing with Section 13959) of Part 4 of Division 3 of Title 2 of the Government Code, State Board of Control Schedule:		5,462,245
	(a) Claims 6,462,245	
	(b) Board of Control services 1,308,892	
	(c) Amount payable from Indemnity Fund, Item 421. ..... −2,308,892	
421—For transfer to Item 420 payable from the Indemnity Fund, pursuant to Section 13964 of the Government Code, State Board of Control.		2,308,892
422—For assistance to local agencies, Indemnification of Private Citizens Program, for costs incurred pursuant to the provisions of Chapter 1123, Statutes of 1977, State Controller		240,000
423—For support of State Bar of California, for payment of amounts authorized as per diem for public members of boards and committees pursuant to subdivision (c) of Section 6028 of the Business and Professions Code.		30,000
423.1—For support of the California Information Systems Implementation Committee		46,422
	Tax Relief	
424—For providing property tax assistance to homeowner claimants, in accordance with the provisions of the Senior Citizens Property Tax Assistance and Postponement Law, Part 10.5		

ITEM		AMOUNT
	(commencing with Section 20501), of Division 2 of the Revenue and Taxation Code, Franchise Tax Board	39,000,000
425	—For providing property tax postponement and assistance to claimants, in accordance with the provisions of the Senior Citizens Property Tax Assistance and Postponement Law, Part 10.5 (commencing with Section 20501), of Division 2 of the Revenue and Taxation Code, State Controller The appropriation made by this item shall be in lieu of the appropriation for the same purpose contained in Section 16100 of the Government Code	4,200,000
426	—For providing property tax assistance to renter claimants, in accordance with the provisions of the Senior Citizens Property Tax Assistance and Postponement Law, Part 10 5 (commencing with Section 20501), of Division 2 of the Revenue and Taxation Code, Franchise Tax Board	101,000,000
427	—For reimbursement to local taxing authorities for revenue lost by reason of the repeal or reduction of the property tax on the following classes of property affected by the following provisions of the Revenue and Taxation Code (1) business inventories under Section 219, (2) motion pictures under Section 988, (3) livestock under Sections 5523 and 5546, and (4) wine and brandy under Section 992, State Controller The appropriation made by this item shall be in lieu of the appropriation for the same purpose contained in Section 16100 of the Government Code	244,600,000
428	—For reimbursement to local taxing authorities for revenue lost by reason of the homeowners' property tax exemption granted pursuant to Section 3k of Article XIII of the Constitution, State Controller The appropriation made by this item shall be in lieu of the appropriation for the same purposes contained in Section 16100 of the Government Code	346,000,000

ITEM		AMOUNT
429	For providing reimbursement to local taxing authorities for revenue lost by reason of the assessment of open-space lands under Sections 423 and 423.5 of the Revenue and Taxation Code, and in accordance with the provisions of Chapter 3 (commencing with Section 16140) of Part 1 of Division 4 of Title 2 of the Government Code, State Controller ..... The appropriation made by this item shall be in lieu of the appropriation for the same purpose contained in Section 16100 or 16140 of the Government Code, and may not be augmented.	16,000,000
430	For reimbursement to local taxing authorities for revenue lost in accordance with the provisions of Sections 2229 and 2230 of the Revenue and Taxation Code, State Controller.. ..... provided, that the amount of the 1979–80 reimbursement for Chapter 1169, Statutes of 1973, shall be reduced to reflect the percentage decline in the average general county property tax rate from 1977–78 to 1978–79 in each of the counties receiving a reimbursement. Provided further, that the total reimbursement to counties for Chapter 1169 shall not exceed $1,600,000 and shall be prorated if necessary. The appropriation made by this item shall be in lieu of the appropriation provided for by Section 3 of Chapter 1169 and may not be augmented.	2,464,500
431	For transfer by the State Controller, as needed, to the Tax Relief and Refund Account, General Fund, for the purpose of providing credits and refunds to renters as required by Section 17053 5 of the Revenue and Taxation Code, Franchise Tax Board	155,000,000
431.1	For transfer by the State Controller to the Local Agency Code Enforcement and Rehabilitation Fund for the purpose of providing funds to defray costs incurred in the enforcement of local housing code provisions and to fund housing rehabilitation programs for persons and families of low and moderate income as defined in Section 50093 of the Health and Safety Code	52,000

Federal Revenue Sharing

432	The sum of $276,200,000 is hereby appropriated from the Federal Revenue Sharing Fund to the General Fund, for transfer by the State Controller	

ITEM			AMOUNT
at such times and in such amounts as are needed for Item 284, in augmentation of the state's share of the State Supplementary Payment Program for aged, blind, and disabled persons			(276,200,000)

Miscellaneous

433—For the state's contribution for the cost of a health benefits plan, for annuitants and other employees, in accordance with Sections 22825.7, 22828 and 22829 of the Government Code, which is not chargeable to any other appropriation			29,836,000
434—For reimbursement to local entities, in accordance with subdivision (a) of Section 2231 of the Revenue and Taxation Code, of state-mandated costs, and for election costs incurred by the Secretary of State, State Controller			6,389,935
Schedule:			
(a) Costs incurred by county assessors between March 3, 1978 and June 7, 1978, pursuant to Section 43 of Chapter 24 of the Statutes of 1978		1,145,000	
(c) Prior year deficiencies		424,935	
(1) Item 58, Budget Act of 1978	144,048		
(2) Item 216, Budget Act of 1978	15,841		
(4) Item 237, Budget Act of 1978	11,118		
(5) Item 254, Budget Act of 1978	53,253		
(8) Chapter 965, Statutes of 1977	200,675		
(d) Conduct of a special statewide election pursuant to Senate Bill No. 217 of the 1979–80 Regular Session		4,820,000	
provided, that the amounts scheduled in category (c) shall be transferred by the State Controller to and in augmentation of the appropriations cited above			

ITEM		AMOUNT
	Provided further, that $1,660,000 of the funds in category (d) shall be available, upon approval of the Department of Finance, for transfer to, and in augmentation of, Item 63, for support of the Secretary of State, for expenses incurred by the Secretary of State for preparation and mailing of ballots.	
	Unallocated	
435—For allocation by executive order of the Department of Finance to the several courts, state agencies, and counties, in augmentation of their respective appropriations for support or for other purposes, in such amounts as will defray the state's share of the cost of the increases in compensation for judges, justices, and related classes, as provided in Sections 68203 and 71702 of the Government Code and in Section 112 of the Labor Code		1,708,000
435.1—For salary increase and increase in benefits related thereto, to be allocated by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations for support or for other purposes, in such amounts as will make sufficient money available to be paid each state officer or employee in the state service, each state officer or employee exempt from the state service, each state employee employed pursuant to the Comprehensive Employment and Training Act, the Chancellor of the California Community Colleges, and the Director of the California Postsecondary Education Commission, exclusive of personnel in the University of California and in the California State University and Colleges, whose compensation, or portion thereof, is chargeable to the General Fund, the increase in compensation provided in any increased salary range or rate established on or after July 1, 1979, by the State Personnel Board, the Department of Finance, the Judicial Council of California, the Directors of Hastings College of Law, as the case may be		86,952,000

ITEM AMOUNT

With respect to state officers whose salaries are specified by statute, an amount sufficient to augment by 7 percent the amount of salaries authorized by the Budget Act of 1978 for such officers, during the 1979–80 fiscal year, pursuant to Section 11569 of the Government Code

Provided, that the appropriation provided in this item shall be used by the State Personnel Board, the Department of Finance, the Judicial Council of California, and the Directors of the Hastings College of Law to increase the salary rates or ranges by 7 percent in addition to the increase provided for in Item 435 2

Before any increased salary range or rate established for any position for the 1979–80 fiscal year shall become effective, a certification shall be obtained from the Director of Finance that sufficient money is available in funds authorized for the agencies or may be made available from the appropriation in this item to meet the cost of such increases

435.2—For salary increase and increase in benefits related thereto, to be allocated by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations for support or for other purposes, in such amounts as will make sufficient money available to be paid each state officer or employee in the state service, each state officer or employee exempt from state service, each state employee employed pursuant to the Comprehensive and Training Act, the Chancellor of the California Community Colleges, and the Director of the California Postsecondary Education Commission, exclusive of personnel in the University of California and in the California State University and Colleges, whose compensation, or portion thereof, is chargeable to the General Fund, the increase in compensation provided in any increased salary range or rate established on or after July 1, 1979, by the State Personnel Board, the Department of Finance, the Judicial Council of California, the Directors of Hastings College of Law, as the case may be 104,038,000

With respect to state officers whose salaries are specified by statute, an amount sufficient to augment by 7 5 percent the amount of salaries author-

ITEM		AMOUNT
	ized by the Budget Act of 1978 for such officers, during the 1979–80 fiscal year, pursuant to Section 11569 of the Government Code. Not less $20,808,000 of the funds appropriated in this item shall be allocated by the Department of Finance to the State Personnel Board to provide (1) salary adjustments to employees in classifications approved by the State Personnel Board for salary realignments within their occupational group, and (2) one step adjustments to employees in occupational groups with most severe prevailing rate inequities as determined by State Personnel Board salary surveys. Provided, that the increase in compensation provided in any increased salary range or rate established on or after July 1, 1979, shall be adjusted after those salaries have been adjusted pursuant to Item 435.1 Provided further, that increases in compensation provided by this item for increased salary ranges for positions established for the 1979–80 fiscal year shall not result in total annual salary increases of more than $104,038,000. Before any increased salary range or rate established for any position for the 1979–80 fiscal year shall become effective, a certification shall be obtained from the Director of Finance that sufficient money is available in funds authorized for the agencies or may be made available from the appropriation in this item to meet the cost of such increases	
435.3	—For salary increase and increase in benefits related thereto, to be allocated by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations for support or for other purposes, payable from special funds, in such amounts as will make sufficient money available to provide the increase in compensation to each state officer or employee in the state service, each state officer or employee exempt from state service, and each state employee employed pursuant to the Comprehensive Employment and Training Act provided in any increased salary range or rate established on or after July 1, 1979, by the State Personnel Board, the Department of Finance, the Judicial Council of California, as the case may be	30,938,000

ITEM AMOUNT

With respect to state officers whose salaries are specified by statute, an amount sufficient to augment by 7 percent the amount of salaries authorized by the Budget Act of 1978 for such officers, during the 1979–80 fiscal year, pursuant to Section 11569 of the Government Code.

Provided, that the appropriation provided in this item shall be used by the State Personnel Board, the Department of Finance, and the Judicial Council of California to increase the salary rates or ranges by 7 percent in addition to the increase provided for in Item 435.4

Before any increased salary range or rate established for any position for the 1979–80 fiscal year shall become effective, a certification shall be obtained from the Director of Finance that sufficient money is available in funds authorized for the agencies or may be made available from the appropriation in this item to meet the cost of such increases

435 4—For salary increase and increase in benefits related thereto, to be allocated by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations for support or for other purposes, payable from special funds, in such amounts as will make sufficient money available to provide the increase in compensation to each state officer or employee in state service, each state officer or employee exempt from state service, and each state employee employed pursuant to the Comprehensive Employment and Training Act provided in any increased salary range or rate established on or after July 1, 1979, by the State Personnel Board, the Department of Finance, or the Judicial Council of California, as the case may be.... 37,916,000

With respect to state officers whose salaries are specified by statute, an amount sufficient to augment by 7 5 percent the amount of salaries authorized by the Budget Act of 1978 for such officers, during the 1979–80 fiscal year, pursuant to Section 11569 of the Government Code

Not less than $5,055,000 of the funds appropriated in this item be allocated by the Department of Finance to the State Personnel Board to provide (1) salary adjustments to employees in classifica-

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tions approved by the State Personnel Board for salary realignments within their occupational group, and (2) one step adjustments to employees in occupational groups with most severe prevailing rate inequities as determined by State Personnel Board salary surveys

Provided, that the increase in compensation provided in any increased salary range or rate established on or after July 1, 1979, shall be adjusted after those salaries have been adjusted pursuant to Item 435 3

Provided further, that increases in compensation provided by this item for increased salary ranges for positions established for the 1979–80 fiscal year shall not result in total annual salary increases of more than $37,916,000

Before any increased salary range or rate established for any position for the 1979–80 fiscal year shall become effective, a certification shall be obtained from the Director of Finance that sufficient money is available in funds authorized for the agencies or may be made available from the appropriation in this item to meet the cost of such increases

435 45—For salary increase and increase in benefits related thereto, to be allocated by the Department of Finance to the California Highway Patrol, in augmentation of their respective appropriations for support or for other purposes, in such amounts as will make sufficient money available to be paid each highway patrolman in the California Highway Patrol, payable from special funds, the increase in compensation provided in any increased salary range or rate established on or after July 1, 1979, by the State Personnel Board 29,472,000

With respect to highway patrolmen in the California Highway Patrol whose salaries are specified by statute, an amount sufficient to augment by an amount equivalent to the salary increase and increase in benefits received by highway patrolmen in the California Highway Patrol pursuant to this item, the amount of salaries authorized by the Budget Act of 1978 for such highway patrolmen, during the 1979–80 fiscal year, pursuant to Section 11569 of the Government Code

Provided, that the funds appropriated in this item shall be made available to the State Personnel Board for the purpose of providing an adjust-

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ment to highway patrolmen in the California Highway Patrol pursuant to Section 18850 of the Government Code, the amount of this item being sufficient to provide a 20.6 percent salary increase and increase in benefits.

Provided further, that no salary increase and increase in benefits shall be provided to highway patrolmen in the California Highway Patrol in Item 435 3 or 435.4.

Before any increased salary range or rate established for any position for the 1979–80 fiscal year shall become effective, a certification shall be obtained from the Director of Finance that sufficient money is available in funds authorized for the agencies or may be made available from the appropriation in this item to meet the cost of such increases

435 5—For salary increase and increase in benefits related thereto, to be allocated by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations for support or for other purposes, payable from nongovernmental cost funds in such amounts as will make sufficient money available to provide the increase in compensation to each state officer or employee in the state service, each officer or employee exempt from state service, and each state employee employed pursuant to the Comprehensive Employment and Training Act provided in any increased salary range or rate established on or after July 1, 1979, by the State Personnel Board, the Department of Finance, or the Judicial Council of California, as the case may be .. .. (56,064,000)

With respect to state officers whose salaries are specified by statute, an amount sufficient to augment by 7 percent the amount of salaries authorized by the Budget Act of 1978 for such officers, during the 1979–80 fiscal year, pursuant to Section 11569 of the Government Code.

Provided, that the appropriation provided in this item shall be used by the State Personnel Board, the Department of Finance, and the Judicial Council of California to increase the salary rates or ranges by 7 percent in addition to the increase provided in Item 435 6

Before any increased salary range or rate estab-

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lished for any position for the 1979–80 fiscal year shall become effective, a certification shall be obtained from the Director of Finance that sufficient money is available in funds authorized for the agencies or may be made available from the appropriation in this item to meet the cost of such increases

435 6—For salary increases and increase in benefits related thereto, to be allocated by the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations for support or for other purposes, payable from nongovernmental cost funds, in such amounts as will make sufficient money available to provide the increase in compensation to each state officer or employee in state service, each state officer or employee exempt from state service, and each state employee employed pursuant to the Comprehensive Employment and Training Act provided in any increased salary range or rate established on or after July 1, 1979, by the State Personnel Board, the Department of Finance, or the Judicial Council of California, as the case may be . . . . . (67,109,000)

With respect to state officers whose salaries are specified by statute, an amount sufficient to augment by 7 5 percent the amount of salaries authorized by the Budget Act of 1978 for such officers, during the 1979–80 fiscal year, pursuant to Section 11569 of the Government Code

Not less than $13,422,000 of the funds appropriated in this item shall be allocated by the Department of Finance to the State Personnel Board to provide (1) salary adjustments to employees in classifications approved by the State Personnel Board for salary realignments within their occupational group, and (2) one step adjustments to employees in occupational groups with most severe prevailing rate inequities as determined by State Personnel Board salary surveys

Provided, that the increase in compensation provided in any increased salary range or rate established on or after July 1, 1979, shall be adjusted after those salaries have been adjusted pursuant to Item 435 5

Provided further, that increases in compensation provided by this item for increased salary

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	ranges for positions established for the 1979–80 fiscal year shall not result in total annual salary increases of more than $67,109,000	
	Before any increased salary range or rate established for any position for the 1979–80 fiscal year shall become effective, a certification shall be obtained from the Director of Finance that sufficient money is available in funds authorized for the agencies or may be made available from the appropriation in this item to meet the cost of such increases.	
435.7	—For allocation by executive order of the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, Regents of the University of California and the Trustees of the California State University and Colleges, in augmentation of their respective appropriations for support or for other purposes chargeable to the General Fund, in such amounts as will make sufficient money available to fund, during the 1979–80 fiscal year, increases in premiums for employee health care . . .	8,749,000
	provided, that the funds appropriated in this item may be expended in accordance with Section 19.11 and other legislative enactments, including subsequent enactments	
435.8	—For allocation by executive order of the Department of Finance to the several state offices, departments, boards, bureaus, commissions and other state agencies, whose employees are paid, in whole or in part, from special funds, there is hereby appropriated from each special fund from which such employees are paid an amount sufficient to fund, during the 1979–80 fiscal year, increases in premiums for employee health care	1,928,000
	provided, that the funds appropriated in this item may be expended in accordance with Section 19.11 and other legislative enactments, including subsequent enactments	

ITEM	AMOUNT
435.9—For allocation by executive order of the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, whose employees are paid, in whole or in part, from nongrovernmental cost funds, there is hereby appropriated from each nongovernmental cost fund from which such employees are paid an amount sufficient to fund, during the 1979–80 fiscal year, increases in premiums for employee health care	(2,650,000)
provided, that the funds appropriated in this item may be expended in accordance with Section 19.11 and other legislative enactments, including subsequent enactments.	
436—For reserve for contingencies or emergencies, to be expended only on written authorization of the Department of Finance for contingencies or emergencies	1,500,000
	(2,500,000)

and in addition, $2,500,000 is appropriated for loans that may be made from the reserve for contingencies and emergencies to state agencies which derive their support from the General Fund or from sources other than the General Fund, upon such terms and conditions for repayment as may be prescribed by the Department of Finance and any sum so loaned shall, if ordered by the Department of Finance, be transferred by the State Controller to the fund from which the support of the agency is derived.

Provided, however, that no loan shall be made which requires repayment from a future legislative appropriation.

Contingencies within the meaning of this item are defined as proposed expenditures arising from unexpected conditions or losses for which no appropriation, or insufficient appropriation, has been made by law and which, in the judgment of the Director of Finance, constitute cases of actual necessity. Emergencies within the meaning of this item are hereby defined as proposed expenditures arising from unexpected conditions or losses for which no appropriation, or insufficient appropriation, has been made by law and which in the judgment of the Director of Finance require immediate action to avert undesirable consequences or to preserve the public peace, health, or safety. Emergency and contingency expendi-

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ture authorizations shall be limited to purposes which have been specifically approved by the Legislature in budget acts or other legislation, except that not more than $200,000 of this item may be expended for purposes for which no such specific prior authorization exists

Provided, that authorizations for expenditures arising from a contingency shall become effective no sooner than 30 days after notification in writing to the Joint Legislative Budget Committee, or no sooner than such lesser time as the committee, or its designee, may in each instance determine

Provided further, that for expenditure authorizations arising from an emergency, the Director of Finance shall file with the Joint Legislative Budget Committee within 10 days after approval, copies of all executive orders and allotment promises for emergency-related encumbrance or expenditure authorizations stating the reasons for, and the amount of, all such authorizations, except that any emergency augmentation from this item to any program in excess of 10 percent of the amount authorized for expenditure in the 1979–80 fiscal year for such program shall become effective no sooner than 30 days after notification in writing to the Joint Legislative Budget Committee or no sooner than such lesser time as the committee, or its designee, may in each instance determine, except that no such limit shall apply if the Director of Finance states in writing to the Chairman of the Joint Legislative Budget Committee the necessity and urgency for the allocation which, in the judgment of the director, makes prior approval impractical

437—For reserve for contingencies and emergencies, payable from special funds, there is hereby appropriated from such special fund such sums as are necessary to meet contingencies, or emergencies, to be expended only on written authorization of the Director of Finance 1,500,000

provided, that no deficiencies shall be authorized by the Director of Finance in any appropriation of money from special funds made by this act for the 1979–80 fiscal year under the provisions of Section 11006 of the Government Code; provided further, that accounts, special accounts and funds in the General Fund, which are treated as other governmental cost funds for accounting and budgeting

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purposes in accordance with Section 13303 of the Government Code, shall be considered to be special funds within the meaning of this item. Contingencies, within the meaning of this item, are defined as proposed expenditures arising from unexpected conditions or losses for which no appropriation, or insufficient appropriation, has been made by law and which in the judgment of the Director of Finance constitute cases of actual necessity. Emergencies, within the meaning of this item, are defined as proposed expenditures arising from unexpected conditions or losses for which no appropriation, or insufficient appropriation, has been made by law and which, in the judgment of the Director of Finance, require immediate action to avert undesirable consequences or to preserve the public peace, health, or safety.

Provided that, deficiency expenditure authorizations shall be limited to purposes which have been specifically approved by the Legislature in budget acts or other legislation, except that not more than $200,000 of this item may be expended for purposes for which no such prior specific authorization exists.

Provided further, that authorizations for deficiency expenditures arising from a contingency shall become effective no sooner than 30 days after notification in writing to the Joint Legislative Budget Committee or no sooner than such lesser time as the committee or its designee may in each instance determine.

Provided further, that for deficiency expenditure authorizations arising from an emergency, the Director of Finance shall file with the Joint Legislative Budget Committee, within 10 days after approval, copies of all executive orders and allotment promises for emergency-related encumbrances or expenditure authorizations stating the reasons for, and the amount of, all such authorizations, except that any emergency augmentation from this item to any program in excess of 10 percent of the amount authorized for expenditure in the 1979–80 fiscal year for such program shall become effective no sooner than 30 days after notification in writing to the Joint Legislative Budget Committee, or no sooner than such lesser time as the committee, or its designee, may in each instance determine, except that no such limit

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shall apply if the Director of Finance states in writing to the Chairman of the Joint Legislative Budget Committee the necessity and urgency for the allocation which, in the judgment of the director, makes prior notice impractical

438—For reserve for contingencies and emergencies, payable from nongovernmental cost funds, there is hereby appropriated from each such nongovernmental cost fund which is subject to control or limited by this act, such sums as are necessary to meet contingencies or emergencies, to be expended only on written authorization of the Director of Finance. ..... (1,500,000)

provided, that no deficiencies shall be authorized by the Director of Finance in any appropriation of money from nongovernmental cost funds made by this act for the 1979–80 fiscal year under the provisions of Section 11006 of the Government Code, except for appropriations from the Service Revolving Fund which are hereby specifically exempted from the above limitation of this item, provided further, however, that all deficiencies authorized from the Service Revolving Fund pursuant to Section 11006 of the Government Code shall be subject to the reporting requirements for contingencies and emergencies as required for authorizations made pursuant to this item. Contingencies, within the meaning of this item are defined as proposed expenditures arising from unexpected conditions or losses for which no appropriation, or insufficient appropriation, has been made by law and which in the judgment of the Director of Finance constitute cases of actual necessity. Emergencies, within the meaning of this item, are defined as proposed expenditures arising from unexpected conditions or losses for which no appropriation, or insufficient appropriation, has been made by law and which, in the judgment of the Director of Finance, require immediate action to avert undesirable consequences or to preserve the public peace, health, or safety

Provided, that deficiency expenditure authorizations shall be limited to purposes which have been specifically approved by the Legislature in Budget Acts or other legislation, except that not more than $200,000 of this item may be expended for purposes for which no such prior specific authorization exists.

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Provided further, that authorizations for deficiency expenditures arising from a contingency shall become effective no sooner than 30 days after notification in writing to the Joint Legislative Budget Committee or no sooner than such lesser time as the committee or its designee may in each instance determine

Provided further, that for deficiency expenditure authorizations arising from an emergency, the Director of Finance shall file with the Joint Legislative Budget Committee within 10 days after approval, copies of all executive orders and allotment promises for emergency-related encumbrances or expenditure authorizations stating the reasons for, and the amount of, all such authorizations, except that any emergency augmentation from this item to any program in excess of 10 percent of the amount authorized for expenditure in the 1979–80 fiscal year for such program shall become effective no sooner than 30 days after notification in writing to the Joint Legislative Budget Committee or no sooner than such lesser time as the committee, or its designee, may in each instance determine, except that no such limit shall apply if the Director of Finance states in writing to the Chairman of the Joint Legislative Budget Committee the necessity and urgency for the allocation which, in the judgment of the director, makes prior notice impractical.

439—For allocation by executive order of the Department of Finance to the several state offices, departments, boards, bureaus, commissions, and other state agencies, in augmentation of their respective appropriations and to other items of this act, for support or for other purposes chargeable to the General Fund, in such amounts as will make sufficient money available to fund, during the 1979–80 fiscal year, price increases in excess of budgeted projections 7,500,000

provided, that no part of this money shall be used for increases in personnel, personal service contracts, to upgrade a program now in existence, or to start any program not now provided for in this budget

Provided further, that the Department of Finance shall make no allocation pursuant to this item sooner than 30 days after notification in writing of the necessity therefor has been given to the

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	chairman of the committee of each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee, or sooner than such shorter time as the Chairman of the Joint Legislative Budget Committee, or his designee, may in each instance determine	
440—For increases in prices in excess of budgeted projections payable from special funds, there is hereby appropriated from each such special fund from which such price increases are paid such amounts as the Department of Finance shall determine, as will make sufficient money available to fund such increased costs during the 1979–80 fiscal year which amounts are to be made available by executive order of the Department of Finance in augmentation of appropriations from special funds and to other items of this act, for support or for other purposes		2,446,000
	Provided, that no more than $1,325,000 shall be available to the Director of Finance for allocation, in a manner which he shall prescribe, to county fairs, district agricultural associations and citrus fairs	
	Provided further, that no part of this money shall be used for increases in personnel, personal service contracts, to upgrade a program now in existence, or to start any program not now provided for in this budget.	
	Provided further, that the Department of Finance shall not authorize expenditures pursuant to this item sooner than 30 days after notification in writing of the necessity therefor has been given to the chairman of the committee of each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee, or sooner than such shorter time as the Chairman of the Joint Legislative Budget Committee, or his designee, may in each instance determine	
441—For increases in prices in excess of budgeted projections payable from nongovernment cost funds, there is hereby appropriated from each such fund from which such price increases are paid such amounts as the Department of Finance shall determine, as will make sufficient money available to fund such increased costs during the 1979–80 fiscal year . . . . . which amounts are to be made available by executive order of the Department of Finance in aug-		(2,354,000)

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mentation of appropriations from nongovernmental cost funds and to other items of this act for support or for other purposes.

Provided, that no part of this money shall be used for increases in personnel, personal service contracts, to upgrade a program now in existence, or to start any program not now provided for in this budget.

Provided further, that the Department of Finance shall not authorize expenditures pursuant to this item sooner than 30 days after notification in writing of the necessity therefor has been given to the chairman of the committee of each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee, or sooner than such shorter time as the Chairman of the Joint Legislative Budget Committee, or his designee, may in each instance determine.

CAPITAL OUTLAY SECTION

SEC. 22. The following sums of money, or so much thereof as may be necessary, unless otherwise provided herein, are hereby appropriated for expenditure during the 1979–80, 1980–81 and 1981–82 fiscal years, except that appropriations for studies, planning, and working drawings, and minor capital outlay shall be available for expenditure only during the 1979–80 fiscal year. In addition, every appropriation made in this section for construction, or working drawings and construction, that has not been approved by the State Public Works Board on or before June 30, 1980, shall revert as of that date to the fund from which the appropriation was made. All such appropriations, unless otherwise herein provided, shall be paid out of the General Fund in the State Treasury.

LEGISLATIVE/JUDICIAL/EXECUTIVE

Judicial

441 5—For capital outlay, Judicial Council, for working drawings and construction of space alterations of State Building, San Francisco..... 600,000

Executive

442—For minor capital outlay, Department of Justice provided, that no moneys appropriated by this item shall be encumbered for security equipment related to the occupancy of the new Division of 50,674

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Law Enforcement Building without written authorization by the State Police Division, Department of General Services.		
443—For minor capital outlay, State Board of Equalization		9,500

STATE AND CONSUMER SERVICES

444—For minor capital outlay, Museum of Science and Industry		61,300
445—For minor capital outlay, Franchise Tax Board		20,000
446—For capital outlay, Department of General Services		33,098,980
Schedule:		
(a) Working drawings—new state building, site 1-C, Sacramento	194,640	
(b) Preliminary plans—new state building, site 1-D, Sacramento	234,895	
(c) Construction—new state building, site 3, Sacramento	17,690,400	
(d) Preliminary plans—new state building, site 4, Sacramento	580,645	
(e) Preliminary plans—new state building, site 5, Sacramento	286,770	
(f) Working drawings—new state building, Van Nuys	433,465	
(g) Land acquisition—parking garage, Oakland	1,035,500	
(h) Preliminary plans—new state building, Oakland	529,965	
(i) Land acquisition—new state building, Los Angeles	3,400,000	
(j) Working drawings and construction—new state building, Santa Rosa	8,005,300	
(k) Parking and land acquisition—new state building, Santa Rosa	707,400	
provided, that the appropriation made in this item is a reappropriation of the funds appropriated in Item 441, Budget Act of 1978.		
447—For capital outlay, Department of General Services		4,228,837
Schedule:		
(a) Construction—Gasification Technology Program, Central Plant, Sacramento	3,063,900	
provided, that prior to the allocation by the State Public Works Board of funds appropriated		

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	by this category, the Director of General Services shall submit the working drawings and detailed cost estimate to the chairman of the committee of each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee, or such person's designee, for their review	
	(b) Working drawings—parking garage, Van Nuys 63,937	
	(c) Minor capital outlay 101,000	
	(d) Alterations, state building, San Francisco 1,000,000	
448	—For capital outlay, for design, construction and operation of peripheral parking sites, Sacramento, Department of General Services, payable from Motor Vehicle Parking Facilities Moneys, General Fund	850,000
449	—For minor capital outlay, Department of General Services, other than for the Office of State Printing, the sum of $109,000 is appropriated from the Service Revolving Fund .	(109,000)
450	—For minor capital outlay, Office of State Printing, Department of General Services the sum of $74,077 is appropriated from the Service Revolving Fund	(74,077)
451	—For minor capital outlay, State Personnel Board	12,585
452	—For minor capital outlay, Veterans Home of California, Department of Veterans Affairs .	203,550

BUSINESS AND TRANSPORTATION

Transportation

453	—For capital outlay, Highway Transportation Program, Department of Transportation, payable from the State Highway Account, State Transportation Fund	186,050,000
	Schedule:	
	(a) Rehabilitation . . . 126,785,000	
	(b) Operational improvements 118,450,000	
	(c) Local assistance . . . 51,119,000	
	(d) New facilities 356,300,000	
	(e) Reimbursements —51,119,000	
	(f) Federal funds . ... —392,535,000	
	(g) Amount payable from Toll Bridge Funds (Item 454) . . .. —22,880,000	

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(h) Amount payable from the California Environmental Protection Program Fund (Item 454) ..... −70,000

provided, that up to 10 percent of the amounts scheduled on this item may be transferred to Item 164 or Item 169 of this act, as authorized under the provisions of Section 168 of the Streets and Highways Code; and provided further, that any federal reimbursements shall be from any federal funds deposited in the State Highway Account, State Transportation Fund.

Provided further, that notwithstanding the provisions of Section 2 2 of this act, the appropriations made in this item shall be available for expenditure during the 1979–80, 1980–81, and 1981–82 fiscal years.

Provided further, that notwithstanding any other provision of this act, $4,700,000 of the amount provided for rehabilitation in category (a) shall not be available for transfer to any other program in this item.

454—For capital outlay, Department of Transportation, payable from the California Environmental Protection Program Fund, to be transferred to Item 453 70,000

454.1—For capital outlay, California Transportation Commission, payable from the Transportation Planning and Research Account, State Transportation Fund 30,000

455—For capital outlay, Department of California Highway Patrol, payable from the Motor Vehicle Account, State Transportation Fund 1,560,946

Schedule:

(b) Site acquisition and working drawings—Hollister—Gilroy	129,300
(c) Purchase leased facility—Chico	300,386
(d) Purchase leased facility—Banning	131,300
(e) Purchase leased facility—Mojave	304,010
(f) Construct area facility—San Juan Capistrano—Augmentation	335,000
(h) Parking area land acquisition—Bakersfield	44,000
(i) Land acquisition—Academy	11,000
(k) Minor projects	305,950

Notwithstanding Section 28.2 of this act, the Director of General Services, acting on behalf of the Department of the California Highway Patrol, may enter into a lease with a purchase option

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agreement for the purpose of providing adequate office and parking facilities for an area office for 50 traffic officers in Santa Cruz, provided, that such agreement is approved by the State Public Works Board and the Chairman of the Joint Legislative Budget Committee, or his designee, has been provided a 20-day review of the proposed agreement.

Notwithstanding Section 28.2 of this act, the Director of General Services, acting on behalf of the Department of the California Highway Patrol, may enter into a lease with a purchase option agreement for the purpose of providing adequate office and parking facilities for an area office for 75 traffic officers in Riverside; provided, that such agreement is approved by the State Public Works Board and the Chairman of the Joint Legislative Budget Committee, or his designee, has been provided a 20-day review of the proposed agreement

456—For capital outlay, Department of Motor Vehicles, payable from the Motor Vehicle Account, State Transportation Fund 2,848,650

Schedule

(b) Construct office building and parking facilities—Oroville	670,500
(c) Construct office building and parking facilities—Davis	634,650
(g) Minor projects	396,400
(h) Construct office building and parking facilities—San Fernando	1,147,100

Notwithstanding the provisions of Section 28 2 of this act, the Director of General Services, acting on behalf of the Department of Motor Vehicles, may enter into a lease with purchase option agreement for the purpose of providing adequate office and parking facilities for a new field office in Visalia, provided that such agreement is approved by the State Public Works Board, and the Chairman of the Joint Legislative Budget Committee, or his designee, has been provided a 20-day review of the proposed agreement.

456.9—For capital outlay, Stephen P. Teale Consolidated Data Center, the sum of $468,000 is appropriated from the Stephen P Teale Consolidated Data Center Revolving Fund.. .... (468,000)

Schedule:

(a) Enlarge computer room .	468,000

provided, that no funds appropriated in this item

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may be expended sooner than 30 days after the Joint Legislative Budget Committee has been provided a feasibility study report approved by the Department of Finance and prepared in accordance with Sections 4920 to 4928, inclusive, of the State Administrative Manual; provided further, that such report shall (1) specifically address alternative computing configurations to meet the computing requirements of the State Controller, including security considerations, (2) contain justification for the alternative configuration recommended, and (3) address the physical space and capital improvement requirements for each alternative considered		
RESOURCES		
457—For minor capital outlay, California Conservation Corps . . .. provided, that funds appropriated by this item are subject to allocation by the State Public Works Board, and provided further, that $100,000 of this item is limited to facilities established during 1978–79 fiscal year, and shall only be available for expenditure, upon approval of the Director of Finance and allocation by the State Public Works Board.		251,000
458—For capital outlay, Department of Forestry..... .. Schedule:		2,690,706
(a) Minor capital outlay..	723,242	
(b) Land acquisition—statewide opportunity purchases	10,000	
provided, that the funds appropriated by subitems (a) and (b) shall be available for expenditure only during the 1979–80 fiscal year.		
(c) Land acquisition—Clear Lake Oaks	40,000	
(d) Construct Coarsegold forest fire station..	237,924	
(e) Construct material service center —San Bernardino ranger unit headquarters.....	62,900	
(f) Construct Grasshopper forest fire station....	603,500	
(g) Equip Grasshopper forest fire station	11,910	
(h) Construct Mt. Zion forest fire station	524,580	

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(i) Equip Mt. Zion forest fire station	12,370	
(j) Construct Howard Forest Headquarters, Barracks—messhall	456,000	
(k) Equip Howard Forest Headquarters, Barracks—messhall	8,280	
459—For capital outlay, Department of Fish and Game payable from the Fish and Game Preservation Fund		3,505,300
Schedule:		
(a) Construct laboratory and field station at Region II Headquarters	583,550	
(b) Install midpond aereator at San Joaquin Fish Hatchery	206,500	
(c) Construct operations building at Fillmore Fish Hatchery	316,300	
(d) Construct hatchery building and water system at Mount Shasta Fish Hatchery	290,350	
(e) Construct ponds at Mt. Whitney Fish Hatchery	398,800	
(g) Project planning	30,000	
(h) Minor capital outlay	247,000	
(i) Construct ponds at Darrah Springs Fish Hatchery	1,296,700	
(j) Working drawings for Darrah Springs Fish Hatchery ponds Phase II	111,100	
(k) Preliminary plans for Region I Headquarters building	25,000	
460—For capital outlay, Department of Fish and Game, payable from the California Environmental Protection Program Fund		738,000
Schedule:		
(a) Land acquisition—ecological reserves	688,000	
(b) Development of ecological reserves	50,000	
461—For capital outlay, Department of Boating and Waterways, the sum of $361,500 is appropriated from the Harbors and Watercraft Revolving Fund		(361,500)
Schedule		
(a) Spud Island	115,000	
(b) Project Planning	20,000	
(c) Minor capital outlay	226,500	
461.5—For capital outlay, Department of Parks and Recreation		450,000
Schedule:		

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(a) Hearst San Simeon State Historical Monument—continuing restoration	450,000	
462—For capital outlay, Department of Parks and Recreation, payable from the Park and Recreation Revolving Account, General Fund		8,275,000
Schedule:		
(a) Forest of the Nisene Marks State Park—acquisition	2,325,000	
(b) Irvine Coast—acquisition	5,500,000	
(c) Secombe Park—development	900,000	
(d) Reimbursements	−450,000	

provided, that none of the funds appropriated for acquisition of parklands by this item shall be expended on the purchase of real property until the State Public Works Board has determined that the procedures and criteria established by the Attorney General relating to implied dedication and public prescriptive rights or claims have been complied with in the investigations and appraisals of the Department of General Services. All material relating to implied dedication and public prescriptive rights or claims shall be retained in the files of the Department of General Services and shall be available for postaudit on a selective basis by the Attorney General.

Provided further, that the project specified in category (b) is subject to the provisions of Section 8.4 of this act

463—For capital outlay, Department of Parks and Recreation, subject to the approval of the State Public Works Board, payable from the Bagley Conservation Fund, notwithstanding the provisions of Section 316, Chapter 1, Statutes of 1971, First Extraordinary Session		5,561,102
Schedule:		
(a) Design and construction planning	50,349	
(b) Candlestick Point, SRA Day Use—working drawings	225,000	
(c) Malibu Creek State Park, Mulholland viewshed, consisting of approximately 260 acres, as identified on the first phase acquisition map of the Santa Monica Mountains Comprehensive Planning Commission and commonly known as assessor's parcels 2063-12-5, 2063-12-7, 2063-12-8, 2063-12-		

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	9, 2063-12-10, 2063-12-11, 2063-12-13, 2063-12-14, 2063-12-21, 2063-12-22, and 4462-1-10—acquisition	1,100,000
	(d) For preacquisition planning, boundary surveys, title investigations, appraisals, and environmental impact reports for acquisitions in the Santa Monica Mountains Zone areas designated in category (d) of Item 512F of the Budget Act of 1978, as added by Chapter 1257 of the Statutes of 1978	250,000
	(e) The Backbone Trail area between Topanga Canyon Boulevard and Malibu Creek State Park, as identified in the recreation element of the preliminary plan of the Santa Monica Mountains Comprehensive Planning Commission created pursuant to Section 67470 of the Government Code—acquisition ..	750,000
	(f) Coit Ranch—acquisition	3,185,753
	provided, that funds appropriated in categories (c), (e), and (f) are subject to the Property Acquisition Law (commencing with Section 15850 of the Government Code)	
464	—For capital outlay, Department of Parks and Recreation, payable from the Collier Park Preservation Fund.	4,868,400
	Schedule:	
	(a) Acquisition costs	120,000
	(b) Inholding purchases.	500,000
	provided, that individual purchases shall be limited to $100,000 each and that life estates shall be negotiated when possible.	
	(c) Opportunity purchases.....	250,000
	(d) Minor capital outlay	1,998,400
	(e) Irvine Coast—acquisition	2,000,000
	Provided, that the appropriation made for opportunity purchases shall be expended only for small parcels that were not available to the state approximately six months prior to July 1, 1979, and provided, further, that none of the funds appropriated for acquisition of parklands by this item shall be expended on the purchase of real property until the State Public Works Board has determined that the procedures and criteria established by the Attorney General relating to	

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implied dedication and public prescriptive rights or claims have been complied with in the investigations and appraisals of the Department of General Services. All material relating to implied dedication and public prescriptive rights or claims shall be retained in the files of the Department of General Services and shall be available for post-audit on a selective basis by the Attorney General.

Provided further, that the project in category (e) shall be subject to the provisions of Section 8.4 of this act.

465—For capital outlay, Department of Parks and Recreation, payable from the State Park Contingent Fund . . . . . -0-

Schedule

(a) Castle Rock SP—acquisition . . . 350,000
(b) Humboldt Redwoods State Park—acquisition 415,000
(c) Reimbursements—Sempervirens Fund . . . . . -175,000
(d) Reimbursements—Federal Land and Water Conservation Fund . -590,000

provided, that expenditure of funds appropriated by this item for the acquisition of full fee title shall be limited to one-half of the appraised value

Provided further, that none of the funds appropriated for acquisition of parklands by this item shall be expended on the purchase of real property until the State Public Works Board has determined that the procedures and criteria established by the Attorney General relating to implied dedication and public prescriptive rights or claims have been complied with in the investigations and appraisals of the Department of General Services All material relating to implied dedication and public prescriptive rights or claims shall be retained in the files of the Department of General Services and shall be available for post-audit on a selective basis by the Attorney General

466—For capital outlay, Department of Parks and Recreation, payable from the Off-Highway Vehicle Fund 3,185,753

Schedule

(a) Pismo Dunes SVRA—acquisition 3,185,753

466.5—For capital outlay, Department of Parks and Recreation, payable from the Hostel Use Fee Account in the General Fund . 433,712

(a) Backbone Trail between Topanga

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	Canyon Boulevard and Saddle Peak, as identified in the recreation element of the preliminary plan of the Santa Monica Mountains Comprehensive Planning Commission created pursuant to Section 67470 of the Government Code 433,712	
	provided, that the funds appropriated by this item are subject to the Property Acquisition Law (commencing with Section 15850 of the Government Code).	
467—For minor capital outlay, Department of Parks and Recreation, Division of Exposition and State Fair		525,000
468—For acquisition of land, easements and rights-of-way, including but not limited to, borrow pit, spoil areas and easements for levees, clearing, flood control works and flowage, and for appraisals, surveys, and engineering studies necessary for the completion or operation of the following projects in the Sacramento and San Joaquin watersheds as authorized by Section 8617 1 and Chapters 1 (commencing with Section 12570), 2 (commencing with Section 12639), 3 (commencing with Section 12800), 3 5 (commencing with Section 12840), and 4 (commencing with Section 12850) of Part 6 of Division 6 of the Water Code; and for advances to the federal government or payments to the federal government or others for incidental construction or reconstruction items which are an obligation of the state in connection with the completion or operation of the following projects and for materials and necessary construction, reconstruction, relocation, or alterations to highways, railroads, bridges, powerlines, communication lines, pipelines, irrigation works and other structures and facilities and for appraisals, surveys and engineering studies incidental thereto, Department of Water Resources		1,095,000
Schedule:		
(a) Sacramento River and tributaries flood control project	30,000	
(b) Chester, North Fork Feather River flood control project . .	50,000	
(c) San Joaquin River and tributaries flood control project . . .	15,000	

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(d) Sacramento River bank protection project	1,000,000	
notwithstanding the provisions of Section 2.2 of this act, the amount in this item shall be available for expenditure only during the 1979–80 fiscal year, and provided further, that this item shall be exempt from the provisions of Section 7 of this act.		
469—For capital outlay, Department of Water Resources		2,563,200
Schedule:		
(a) Sutter bypass rehabilitation	2,508,000	
(b) Snow data telemetry system	55,200	
HEALTH AND WELFARE		
470—For capital outlay, Public Health Building, Berkeley, Department of Health Services		803,879
Schedule:		
(a) Autoclave replacement—construction	318,100	
(b) Install restrooms for the handicapped—construction	120,500	
(c) Rebuild and modernize passenger elevators—construction	130,950	
(d) Remodel Food and Drug Laboratory—preliminary plans and working drawings	42,000	
(e) Minor capital outlay—construction	192,329	
471—For capital outlay, Department of Developmental Services		107,806,719
(a) Fire and life safety and environmental improvements—developmentally disabled programs	103,136,922	
Agnews State Hospital:		
Fire and life safety and environmental improvements		
(1) Buildings 51, 52, and 53—working drawings and construction	11,905,400	
(2) Fire and life safety and environmental improvements, Buildings 22 and 24—preliminary plans and working drawings	593,300	
Camarillo State Hospital:		

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(3)	Fire and life safety and environmental improvements, Buildings 41 and 42—working drawings and construction	1,066,900
(4)	Environmental improvements, Buildings 60, 61, 64, 66, and 67—working drawings and construction	2,719,600
(5)	Environmental improvements, RTC Building—preliminary plans and working drawings	251,500
	Fairview State Hospital:	
(6)	Fire and life safety and environmental improvements, Units K, U and T—working drawings and construction	5,097,800
(7)	Fire and life safety and environmental improvements, Units S, S-1 and B—working drawings and construction	4,535,900
(8)	Fire and life safety and environmental improvements, Unit J and R&T Building—preliminary plans	74,800
(9)	Fire and life safety and environmental improvements, Units D, E, F, J and R&T Building—working drawings	381,100
	Frank D Lanterman State Hospital:	
(10)	Fire and life safety and environmental improvements, Buildings 1, 2, 3, 14, 15, 17, 18, 23, 24, 25, 26, 28, 30, 31, 32, 33, and 40/41—preliminary plans, working drawings and construction	9,479,700
(11)	Fire and life safety and environmental improvements, Buildings 4, 5, 16, 20, 21, 22, 27, and 29—working drawings and construction	3,332,900
(12)	Environmental improvements, RTC Building—preliminary plans and working drawings	338,600
	Napa State Hospital:	
(13)	Fire and life safety and environ-	

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	mental improvements, Unit 198—working drawings and construction	3,280,900
(14)	Fire and life safety and environmental improvements, Unit 255—working drawings and construction	472,350
(15)	Fire and life safety and environmental improvements, Unit 197—working drawings	178,092
	Patton State Hospital:	
(16)	Fire and life safety and environmental improvements, Building 20(70)—working drawings and construction	3,812,000
	Porterville State Hospital.	
(17)	Fire and life safety and environmental improvements, Units F-5 and F-6, Units M-5, M-6, M-7, M-8, M-11 and M-12—working drawings and construction.	6,376,900
(18)	Fire and life safety and environmental improvements, Units F-7, F-8, F-9, F-13, F-14, F-15, F-16, F-17, and F-18, Units M-1, M-2, M-3, M-9, M-10, M-13, M-14, M-15, and M-16—working drawings and construction	14,249,300
(19)	Fire and life safety and environmental improvements, Units F-1, F-2, F-3, F-4, F-10, F-11 and F-12, Unit M-4—working drawings	340,500
	Sonoma State Hospital	
(20)	Fire and life safety and environmental improvements, Nelson Building (A & B), Tallman, Communicable Diseases, Corcoran, Malone, Lathrop, Cohen and Butler—working drawings and construction	7,057,600

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(21) Fire and life safety and environmental improvements, Regamy, Emparan, Paxton, Parmelle, Cromwell, McDougall, Lux, Smith, Osborne and Roadruck—working drawings and construction	9,116,400
(22) Fire and life safety and environmental improvements, Goddard, King, and Finnerty—preliminary plans	50,700
(23) Fire and life safety and environmental improvements, Nelson (C&D), Goddard, King, Finnerty and Judah—working drawings	230,400
(24) Fire and life safety and environmental improvements, Thompson/Bane, Bentley, and Hill—preliminary plans	63,400
(25) Fire and life safety and environmental improvements, Ordahl, Johnson, Thompson/Bane, Powers, Poppe, Brent, Bentley, Hill, Bemis and Stoneman—working drawings	508,700
(26) Environmental improvements, Fredrickson Building—preliminary plans and working drawings	133,300
Stockton State Hospital.	
(27) Fire and life safety and environmental improvements, Building E—working drawings and construction	4,994,300
(28) Fire and life safety and environmental improvements, Cottages G and F—preliminary plans, working drawings and construction	5,465,480
(29) Environmental improvements, RTC Building—working drawings and construction	4,874,600
(30) Project Management Services	2,154,500
(b) Agnews State Hospital—Alterations to Commissary Warehouse—preliminary plans and working drawings	37,050
(c) Camarillo State Hospital—Water service connection—construction	486,280

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(d)	Camarillo State Hospital—Heavy duty flyscreens—preliminary plans, working drawings and construction	540,700
(e)	Fairview State Hospital—Install emergency electrical power, Phase II—construction	157,635
(f)	Napa State Hospital—Replace hot water circulating piping—preliminary plans, working drawings and construction	389,825
(g)	Napa State Hospital—Install cogeneration system—preliminary plans, working drawings and construction	1,145,238
(i)	Patton State Hospital—Install emergency electrical power, Phase II—construction	560,800
(j)	Patton State Hospital—air conditioning, Building N—preliminary plans and working drawings	80,000
(k)	Sonoma State Hospital—Replace elevator equipment—working drawings and construction	284,350
(l)	Sonoma State Hospital—electrical distribution improvements—preliminary plans and working drawings	46,000

provided, that at least 20 days prior to Public Works Board approval to release preliminary planning funds for this project, the department shall provide the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee a report detailing the cost of replacing the existing overhead electrical distribution system and the cost of the proposed underground system

(m)	Sonoma State Hospital—replace water storage tank—construction	114,300
(n)	Statewide—minor capital outlay —construction	778,129
(o)	Fairview State Hospital—Alterations and modifications to laundry —preliminary plans and working drawings	49,490

provided, that the State Public Works Board shall not allocate construction funds scheduled under

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	subitems (7), (10), (14), (18), (28), and (29) of category (a) unless prior to April 15, 1980, the Department of Developmental Services has provided to the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee a 30-day review of a report of the most recent projections of the number of patients in state hospitals for each year through 1985 and the department's program plans and progress for placing an increased number of patients in community facilities. Provided further, that the State Public Works Board shall not allocate working drawings scheduled under subitems (2), (9), (12), (19), (23), (25), and (26) of category (a) unless prior to April 15, 1980, the Department of Developmental Services has provided to the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee, a 30-day review of a report on the most recent projections of the number of patients in state hospitals each year through 1985 and the department's program plans and progress for placing an increased number of patients in community facilities. Provided further, that insofar as practicable, funds expended pursuant to this item on general capital outlay projects shall be expended in conjunction with funds expended pursuant to this item for fire and life safety and environmental projects	
471	1—Fire and life safety and environmental improvements—mentally disabled programs	6,258,698
	Camarillo State Hospital.	
	(1) Fire and life safety and environmental improvements, Buildings 68, 69, 71, 73, and 75—working drawings.	141,100
	Napa State Hospital.	
	(2) Fire and life safety and environmental improvements, Units 254, 256, and 257—working drawings and construction	1,417,050

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	(3) Fire and life safety and environmental improvements, Units 195 and 196—working drawings	345,708	
	(4) Environmental improvements, RTC building—preliminary plans and working drawings	251,500	
	Patton State Hospital:		
	(5) Fire and life safety and environmental improvements, Building U —preliminary plans and working drawings	92,900	
	(6) Environmental improvements, RTC building—preliminary plans, working drawings and construction	98,500	
	Stockton State Hospital.		
	(7) Fire and life safety and environmental improvements, Cottage G —preliminary plans, working drawings and construction	3,624,440	
	(8) Project management services	287,500	
472—For capital outlay, Department of Mental Health Schedule:			3,836,595
	(a) Atascadero State Hospital—install security alerting system, phase II	564,200	
	(b) Atascadero State Hospital—air condition patient occupied buildings, preliminary plans and working drawings	530,800	
	(c) Metropolitan State Hospital:		
	(1) Fire and life safety and environmental improvements, Units 417, 418, 419 and 420—construction	1,643,300	
	(2) Fire and life safety and environmental improvements, Units 401, 403, 405, 407, 409, 411, 413, and 415 —working drawings	259,200	
	(3) Fire and life safety and environmental improvements, Units 402, 404, 406, 408, 410, 412, 414, and 416 —working drawings	438,900	
	(4) Project management services	28,000	
	(d) Metropolitan State Hospital—air condition patient occupied buildings, preliminary plans and working drawings	214,187	

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	(e) Minor capital outlay	143,008
	(f) Metropolitan State Hospital—study to replace boiler plant equipment	15,000
	provided that, prior to allocation by the State Public Works Board of funds for preliminary plans appropriated for categories (b) and (d), the Department of Mental Health and the Office of Appropriate Technology shall submit to the chairman of the committee in each house which consider appropriations and the Chairman of the Joint Legislative Budget Committee an evaluation and cost analysis of the energy conservation alternatives to installing air conditioning at Atascadero and Metropolitan State Hospitals	
473	—For capital outlay, Employment Development Department, for the purpose listed below Payable from moneys credited to the state's account in the Employment Development Contingent Fund	2,721,750
	Schedule	
	(a) Santa Rosa—construction, working drawings, building addition and improvements	455,600
	(b) Fresno West—exercise purchase option	262,000
	(c) Healdsburg—exercise purchase option	30,000
	(d) Oakdale—exercise purchase option	40,000
	(e) El Centro—site acquisition	450,000
	(f) El Centro—preliminary planning	14,250
	(g) Monterey—site acquisition	101,000
	(h) Monterey—preliminary planning	19,000
	(i) Placerville—site acquisition	300,000
	(j) Placerville—preliminary planning	17,000
	(k) San Jose—site acquisition	220,000
	(l) San Jose—preliminary planning	33,000
	(m) Torrance—site acquisition	319,200
	(n) Torrance—preliminary planning	21,000
	(o) Watsonville—site acquisition	340,000
	(p) Watsonville—preliminary planning	19,800
	(q) Oroville—preliminary planning	12,600
	(r) Oroville—working drawings	28,700
	(s) Project planning	38,600

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provided that Such money is requisitioned from the Employment Development Contingent Fund pursuant to the Unemployment Insurance Code under Sections 1586 and 1587		
474—For minor capital outlay, Department of Rehabilitation.		-0-
Schedule:		
(a) Minor capital outlay	56,900	
(b) Federal funds	-56,900	
475—For capital outlay, Department of Corrections .		2,458,212
Schedule:		
Deuel Vocational Institution:		
(b) Convert East, West, J and L Wings to special housing units	440,150	
California State Prison at Folsom:		
(c) Construct water tank	923,372	
(d) Replace water lines and kitchen waste lines hospital bldg and administration bldg.—preliminary plans and working drawings. .	50,000	
California Institution for Men:		
(e) Remodel sewage plant—preliminary plans and working drawings	30,000	
(f) Construct entrance bldg. and visitor parking area—preliminary plans and working drawings . . .	34,000	
California Medical Facility		
(g) Replace primary electrical system and switch gear—preliminary plans and working drawings .	60,000	
California Mens Colony		
(h) Replace water mains—preliminary plans and working drawings	97,000	
provided, that the Department of Corrections shall develop a plan to transfer the operation of the water utility to a special water district organized by the present water service users or provide for absorption by an existing district It is anticipated that the construction funds phase for this project will be the responsibility of the water service users		
San Quentin State Prison		

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	(i) Waste water treatment facility: State's share—working drawings	215,000
	(j) Convert South Block, C Section, to special housing unit	738,950
	California Rehabilitation Center.	
	(k) Replace two elevators—Bldg. 107	255,400
	(*l*) Minor capital outlay	69,840
	(m) Reimbursements	−455,500

Provided, that 30 days prior to requesting State Public Works Board approval of preliminary plans and allocation of working drawings funds for the special housing units described in categories (b) and (j) of this item, the Director of Corrections shall submit the final preliminary plan to the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee for their review, provided further, that 30 days prior to requesting State Public Works Board approval of working drawings and allocation of construction funds for the special housing units described in categories (b) and (j) of this item, the Director of Corrections shall submit the final working drawings to the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee for their review

476—For capital outlay, Department of the Youth Authority		1,689,200
Schedule.		
Statewide		
(a) Upgrade security sound systems—preliminary plans and working drawings	40,800	
Preston School of Industry		
(b) Construct new domestic waterline	289,600	
(c) Vocational ed shops— preliminary plans and working drawings	42,000	
(d) New infirmary—preliminary plans and working drawings	90,000	
Northern Reception Center		
(e) Rehabilitate electrical system—construction	448,600	

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	(f) Minor capital outlay	778,200

EDUCATION

Education—K–12

477—For capital outlay, Department of Education, minor projects for School for the Deaf, Riverside, to be allocated to the Department of Education 40,000

Higher Education

479—For capital outlay, University of California, subject to the approval of the State Public Works Board, payable from the Capital Outlay Fund for Public Higher Education, provided that withdrawals shall be as required to meet current obligations as certified by the University of California, in accordance with the following schedule ... 5,365,000

Schedule

Universitywide

(1) Project programming and preliminary plans 150,000

provided, that funds appropriated in this subitem shall be released only for those major capital outlay projects for working drawings or working drawings and construction, which are anticipated to be included in the 1980–81 Governor's Budget, except that a maximum of $45,000 shall be available for expenditure on July 1, 1979, for utility and site development of major capital outlay projects, and for development of benefit/cost analyses of planning alternatives for proposed 1981–82 capital outlay projects

(2) Engineering and environmental planning studies 50,000

provided, that $15,000 of the funds appropriated in this subitem shall be available for a systemwide study of cogeneration feasibility subject to receipt of federal matching funds through the State Energy Resources Conservation and Development Commission

(3) Preliminary plans for northern regional library facility 147,000

Santa Cruz Campus

(4) Equip completion of applied sciences building, first floor, step 2 82,000

ITEM		AMOUNT
	San Diego Marine Sciences:	
(5)	Working drawings and construct SIO seawall extension.	324,000
	Los Angeles Campus.	
(6)	Construct Schoenberg Hall addition	4,056,000
	Berkeley Campus.	
(7)	Working drawings and construct Gilman Hall, laboratory alterations	257,000
	Los Angeles Campus.	
(8)	Working drawings for fire safety—campus water mains, step 2 .. .	29,000
	Irvine Campus:	
(8.1)	Preliminary plans and working drawings for social ecology .	270,000

Provided that notwithstanding the provisions of Section 2.2 of this act, the appropriations made in this item for equipment items shall be available for expenditure only during the 1979–80 and 1980–81 fiscal years

Provided further, that $1,202,146 of the cash down payment and all funds in excess of $343,936 annually for contractual agreements entered into prior to April 1, 1979, from future payments by the Richmond Redevelopment Agency from the sale of the Richmond Service and Storage Facility shall be deposited into a separate account to be used to offset future state supportable capital outlay costs when appropriated by the Legislature

479.1—For capital outlay, University of California, subject to the approval of the State Public Works Board, payable from the Capital Outlay Fund for Public Higher Education, provided that withdrawals shall be as required to meet current obligations as certified by the University of California, in accordance with the following schedule . 156,000

Schedule

	Los Angeles—Health Sciences	
(1)	General and advance planning for Drew/UCLA undergraduate medical education program facilities	75,000

ITEM AMOUNT

provided, that funds appropriated in this category shall be available for expenditure only for consulting services, and not in-house staff

(2) Preliminary plans for Drew/UCLA undergraduate medical education program facilities, completion of unfinished space for Clinical Sciences (Psychiatric and Clinical Science Building, Martin Luther King, Jr, County General Hospital) 81,000

Provided, that the University of California shall require transfer to the university of title or other interest, considered sufficient by the university, in and to facilities presently owned or acquired in the future by Drew, to the extent of the funds appropriated by this item for, and construction of, capital improvements for the Drew/UCLA program

480—For capital outlay, University of California, minor projects to be allocated to the University of California, payable from the Capital Outlay Fund for Public Higher Education.. 4,500,000

Provided, that prior to the allocation of funds from this item, the Systemwide Administration Office shall submit to the Department of Finance, for approval, a statewide priority listing of the projects proposed to be funded; provided further, that changes to the approved priority listing may be authorized by the Systemwide Administration Office and any such changes shall be reported to the Department of Finance and the Chairman of the Joint Legislative Budget Committee or his designee

481—For capital outlay, University of California, pursuant to the agreement dated August 17, 1977 between the County of Sacramento and the University of California relating to the Sacramento Medical Center (Medical Center Complex), payable from the Capital Outlay Fund for Public Higher Education; provided that withdrawals shall be as required to meet current obligations as certified by the University of California, in accordance with the following schedule 200,000

Schedule:

Davis—Health Sciences.

ITEM		AMOUNT
(1)	Annual payment toward the purchase of Sacramento Medical Center	200,000
482—For capital outlay, University of California, subject to the approval of the State Public Works Board, payable from the Capital Outlay Fund for Public Higher Education; provided that withdrawals shall be as required to meet current obligations as certified by the University of California, in accordance with the following schedule		4,732,500
Schedule		
	Berkeley Campus:	
(1)	Construct California Administrative Code deficiencies (elevators), step 1	455,000
(2)	Working drawings and construct Hildebrand, biohazards	413,500
	Davis Campus:	
(3)	Construct California Administrative Code deficiencies (elevators)	403,000
(4)	Construct California Administrative Code deficiencies (CAL/OSHA), step 2	705,000
	Los Angeles Campus	
(6)	Working drawings for Kinsey Hall —fire safety and physically handicapped access	9,000
	San Diego—Health Sciences	
(7)	Construct health sciences, California Administrative Code deficiencies, step 2 (University Hospital ventilation)	456,000
	Berkeley Campus	
(8)	Working drawings for Cory Hall, utility systems and handicapped improvements—California Administrative Code deficiencies	45,000
(9)	Construct California Administrative Code deficiencies (handicapped), step 1	685,000
	Los Angeles Campus	

ITEM		AMOUNT
(10) Construct California Administrative Code deficiencies (handicapped)	799,000	
Irvine Campus		
(11) Construct addition of controls to air conditioning systems in ten campus buildings	257,000	
(12) Construct central plant improvements	221,000	
Santa Barbara Campus		
(13) Construct energy conservation improvements, 1979–80, step 1	284,000	
483—For capital outlay, University of California, payable from federal funds in accordance with the following schedule		(3,174,000)
provided, that the amount specified by this item constitutes federal funds as defined in Section 8 7 Schedule·		
Universitywide.		
(1) Minor capital improvements	500,000	
Berkeley Campus		
(2) LBL—Ultra-vacuum test and conditioning facility	500,000	
(3) LBL—Liquid helium tank and system controls and monitoring	165,000	
(4) LBL—Building 50A deck office addition	120,000	
(5) LBL—Building 77 mechanical shops addition.	300,000	
(6) LBL—Fire safety items—various buildings	700,000	
(7) LBL—Miscellaneous general plant projects	150,000	
(8) LBL—Building 25A mezzanine addition	150,000	
San Francisco—Health Sciences.		
(9) Center for educational development building alterations, step 2 radiation oncology	589,000	

ITEM		AMOUNT
484—For capital outlay, Hastings College of Law, subject to the approval of the State Public Works Board, payable from the Capital Outlay Fund for Public Higher Education, provided, that withdrawals shall be as required to meet current obligations as certified by Hastings College		626,000
Schedule:		
(1) Preliminary plans and working drawings for alterations to existing building	41,000	
(2) Equip academic facilities building	585,000	
Provided, that notwithstanding the provisions of Section 2.2 of this act, the appropriations made in this item for equipment items shall be available for expenditure only during the 1979–80 and 1980–81 fiscal years		
485—For capital outlay, Trustees of the California State University and Colleges, subject to the approval of the State Public Works Board, payable from the Capital Outlay Fund for Public Higher Education provided, that withdrawals shall be as required to meet current obligations as certified by the Trustees of the California State University and Colleges		17,633,400
Schedule:		
Statewide—Trustees of the California State University and Colleges:		
(1) Campus master planning and general studies	100,000	
(3) Preliminary planning—1980–81 projects	125,000	
provided, that the funds appropriated in this subitem shall be released only for those major capital outlay projects for working drawings or working drawings and construction, which are anticipated to be included in the 1980–81 Governor's Budget, except that a maximum of $30,000 shall be available for expenditure on July 1, 1979, for utility and site development of major capital outlay projects		
San Jose State University:		
(4) Working drawings and construct modify new science building and business tower to meet Fire Marshal requirements	549,000	
State University, Los Angeles.		

ITEM		AMOUNT
(5)	Construct modifications to six campus buildings to meet safety codes	193,000
	San Francisco State University	
(6)	Construct modifications to the Science building to meet the Fire Marshal requirements	122,000
	Statewide—Trustees of the California State University and Colleges:	
(7.1)	Working drawings for modifications to fume hoods to meet safety code requirements	150,000
(7.2)	Construct modifications to fume hoods to meet safety code requirements	200,000

provided, that construction funds appropriated by this subitem shall be available for expenditure only for those projects which relate to the corrections of urgency work; provided further, that such projects require prior approval by the Chancellor's office and the Department of Finance

	State Polytechnic University, Pomona:	
(8)	Construct installation of vacuum system in the Science Building addition to meet CAL/OSHA requirements	150,500
	State College, Bakersfield:	
(9)	Equip corporation yard	4,000
	State University, Fresno	
(10)	Equip Library III	587,000
	State University, Fullerton	
(11)	Equip art building addition	239,000
	Polytechnic State University, San Luis Obispo:	
(12)	Equip faculty office building	19,000
(13)	Equip life science building	486,000
	State Polytechnic University, Pomona.	

ITEM	AMOUNT
(15) Construct water and energy conservation system	519,000
State University, Northridge.	
(16) Preliminary plans and working drawings for art and design center	91,000
State University, Chico.	
(17) Working drawings and construct laboratory school conversion	873,000
San Francisco State University:	
(18) Working drawings for relocate computer center to old Administration building	11,000
State College, Stanislaus:	
(19) Construct auxiliary fuel storage	138,900
State University, Hayward:	
(20) Construct modifications to fine arts laboratory ventilation system	144,000
State University, Fullerton:	
(21) Construct science basement conversion	451,000
San Diego State University.	
(22) Working drawings for old library addition conversion	130,000
Humboldt State University·	
(23) Working drawings and construct fire damage repair to the forestry building	729,000
State College, San Bernardino.	
(24) Equip and convert initial buildings (Fine Arts)	11,000
Polytechnic State University, San Luis Obispo:	
(26) Construct conversion of science III	480,000
Humboldt State University·	
(27) Construct science building	3,783,000

ITEM		AMOUNT
	State University, Long Beach	
(28)	Construct music building . .	5,851,000
	State University, Northridge	
(29)	Preliminary plans and working drawings for faculty office addition	144,000
	State Polytechnic University, Pomona	
(31)	Construct underground drainage system	853,000
	San Diego State University	
(32)	Land acquisition	500,000

provided, that, notwithstanding the provisions of Section 8 of this act, any augmentation of amount appropriated by this subitem shall be limited to property acquisition and such augmentation shall not exceed five percent of the amount appropriated in this subitem, provided further, that, notwithstanding the provisions of Section 8 of the Budget Act of 1978, any augmentation of the amount appropriated in Item 484 1(4), Chapter 359, Statutes of 1978, shall be limited to property acquisition and any such augmentation shall not exceed five percent of the amount appropriated in Item 484.1(4) of the Budget Act of 1978

Provided further, that notwithstanding the provisions of Section 2.2 of this act, the appropriations made in this item for equipment items shall be available for expenditure only during the 1979–80 and 1980–81 fiscal years.

485 1—For capital outlay, Trustees of the California State University and Colleges, subject to prior approval of the State Public Works Board, payable from the Capital Outlay Fund for Public Higher Education in accordance with the following schedule 594,000

Schedule:

	Preliminary plans, working drawings, construct and equipment to remove architectural barriers to the handicapped	
(1)	State College, Bakersfield	1,100
(2)	State University, Chico	56,200
(3)	State University, Dominguez Hills	7,700
(4)	State University, Fullerton . .	4,100

ITEM		AMOUNT
	(5) State University, Hayward	44,800
	(6) Humboldt State University.....	97,000
	(7) State University, Los Angeles....	18,600
	(8) State University, Long Beach.... .	9,500
	(9) State University, Sacramento. . . .	23,800
	(10) State College, San Bernardino. .	19,400
	(11) San Diego State University.....	17,400
	(12) San Francisco State University .	51,200
	(13) San Jose State University	43,000
	(14) Polytechnic State University, San Luis Obispo	159,000
	(15) Sonoma State University..	19,700
	(16) State College, Stanislaus	1,500
	(17) Systemwide.	20,000
	Provided, that withdrawals shall be as required to meet current obligations as certified by the Trustees of the California State University and Colleges	
486—For capital outlay, Trustees of the California State University and Colleges, minor projects to be allocated to the California State University and Colleges, payable from the Capital Outlay Fund for Public Higher Education.....		3,000,000
	provided, that prior to the allocation of funds from this item, the Chancellor's office shall submit to the Department of Finance, for approval, a statewide priority listing of the projects proposed to be funded, provided further, that changes to the approved list may be authorized by the Chancellor's office and any such changes shall be reported to the Department of Finance and the Chairman of the Joint Legislative Budget Committee or his designee.	
487—For capital outlay, California Maritime Academy, subject to the approval of the State Public Works Board, payable from the Capital Outlay Fund for Public Higher Education		128,180
	Schedule	
	(1) Working drawings and construct campus fire alarm and clock system	128,180

ITEM		AMOUNT
489—For capital outlay, Board of Governors of the California Community Colleges, to be allocated, subject to the prior approval of the State Public Works Board, by the Board of Governors of the California Community Colleges to community college districts for expenditure by such districts, as set forth in the schedule below, payable from the Capital Outlay Fund for Public Higher Education		5,404,400
Schedule.		
Grossmont Community College District, Cuyamaca College		
(1) Equip power plant and maintenance facilities	9,600	
(2) Equip vocational technical and arts building, phase II . . .	232,900	
San Jose Community College District, San Jose City College		
(3) Equip central utility plant	3,300	
Los Rios Community College District, Sacramento City College		
(4) Equip administration of justice and fine arts remodel	89,100	
Sonoma County Community College District, Santa Rosa Junior College		
(5) Equip Bussman Hall remodel and expansion	161,400	
Peralta Community College District, College of Alameda		
(6) Equip convert former library	51,000	
Lassen Community College District, Lassen College		
(7) Equip trades building . .	153,600	
Santa Monica Community College District, Santa Monica City College		
(8) Equip business building .	314,000	
Yuba Community College District, Yuba College		

ITEM		AMOUNT
(9)	Working drawings and construct campus drainage	152,200
	Coast Community College District, Golden West College.	
(11)	Working drawings and construct health science alterations and repairs	189,200
	San Jose Community College District, Evergreen Valley College.	
(12)	Working drawings, construct, and equip remodel Cluster Roble	263,300
	Sweetwater Community College District, Southwestern College:	
(13)	Working drawings and construct life science building	645,200
	Kern Community College District, Porterville College:	
(13.1)	Working drawings and construct remodel of existing buildings	109,900
	San Jose Community College District, San Jose City College:	
(13.3)	Working drawings and construct remodel diesel laboratory ..	214,900
	Contra Costa Community College District, Contra Costa College.	
(13 4)	Construct applied arts, administration and maintenance complex	2,328,300
	Sonoma County Junior College District, Santa Rosa Junior College.	
(13.8)	Working drawings and construct Burbank remodeling and expansion..	486,500

Provided that notwithstanding the provisions of Section 2.2 of this act, the appropriations made in this item for equipment items shall be available for expenditure only during the 1979–80 and 1980–81 fiscal years.

Provided further, that districts eligible to receive funds appropriated by this item agree to

ITEM		AMOUNT
	limit participation in the specified projects to their proportionate share based on the state's approved participation; provided further, that this restriction shall apply only to state supported projects as defined under Section 81802 of the Education Code	

GENERAL GOVERNMENT

General Administration

491—For minor capital outlay, Agricultural Labor Relations Board		6,500
492—For capital outlay, Department of Food and Agriculture		1,769,550
(a) Construction—Veterinary Laboratory, San Bernardino	1,582,500	
(b) Minor capital outlay	187,050	
493—For capital outlay, Military Department		167,300
Schedule:		
(a) Project planning, working drawings and supervision of construction financed from federal funds	77,300	
(b) Minor capital outlay	90,000	
(c) Federal funds per Section 8.7	(1,989,000)	

Unallocated

494—For project planning, to be allocated by the Department of Finance, to state agencies		308,100
provided, that the amount appropriated in this item is not to be construed as a commitment by the Legislature as to the amount of capital outlay funds it will appropriate in any future fiscal year.		
Provided further, that an amount not to exceed $8,100, appropriated by this item may be allocated for project planning obligations incurred by the Office of the State Architect for periods prior to the 1979–80 fiscal year.		
494.1—To the Department of Finance for augmentation of capital outlay appropriations, to be allocated in accordance with the provisions of Section 16409 of the Government Code.		12,000,000
Provided, that the Director of Finance may not authorize the augmentation of any capital outlay construction project utilizing the appropriation made by this item, and the State Public Works Board may not approve such an augmentation,		

ITEM AMOUNT

pursuant to Section 16409 of the Government Code or any other provisions of law or this act, in excess of the construction cost increase related to inflation. The inflation rate shall be as determined by the Department of Finance in consultation with the Office of Legislative Analyst. Any additional funds in excess of such cost increase shall be provided only by specific appropriation by the Legislature

495—For project inspection charges, Public Works Employment Act, Title I, to be allocated by the Department of Finance. 402,100

provided, that the Title I funds which will become available by this appropriation shall be applied to offset any state funds included in this act for the completion of approved Title I programs; and provided further, that prior to expenditure of any subsequent savings realized in currently authorized programs, such expenditures shall be approved by the Department of Finance and a 30-day notification shall be provided to the Chairman of the Joint Legislative Budget Committee, or his designee.

Community College Construction Bond Act Program

SEC 2.4. The following sums of money, or so much thereof as may be necessary, are hereby appropriated for expenditure during the 1979–80, 1980–81, and 1981–82 fiscal years for expenditure only for the programs which have been approved pursuant to the provisions of the Community College Construction Act of 1967 [Chapter 4 (commencing with Section 81800) of Part 49 of the Education Code] as contemplated by the Community College Construction Program Bond Act of 1972 (Sections 1 to 10, inclusive, of Chapter 937 of the Statutes of 1971); except that appropriations made by this section for preliminary plans or working drawings shall be available for expenditure only during the 1979–80 fiscal year. In addition, every appropriation made in this section for construction, or working drawings and construction, that has not been approved by the State Public Works Board on or before June 30, 1980, shall revert as of that date to the fund from which the appropriation was made. All such appropriations shall be paid out of the State Construction Program Fund.

495.1—For capital outlay, Board of Governors of the California Community Colleges, to be allocated, subject to the prior approval of the State Public Works Board, by the Board of Governors of the California Community Colleges to community

ITEM		AMOUNT
	college districts for expenditure by such districts as set forth in the schedule below, payable from the State Construction Program Fund	2,959,800
	Schedule	
	Coast Community College District, Golden West College:	
(1)	Construct removal of architectural barriers to the physically handicapped	203,600
	Orange Coast College:	
(2)	Construct removal of architectural barriers to the physically handicapped	5,300
	Los Rios Community College District, Sacramento City College	
(3)	Construct elevators for physically handicapped—Women's Gym and Lillard Hall	104,100
	Mt San Antonio Community College District, Mt San Antonio College:	
(4)	Construct elevator for physically handicapped—Library	33,500
	Riverside Community College District, Riverside City College:	
(5)	Construct elevators for physically handicapped—Arts and Ceramics Building	230,400
(6)	Construct site and building alterations for removal of architectural barriers to the physically handicapped	128,500
	San Diego Community College District, San Diego City College	
(7)	Construct removal of architectural barriers to the physically handicapped	179,500
	San Diego Mesa College	
(8)	Construct removal of architectural barriers to the physically handicapped	184,300

ITEM		AMOUNT
	San Jose Community College District, Evergreen Valley College.	
(9)	Construct removal of architectural barriers to the physically handicapped	34,900
	San Jose City College:	
(10)	Construct removal of architectural barriers to the physically handicapped	52,800
	Santa Barbara Community College District, Santa Barbara City College:	
(11)	Construct elevators and remove architectural barriers to the physically handicapped	419,200
	Santa Monica Community College District, Santa Monica City College.	
(12)	Construct removal of architectural barriers to the physically handicapped	223,700
	Sierra Community College District, Sierra College:	
(13)	Construct removal of architectural barriers to the physically handicapped	117,000
	Pasadena Area Community College District, Pasadena City College.	
(14)	Construct removal of architectural barriers to the physically handicapped	309,700
	Peralta Community College District, College of Alameda	
(14.1)	Construct removal of architectural barriers to the physically handicapped	131,100
	Laney College.	

ITEM		AMOUNT
(14.2)	Construct removal of architectural barriers to the physically handicapped	260,000
	Merritt College	
(14.3)	Construct removal of architectural barriers to the physically handicapped	342,200

STATE BEACH, PARK, RECREATIONAL, AND HISTORICAL FACILITIES BOND ACT OF 1964 PROGRAM

SEC. 2.5. The following sums of money, or so much thereof, as may be necessary, unless otherwise provided herein, are hereby appropriated for expenditure during the 1979–80, 1980–81, and 1981–82 fiscal years. Appropriations for studies, planning, and working drawings shall be available for expenditure only during the 1979–80 fiscal year. All such appropriations, unless otherwise herein provided, shall be paid out of the State Beach, Park, Recreational and Historical Facilities Fund of 1964.

Reappropriation

496—Notwithstanding any other provisions of law, the undisbursed balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes (and subject to the limitations) provided in such appropriations (and any reappropriations), and shall be available for expenditure until June 30, 1980:

(a) Item 362(a), Budget Act of 1965 Land acquisition, subject to the provisions of Item 497(d)

(b) Item 423(t), Budget Act of 1966 Santa Monica Mountains—land acquisition

(c) Item 367(e), Budget Act of 1973 relocation costs

(d) Item 403(c), Budget Act of 1976 Old Sacramento State Historic Park, fencing construction and rail relocation

ITEM AMOUNT

(e) Section 2 5A, Item 403 1A, Budget Act of 1976, as added by Chapter 1325, Statutes of 1976—Acquisition and development of South County Park, County of San Joaquin, for the state park system.

(f) Item 403 1J(a), Budget Act of 1976 as added by Chapter 1379, Statutes of 1976
Delta Meadows, land acquisition

Reversion

497—As of June 30, 1979, the unencumbered balance of the appropriations made in the following items shall revert to the unappropriated balance of the State Beach, Park, Recreational, and Historical Facilities Fund of 1964

(a) Item 323A(a), Budget Act of 1972 as added by Chapter 955, Statutes of 1972
San Onofre State Beach, for development

(b) Item 403(e), Budget Act of 1976
Andrew Molera State Park, campground construction

(c) Item 498(a), Budget Act of 1978
Design and Construction planning

(d) Item 362(a), Budget Act of 1965
—land acquisition

provided, that this reversion shall be limited to the sum of $200,000

(e) Item 422(a), Budget Act of 1969 land acquisition program—statewide

ITEM AMOUNT

RECREATION AND FISH AND WILDLIFE ENHANCEMENT BOND ACT PROGRAM

SEC 2 6 The following sums of money, or so much thereof as may be necessary, are hereby appropriated for expenditure during the 1979–80, 1980–81, 1981–82 fiscal years for expenditure only for programs contemplated by the Recreation and Fish and Wildlife Enhancement Bond Act, except that appropriations for studies, planning, working drawings and minor capital outlay shall be available for expenditure only during the 1979–80 fiscal year. All such appropriations shall be paid out of the Recreation and Fish and Wildlife Enhancement Fund

CAPITAL OUTLAY

RESOURCES

498—For capital outlay, Department of Parks and Recreation, for purposes of the Recreation and Fish and Wildlife Enhancement Bond Act, payable from the Recreation and Fish and Wildlife Enhancement Fund 36,372

Schedule:

(a) Design and construction planning 36,372

Reappropriation

499—Notwithstanding any other provisions of law, the undisbursed balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes (and subject to the limitations) provided in such appropriations (and any reappropriations), and shall be available for expenditure until June 30, 1980

(a) Department of Parks and Recreation·

(1) Item 327(g), Budget Act of 1972
Sawpit Canyon Area—for development

(2) Item 375(c), Budget Act of 1973
Silverwood Lake, West Fork and Mesa Areas—for development

ITEM		AMOUNT
(3)	Item 405(a), Budget Act of 1974 Bethany Reservoir—tree planting	
(4)	Item 405(f), Budget Act of 1974 Ritter Canyon—for development	
(5)	Item 405(h), Budget Act of 1974 Silverwood Lake State Recreation Area, for development	
(6)	Item 383(a), Budget Act of 1975 Silverwood Lake State Recreation Area bicycle and hiking trails	
(7)	Item 405.5A(a), Budget Act of 1976 as added by Chapter 1314, Statutes of 1976 Castaic Lake State Recreation Area design, and construction of camping, equestrian trail, picnic, and marine facilities, provided that funds for design are available in the 1979–80 fiscal year.	

STATE BEACH, PARK, RECREATIONAL HISTORICAL FACILITIES BOND ACT OF 1974 PROGRAM

SEC. 2.8. The following sums of money, or so much thereof as may be necessary, unless otherwise provided herein, are hereby appropriated for expenditure during the 1979–80, 1980–81, and 1981–82 fiscal years. Appropriations for studies, planning, and working drawings shall be available for expenditure only during the 1979–80 fiscal year. All such appropriations shall be paid out of the State Beach, Park, Recreational, and Historical Facilities Fund of 1974.

CAPITAL OUTLAY

RESOURCES

500—For capital outlay, Department of Parks and Recreation, for purposes set forth in subdivisions (b), (c), and (e) of Section 5096.85 of the Public

ITEM		AMOUNT
Resources Code, payable from the State Beach, Park, Recreational, and Historical Facilities Fund of 1974		4,714,774
Schedule		
(a) Design and construction planning	1,714,670	
(b) Irvine Coast—acquisition	1,000,000	
(c) Malibu Lagoon—working drawings	74,104	
(d) Woodland Opera House—development	550,000	
(e) San Buena Ventura—working drawings and development	595,000	
(f) Sacramento Railroad Museum—exhibits and rolling stock	581,000	
(g) Prenegotiation planning, outside appraisal, and legal services	100,000	
(h) Option purchases	100,000	

provided, that the project specified in category (b) is subject to the provisions of Section 8.4 of this act.

Provided further, that the project specified in category (c) shall not commence until a letter report on the water quality aspects of the project and alternatives for increasing public parking at this unit has been submitted to the Chairmen of the Assembly Ways and Means, Senate Finance, and Joint Legislative Budget Committees The report on water quality shall include statements on the matter from the State Water Resources Control Board, the Los Angeles County Regional Water Control Board, and the Department of Fish and Game

Reappropriation

501—Notwithstanding any other provisions of law, the undisbursed balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes (and subject to the limitations) provided in such appropriations (and any reappropriations), and shall be available for expenditure until June 30, 1980

(a) Department of Parks and Recreation·

ITEM		AMOUNT
(1)	Item 379(a), Budget Act of 1973 Stanford Home, land acquisition	
(2)	Item 379(c), Budget Act of 1973 Century Ranch, land acquisition	
(4)	Item 379(g), Budget Act of 1973 Old Town San Diego, land acquisition	
(5)	Section 9.3(a), Chapter 1064, Statutes of 1973 Burton Creek Area, land acquisition	
(6)	Item 410 2(a), Budget Act of 1974 Lands located between Newport Beach and Laguna Beach for acquisition	
(7)	Item 410 7B(g), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974 Pescadero State Beach, land acquisition	
(8)	Item 410.7B(k), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974 El Capitan State Beach, land acquisition	
(10)	Item 410 7B(p), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974 Santa Monica Mountains, Topanga Canyon land acquisition	
(11)	Item 410.7B(s), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974 Mount Diablo State Park, land acquisition	
(12)	Item 410 7B(u), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974 Delta Channel Islands Project, land acquisition	
(13)	Item 410 7B(w), Budget Act	

ITEM		AMOUNT
	of 1974 as added by Chapter 1484, Statutes of 1974 Anza-Borrego Desert State Park, Coyote Canyon, land acquisition	
(15)	Item 410 7B(aa), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974 Bodie State Historic Park, land acquisition	
(16)	Item 410 7B(cc), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974 Big Basin Redwoods State Park, land acquisition	
(17)	Item 410 7B(gg), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974 Columbia State Historic Park, land acquisition, subject to the provisions of Item 502 (14.2)	
(18)	Item 410.7B(hh), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974 Old Town San Diego State Park, land acquisition	
(19)	Item 410 7B(ii), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974 Carmel River Project, land acquisition	
(20)	Item 410 7B(jj), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974 San Luis Island, land acquisition	
(21)	Item 410 3H(a), Chapter 1514, Statutes of 1974 Morro Bay State Park, approximately 710 acres adjacent to state-owned wetlands in the Morro Bay estuary, land acquisition	

ITEM		AMOUNT
(22)	Item 387.4(c), Budget Act of 1975 San Onofre State Beach: working drawings and hookup fees for sewage system and sanitary facilities	
(23)	Item 387.4(e), Budget Act of 1975 Col Allensworth State Historic Park: restoration and reconstruction	
(24)	Item 387 4(j), Budget Act of 1975 Old Sacramento State Historic Park: Big Four Building	
(25)	Item 387 4(*l*), Budget Act of 1975 Sonoma State Historic Park: Barracks, construction	
(26)	Item 387.1G(a), Budget Act of 1975 as added by Chapter 212, Statutes of 1976 Watts Towers, Simon Roddia Park, development	
(28)	Item 411(e), Budget Act of 1976 Mendocino Headlands State Park. Construct day-use area	
(29)	Item 411(h), Budget Act of 1976 New Brighton State Beach. Construct sewage system	
(30)	Item 411(n), Budget Act of 1976 San Onofre State Beach· Construct sewage system	
(31)	Item 411(r), Budget Act of 1976 Ventura-Santa Barbara Counties: Construct bikeway and hiking trail project	
(32)	Item 411(s), Budget Act of 1976 Cross-Marin Trail: Construction	
(33)	Item 411(v), Budget Act of 1976	

ITEM		AMOUNT
	Colonel Allensworth State Historic Park: Restoration and development	
(34)	Item 411.2C(a), Budget Act of 1976 as added by Chapter 350, Statutes of 1976 Acquisition costs	
(35)	Item 411.2C(b), Budget Act of 1976 as added by Chapter 350, Statutes of 1976 Augmentation for land acquisition—condemnation proceedings.	
(36)	Item 411.2C(c), Budget Act of 1976 as added by Chapter 350, Statutes of 1976 Anza-Borrego Desert State Park, Culp Valley inholding, land acquisition	
(37)	Item 411.2C(d), Budget Act of 1976 as added by Chapter 350, Statutes of 1976 Big Basin Redwoods State Park, East Waddell Gorge and Pine Mountain, land acquisition	
(38)	Item 411.2C(e), Budget Act of 1976 as added by Chapter 350, Statutes of 1976 Forest of Nisene Marks State Park, Hinkley Basin inholding, land acquisition	
(39)	Item 411.2C(f), Budget Act of 1976 as added by Chapter 350, Statutes of 1976 San Bruno Mountain, land acquisition	
(40)	Item 411 2C(i), Budget Act of 1976 as added by Chapter 350, Statutes of 1976 Marshall Gold Discovery State Historic Park, land acquisition	
(41)	Item 411.2C(*l*), Budget Act of 1976 as added by Chapter 350, Statutes of 1976 Marina Beach, land acquisition	

ITEM		AMOUNT
(42)	Item 411.2C(m), Budget Act of 1976 as added by Chapter 350, Statutes of 1976 Castle Rock State Park, proposed addition	
(43)	Item 411 2C(n), Budget Act of 1976 as added by Chapter 350, Statutes of 1976 Leo Carrillo SP, acquisition of Nicholas Flat, Santa Monica Mountains	
(44)	Item 411 2C(o), Budget Act of 1976 as added by Chapter 350, Statutes of 1976 Clark Lake, land acquisition	
(45)	Item 411.2C(p), Budget Act of 1976 as added by Chapter 350, Statutes of 1976 Atascadero State Beach, extension, land acquisition	
(46)	Item 411 1A(a), Budget Act of 1976 as added by Chapter 353, Statutes of 1976 Angel Island State Park—development	
(46 1)	Item 435(d), Budget Act of 1977 Columbia SHP, Fallon Hotel—working drawings and research	
(47)	Item 435(p), Budget Act of 1977 Point Mugu SP—continuing development working drawings	
(47 1)	Item 435(r), Budget Act of 1977 Columbia SHP, Fallon Theater—research and working drawings	
(48)	Item 435 5, Budget Act of 1977 Woodland Opera House restoration and related new construction	

ITEM AMOUNT

(49) Item 503(e), Budget Act of 1978
Old Sacramento, 49er Scene—working drawings

Reversion

502—As of June 30, 1979, the unencumbered balance of the appropriations made by the following items shall revert to the unappropriated balance of the State Beach, Park, Recreational, and Historical Facilities Fund of 1974.

(1) Item 410(a), Budget Act of 1974
Historical restoration

(2) Item 410.1(a), Budget Act of 1974
Old Sacramento State Historic Park, State Railroad Museum, for working drawings and construction

(3) Item 410.7B(a), Budget Act of 1974, as added by Chapter 1484, Statutes of 1974
Project planning and acquisition costs

(4) Item 410.7B(b), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974
Patricks Point State Park, land acquisition

(5) Item 410.7B(c), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974
Pygmy Forest Ecological Staircase, land acquisition

(6) Item 410.7B(d), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974
Van Damme State Park, land acquisition

(7) Item 410 7B(f), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974
Pomponio State Beaches, land acquisition

ITEM	AMOUNT
(8) Item 410 7B(h), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974 Año Nuevo State Reserve, land acquisition	
(9) Item 410.7B(i), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974 Julia P. Burns SP, land acquisition	
(9.1) Item 410 7B(j), Budget Act of 1974, as added by Chapter 1484, Statutes of 1974 Refugio State Beach, land acquisition	
(9.2) Item 410.7B(*l*), Budget Act of 1974, as added by Chapter 1484, Statutes of 1974 Leo Carrillo State Beach, land acquisition	
(10) Item 410.7B(n), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974 San Elijo-Cardiff State Beaches, land acquisition	
(11) Item 410 7B(o), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974 Border Field State Park, land acquisition	
(12) Item 410 7B(r), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974 Cuyamaca Rancho State Park, land acquisition	
(12 1) Item 410 7B(t), Budget Act of 1974, as added by Chapter 1484, Statutes of 1974 Delta Meadows State Park project	
(13) Item 410 7B(x), Budget Act of 1974 as added by Chapter 1484, Statutes of 1974 Bothe-Napa, land acquisition	
(13 1) Item 410 7B(z), Budget Act of 1974, as added by Chapter 1484, Statutes of 1974 South Carlsbad State Beach, land acquisition	
(14) Item 410.7B(dd), Budget Act of	

ITEM	AMOUNT
1974 as added by Chapter 1484, Statutes of 1974 Horr Ranch Project, land acquisition	
(14.1) Item 387N(a), Budget Act of 1975, as added by Chapter 1201, Statutes of 1975 Indian Grinding Rock State Park, all or part of approximately 220 acres of adjacent lands described as Areas A and B in the State Beach, Park, Recreational, and Historical Facilities Bond Act of 1974 Studies of the Department of Parks and Recreation, acquisition and development	
(14.2) Item 410.7B(gg), Budget Act of 1974, as added by Chapter 1484, Statutes of 1974 Columbia State Historic Park, land acquisition, provided, that this reversion shall be limited to the sum of $175,000	
(15) Item 387.4(k), Budget Act of 1975 San Juan Bautista State Historic Park Plaza Hotel, working drawings	
(16) Item 411(a), Budget Act of 1976 Andrew Molera State Park Construct campground	
(17) Item 411(d), Budget Act of 1976 Fort Ross SHP Reconstruction	
(18) Item 411(f), Budget Act of 1976 Monterey State Historic Park: Restoration, Cooper-Molera Adobe	
(19) Item 411(g), Budget Act of 1976 Mount Diablo State Park· Construct water supply system	
(20) Item 411(m), Budget Act of 1976 San Juan Bautista State Historic Park. Plaza Hotel reconstruction	
(21) Item 411(p), Budget Act of 1976 Sonoma Coast State Beach Construct bikeway project	
(22) Item 411(q), Budget Act of 1976 Sunset State Beach—Palm Beach Construct day-use area	

ITEM		AMOUNT
(23)	Item 411.2C(g), Budget Act of 1976 as added by Chapter 350, Statutes of 1976 Sacramento River Boating Trail, title search and surveys	
(24)	Item 411 2C(j), Budget Act of 1976 as added by Chapter 350, Statutes of 1976 Petaluma Adobe State Historic Park, land acquisition	
(25)	Item 411.2C(k), Budget Act of 1976 as added by Chapter 350, Statutes of 1976 Point Mugu State Park, acquisition of Boney Ridge, Santa Monica Mountains	
(28)	Item 435(s), Budget Act of 1977 State Indian Museum—research and program planning	
(29)	Item 503 (b), Budget Act of 1978 Clear Lake SP—campground, working drawings	
(30)	Item 503(c), Budget Act of 1978 Fort Humboldt SHP—Hospital Building, working drawings	
(32)	Item 503(m), Budget Act of 1978 Design and construction planning	
(33)	Item 503(o), Budget Act of 1978 State Indian Museum—preliminary planning	

LOCAL ASSISTANCE

RESOURCES

503—For project review for purposes set forth in subdivision (a) of Section 5096.85 of the Public Resources Code, Department of Parks and Recreation, for expenditure during the 1979–80 fiscal year, payable from the State Beach, Park, Recreational and Historical Facilities Fund of 1974		149,198

ITEM		AMOUNT
504—For grants to counties, cities, cities and counties, and districts, as defined in Section 5096.84, pursuant to subdivision (a) of Section 5096 85, of the Public Resources Code, Department of Parks and Recreation, payable from the State Beach, Park, Recreational, and Historical Facilities Fund of 1974		1,646,194
Unless otherwise provided herein, funds appropriated for each of the local grant projects in this item are for acquisition, development, or both Schedule		
Projects in Alameda County		
(2) Dublin/San Ramon Services District, Old Murray Schoolhouse	3,477	
(3) Hayward Area Recreation and Park District, McConaghy Estate	3,477	
Projects in Calaveras County		
(4) County of Calaveras, Valley Springs Park	20,000	
Projects in Colusa County		
(5 1) City of Colusa, Colusa Levee Scenic Park	6,000	
Projects in Fresno County		
(8 1) City of Orange Cove, Santa Fe Depot	17,221	
Projects in Inyo County		
(9) County of Inyo, County Campgrounds	39,000	
Projects in Kern County		
(10 1) County of Kern, Lamont Park	2,200	
(10 2) County of Kern, Rexland Park	5,800	
(10 3) County of Kern, six county parks	13,400	
(10 4) County of Kern, three community parks	19,791	
(10 5) County of Kern, Sears Park	7,200	
(10 6) County of Kern, Hart Memorial Park	16,718	
Projects in Kings County		
(11) County of Kings, Armona Park	50,000	
(12) City of Corcoran, Corcoran Community Park	20,000	

ITEM	AMOUNT
(13) City of Lemoore, 19th Avenue Park	15,000
(14) City of Hanford, Hidden Valley Park	15,000
Projects in Lassen County	
(14 1) County of Lassen, Bieber Park	5,000
Projects in Los Angeles County	
(18) City of Avalon, Cabrillo-Crescent Park	10,000
(18 1) City of Irwindale, City Park	10,000
Projects in Madera County	
(18 3) Chowchilla Union High School District, Chowchilla High recreation facilities	50,000
Projects in Marin County	
(19 1) City of Sausalito, Marinship Park	17,574
Projects in Mono County	
(22) County of Mono, June Lake Community Park	25,611
Projects in Monterey County	
(23) City of Carmel-by-the-Sea, Forrest Hill Park	16,081
Projects in Napa County	
(23 1) City of Napa, Alston Park	104,253
Projects in Orange County	
(23 2) City of Villa Park, Wanda Road Trail	16,957
Projects in Placer County	
(23.3) City of Colfax, Colfax High Recreation Facilities	6,000
Projects in Riverside County	
(27) City of Perris, Civic Center Park	6,611
Projects in Sacramento County	
(28) Mission Oaks Recreation and Park District, Mission Oaks Community Center	32,142

ITEM	AMOUNT
(29) City of Sacramento, South Natomas Park	81,318
(30) City of Sacramento, East Broadway Neighborhood Park	80,000
(30 1) County of Sacramento, Williamson Ranch Park	34,723
Projects in San Bernardino County	
(31) Apple Valley Recreation and Park District, Community Center Park	2,429
Projects in San Diego County	
(32) City of Carlsbad, La Costa Canyon Park	83,048
(33) City of Del Mar, Seagrove	57,786
(33 1) County of San Diego, Fallbrook Town Center	50,000
(33 2) County of San Diego, Poway Community Park	122,800
(33.3) City of Oceanside, Pacific Street Bluff Area Park improvement	142,157
Projects in San Mateo County	
(36) Cabrillo Unified School District, Cabrillo Coastside Recreation Facilities	70,000
(37) City of South San Francisco, Sign Hill Park	50,000
(38) City of South San Francisco, Orange Memorial Park	116,237
(38 1) City of San Bruno, Buckeye Park	19,600
(38 2) City of San Bruno, San Bruno Park	20,000
(38 3) County of San Mateo, San Pedro Valley Park	80,000
Projects in Santa Clara County	
(39) Town of Los Altos Hills, Byrne Preserve	3,859
Projects in Santa Cruz County	
(40) City of Capitola, Escalona Gulch	33,036
Projects in Sonoma County	

ITEM		AMOUNT
(41)	Del Rio Woods Recreation and Park District, Del Rio Woods Dam	10,000
	Projects in Tulare County	
(46)	Oak Valley Union School District, Oak Valley School Playground .	1,721
	Projects in Ventura County	
(46 1)	County of Ventura, Moorpark Community Center Park	20,386
	Projects in Yolo County	
(47)	City of Winters, Winters Recreation Area	10,336
	Projects in Yuba County	
(48)	Olivehurst Public Utility District, Olivehurst Community Park .. .	2,245

provided, that none of the funds which are appropriated by this item for the projects set forth herein shall be available for expenditure unless and until such projects are submitted to, and reviewed and approved by, the Secretary of the Resources Agency pursuant to Section 5096 89 of the Public Resources Code

Reappropriation

504 1—Notwithstanding any other provisions of law, the undisbursed balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes (and subject to the limitations) provided in such appropriations (and any reappropriations), and shall be available for expenditure until June 30, 1980

(a) Item 390(159) Budget Act of 1975, County of Napa, Skyline Park

(b) Item 390(213) Budget Act of 1975, City of San Bernardino, Patton Property

(c) Item 390(249) Budget Act of 1975, County of San Diego, Spring Valley Park

(d) Item 390(257) Budget Act of 1975, City and County of San Francisco, Golden Gate Park recreation development

ITEM	AMOUNT
(e) Item 390(299) Budget Act of 1975, City of Santa Cruz, Ocean View Park	
(f) Item 390(317) Budget Act of 1975, City of Santa Rosa, Yulupa Park	
(g) Item 390(377) Budget Act of 1975, County of Yolo, Elkhorn Regional Park	
(h) Item 390.2D(1) Budget Act of 1975, County of Amador, Pine Grove Park	
(i) Item 390 2D(4) Budget Act of 1975, City of Plymouth, District Five Community Park	
(j) Item 414(34) Budget Act of 1976, City of Calipatria, South City Park.	
(k) Item 414(116) Budget Act of 1976, County of Orange, Palisades Beach	
(*l*) Item 414(125) Budget Act of 1976, Tahoe City Public Utility District, Lake Forest Little League	
(m) Item 414(148) Budget Act of 1976, County of San Bernardino, Baldwin Lake.	
(n) Item 414(179) Budget Act of 1976, French Gulch—Whiskeytown Union Elementary School District, French Gulch-Whiskeytown School	
(o) Item 414(207) Budget Act of 1976, County of Tehama, Bowman Park.	
(p) Item 414(227 3) Budget Act of 1976, Richgrove School District, renovation of community recreation facilities.	
(q) Item 414.1J(95 5) Budget Act of 1976, Anderson Valley Community Services District, community park and playground	

Reappropriation

505—Notwithstanding any other provisions of law, the undisbursed balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes (and subject to the limitations) provided

ITEM	AMOUNT

in such appropriations (and any reappropriations), and shall be available for expenditure until June 30, 1980.

(a) Wildlife Conservation Board

(1) Item 387.5(a) Budget Act of 1975
Deer Winter Range Acquisition

(2) Item 387.5(c) Budget Act of 1975
Coastal Wetlands Acquisition

(3) Item 387.5(d) Budget Act of 1975
Interior Wetlands and Riparian Habitat Acquisition

(4) Item 387.6L Budget Act of 1975
Wetlands Project

(5) Item 504(a) Budget Act of 1978
Project planning

(6) Item 409(a) Budget Act of 1976
Wild Trout, Steelhead Salmon Habitat Acquisition

Reversions

506—As of June 30, 1979, the unencumbered balance of the appropriation made by the following items shall revert to the unappropriated balance of the State Beach, Park, Recreational, and Historical Facilities Fund of 1974.

(*l*) Item 390(216) Budget Act of 1975, County of San Bernardino, Horsemen's Center

(n) Item 390(379) Budget Act of 1975, Olivehurst Public Utility District, Olivehurst Community Park.

(bb) Item 390(24), Budget Act of 1975, City of Colusa, Memorial Park

(cc) Item 390(58), Budget Act of 1975, City of Orange Cove, Sheridan Park.

(dd) Item 390(241), Budget Act of 1975, City of Oceanside, Lake Boulevard Park.

ITEM	AMOUNT
(ee) Item 390(246), Budget Act of 1975, County of San Diego, Lakeview Park.	
(ff) Item 390(254), Budget Act of 1975, County of San Diego, Leona Lane Park.	
(gg) Item 390(256.3), Budget Act of 1975, County of San Diego, Central Park	
(hh) Item 414(80), Budget Act of 1976, Chowchilla Union High School District Community Swimming Pool.	
(ii) Item 414(103.1), Budget Act of 1976, City of Napa, Garfield Park	
(jj) Item 438(29), Budget Act of 1977, County of Kern, North Edwards Park	
(kk) Item 438(30), Budget Act of 1977, County of Kern, Orangewood Park.	
(*ll*) Item 438(33), Budget Act of 1977, County of Kern, Wilkens Park	
(mm) Item 438(59 1), Budget Act of 1977, City of Colfax, Colfax City Park.	
(nn) Item 438(69.2), Budget Act of 1977, County of Sacramento, Elk Grove Park.	
(oo) Item 438(79.6), Budget Act of 1977, City of San Bruno, Glenview-Karl Playground	
(pp) Item 438(79.7), Budget Act of 1977, City of San Bruno, Herman Mini-Park	
(qq) Item 438(79.9), Budget Act of 1977, City of San Bruno, Traeger Park	
(rr) Item 508(8), Budget Act of 1978, County of Kern, Buena Vista Aquatic Recreation Area	
(ss) Item 508(24), Budget Act of 1978, County of Lassen, Little Valley Park.	
(tt) Item 508(25), Budget Act of 1978, County of Lassen, Shaffer Union School District Park.	

ITEM	AMOUNT
(uu) Item 508(43.2), Budget Act of 1978, County of Sacramento, Indian Stone Corral	
(vv) Item 508(49), Budget Act of 1978, County of San Diego, Lakeview Park.	

NEJEDLY-HART STATE, URBAN, AND COASTAL PARK BOND ACT PROGRAM

SEC. 2.9. The following sums of money, or so much thereof as may be necessary, are hereby appropriated for expenditure during the 1979–80, 1980–81, and 1981–82 fiscal years, unless otherwise provided herein, for the programs contemplated by Section 5096 124 of the Public Resources Code, except that appropriations for studies, planning and working drawings shall be available for expenditure only during the 1979–80 fiscal year All such appropriations shall be paid out of the State, Urban, and Coastal Park Fund.

CAPITAL OUTLAY

RESOURCES

507—For capital outlay, Department of Boating and Waterways, for purposes set forth in paragraph (3) of subdivision (e) of Section 5096.124 of the Public Resources Code, payable from the State, Urban, and Coastal Park Fund	1,847,000
Schedule.	
(a) Lake Del Valle	200,000
(b) San Luis Reservoir	1,400,000
provided, that none of the funds specified in this category may be encumbered unless and until an environmental impact report for the project has been certified as complete	
(c) Preliminary planning	30,000
(d) Minor capital outlay	217,000
provided, that upon receipt of any reimbursements applicable to any of the projects specified in this item from federal land and water conservation funds, such reimbursement shall be deposited in the 1976 State, Urban, and Coastal Park Fund to the credit of the Department of Boating and Waterways	

ITEM		AMOUNT
508—For capital outlay, Department of Parks and Recreation, for purposes set forth in subdivisions (b) and (c) of Section 5096.124 of the Public Resources Code, payable from the State, Urban, and Coastal Park Fund		25,023,621
Schedule:		
(a) Garrapata Project—acquisition	1,300,000	
(b) Haskell's Beach—acquisition	1,800,000	
(c) Leo Carrillo State Beach (Yerba Buena)—acquisition	2,600,000	
(d) Little Sur River—acquisition	1,200,000	
(e) McGrath State Beach—acquisition	2,600,000	
(f) Twin Lakes State Beach—acquisition	360,000	
(g) Design and construction planning	1,371,621	
(h) Irvine Coast—acquisition	7,000,000	
(i) Santa Monica Mountains Zone—Backbone Trail between Topanga Canyon Boulevard and Malibu Creek State Park, as identified in the recreation element of the preliminary plan of the Santa Monica Mountains Comprehensive Planning Commission created pursuant to Section 67470 of the Government Code, viewshed of Malibu Creek State Park, consisting of several parcels along the southern and western boundaries of such park, as identified in the recreation element of the plan of the Santa Monica Mountains Comprehensive Planning Commission created pursuant to Section 67470 of the Government Code, and several parcels in the Stunt Road area, more specifically identified by the Los Angeles County Assessor as Parcels Number 4455-22-10, 4455-22-11, 4455-22-12, 4455-23-3, 4455-24-2, and 4455-24-6, comprising 413 acres, more or less—acquisition	5,567,000	
(j) Candlestick Point State Recreation Area—development	1,025,000	
(k) Prenegotiation planning, outside appraisal, and legal services	100,000	
(*l*) Option purchases	100,000	
provided that none of the funds appropriated for		

ITEM AMOUNT

acquisition of parklands by this item shall be expended on the purchase of real property until the State Public Works Board has determined that the procedures and criteria established by the Attorney General relating to implied dedication and public prescriptive rights or claims have been complied with in the investigations and appraisals of the Department of General Services All material relating to implied dedication and public prescriptive rights or claims shall be retained in the files of the Department of General Services and shall be available for postaudit on a selective basis by the Attorney General.

Provided further, that the project specified in category (h) is subject to the provisions of Section 8 4 of this act.

Provided further, that funds appropriated by category (i) are subject to the Property Acquisition Law (commencing with Section 15850 of the Government Code).

Reappropriation

509—Notwithstanding any other provisions of law, the undisbursed balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes (and subject to the limitations) provided in such appropriations (and any reappropriations), and shall be available for expenditure until June 30, 1980·

(a) Wildlife Conservation Board·

(1) Item 441(a), Budget Act of 1977 project planning.

510—Notwithstanding any other provisions of law, the undisbursed balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes (and subject to the limitations) provided in such appropriation (and any reappropriations), and shall be available for expenditure until June 30, 1980

(a) Department of Parks and Recreation.

(1) Item 512(c), Budget Act of 1978
Huntington SB—Phase II, working drawings.

ITEM AMOUNT

(2) Item 512(*l*), Budget Act of 1978
Statewide—Historical and Archeological Research

Reversion

511—As of June 30, 1979, the unencumbered balance of the appropriations made by the following items shall revert to the unappropriated balance of the State, Urban, and Coastal Park Fund

(a) Department of Parks and Recreation:

(1) Item 443(a), Budget Act of 1977
Año Nuevo SRA—Acquisition

(2) Item 443(m), Budget Act of 1977
Malibu Creek SP—campground development and working drawings

(2.1) Item 443(n), Budget Act of 1977
Malibu Creek SP, Claretville addition—Acquisition

(2.2) Item 443(q), Budget Act of 1977
Willowbrook Park—Acquisition

(2.4) Item 443.2B(b), Budget Act of 1977 as added by Chapter 1109 of the Statutes of 1977
Doheny SB—Dana Point Palisades—Acquisition

(2.5) Item 443.2B(r), Budget Act of 1977 as added by Chapter 1109 of the Statutes of 1977
Sunset SB extension—Acquisition

(3) Item 443.2B(s), Budget Act of 1977 as added by Chapter 1109, Statutes of 1977
Leo Carrillo SB (Yerba Buena Beach)—acquisition

ITEM AMOUNT

(3.1) Item 443 2B(u), Budget Act of 1977 as added by Chapter 1109 of the Statutes of 1977
Batiquitos Lagoon—Acquisition

(3 2) Item 443C(b), Budget Act of 1977 as added by Chapter 756 of the Statutes of 1977
Santa Susana Mountains—Acquisition; provided that this reversion shall be limited to $1,500,000

(4) Item 512(e), Budget Act of 1978
Design and construction planning

(5) Categories (a), (b), and (c) of Item 512F, Budget Act of 1978 as added by Chapter 1257 of the Statutes of 1978
Backbone Trail, Malibu Creek viewshed, and Stunt Road Area

LOCAL ASSISTANCE

RESOURCES

512—For project review for purposes set forth in subdivision (a) of Section 5096 124 of the Public Resources Code, Department of Parks and Recreation, for expenditure during the 1979–80 fiscal year, payable from the State, Urban, and Coastal Park Fund. 281,184

513—For grants to counties, cities, and districts, as defined in Section 5096 123, pursuant to subdivision (a) of Section 5096 124, of the Public Resources Code, Department of Parks and Recreation, payable from the State, Urban, and Coastal Park Fund 8,685,780

Unless otherwise provided herein, funds appropriated for each of the local grant projects in this item are for acquisition, development, or restoration, or any combination thereof.

Schedule:

Projects in Alameda County

(3) Livermore Area Recreation and

ITEM		AMOUNT
	Park District and City of Livermore, May Nissen Community Park	10,000
(3.1)	Livermore Area Recreation and Park District and City of Livermore, Ravenswood restoration	7,000
(4)	City of Alameda, Washington Park	78,412
(5)	East Bay Regional Park District, Temescal Regional Park	64,000
(6)	City of Oakland, Peralta Hacienda Historical Park	150,000
	Projects in Amador County	
(7)	County of Amador, Pioneer Community Park	10,000
(8)	County of Amador, Soldier Gulch Park	10,000
(9)	County of Amador, Fiddletown Community Park	10,000
(10)	City of Plymouth, Lodge Hill	20,000
(10.1)	County of Amador, Pine Grove Community/Recreation Hall	10,000
(10.2)	County of Amador, Pine Grove School Ballpark	10,000
(10 3)	County of Amador, Amador City Park	10,000
	Projects in Butte County	
(10.4)	City of Gridley, Gridley Municipal Park	21,716
	Projects in Calaveras County	
(11)	Mokelumne Hill Veterans Memorial District, Town Hall	15,000
(12)	County of Calaveras, Rail Road Flat School Park	10,550
(13)	County of Calaveras, West Point Hall	15,998
	Projects in Contra Costa County	
(14)	Town of Moraga, Rancho Laguna Park	45,200
(15)	County of Contra Costa, Oakley Community park	24,350
(16)	East Bay Regional Park District, Briones Regional Park	150,000
(16 1)	City of Concord, Concord Community Park	227,616

ITEM	AMOUNT
(16.2) County of Contra Costa, Crockett Community Center	10,000
Projects in Del Norte County	
(17.1) County of Del Norte, Recreation Center Gym	5,000
Projects in Fresno County	
(19) City of Kerman, Neighborhood Parks Project	21,816
(20) County of Fresno, Lost Lake	155,000
(21) Caruthers Community Services District, Caruthers Community Park	20,000
(22) Lanare Community Services District, Lanare Community Park	20,000
(23) Biola Community Services District, Biola Community Recreation Area	20,000
(24) City of Reedley, Smith's Ferry Park	10,000
(25) City of Reedley, Cricket Hollow Park	32,784
(25.1) City of Fresno, Vinland Park	119,400
Projects in Humboldt County	
(26) City of Ferndale, Fireman's Park	15,076
(27) Ruth Lake Community Services District, Community Recreation Building	10,000
(27.1) City of Rio Dell, Rio Dell Community Park	20,260
Projects in Imperial County	
(28) City of Westmoreland, Youth Center and Park	10,933
Projects in Inyo County	
(29) County of Inyo, Diaz Lake	120,000
(30) City of Bishop, Bishop City Park	43,000
Projects in Kern County	
(32) County of Kern, Franklin Field	14,000
(34) County of Kern, Hart Memorial Park	163,055
(35) County of Kern, Greenhorn Mountain Park	10,000

ITEM	AMOUNT
(36) Tehachapi Recreation and Park District, Steve Valdez Park	28,225
(36.1) County of Kern, Kern County Park	12,700
(36.2) City of Ridgecrest, Hellmers Park	49,425
(36.3) City of Shafter, Shafter High Recreation Facilities	21,992
Projects in Kings County	
(37) City of Corcoran, Corcoran Community Park	20,834
(38) City of Hanford, Hidden Valley Park	66,060
Projects in Los Angeles County	
(50) City of San Gabriel, Jefferson School Recreation Area	90,500
(51) City of Bradbury, Duarte-Bradbury Equestrian Project	10,000
(52) City of Lawndale, Rogers-Anderson Park	73,796
(53) City of Avalon, Cabrillo-Crescent Park	10,000
(54) City of Palos Verdes Estates, Roessler Memorial Pool	45,947
(55) City of Santa Fe Springs, Los Nietos Park	49,196
(56) City of Montebello, Southeast Park	12,010
(57) City of Lomita, Lomita Recreation Center	59,561
(58) City of Maywood, Maywood City Park	18,373
(58.3) City of Pasadena, Robinson Park	331,050
(58.4) City of Baldwin Park, City Recreation Facilities	61,880
(58.5) City of La Canada Flintridge, La Canada Flintridge Recreation Facilities	64,721
Projects in Madera County	
(58.6) County of Madera, Coarsegold Community Recreation Area	15,000
Projects in Mendocino County	

ITEM	AMOUNT
(61) Brooktrails Community Services District, Brooktrails Recreation Park	10,000
(61.1) Anderson Valley Community Services District, Anderson Valley Community Park and Playground	10,000
(61.2) Mendocino Coast Recreation and Park District, Recreation Center	50,000
Projects in Merced County	
(61 3) City of Los Banos, Talbot Park restrooms and Multi-Park irrigation and landscaping	35,565
Projects in Monterey County	
(63) City of Soledad, Soledad Neighborhood and Little League Parks	17,885
(64) Castroville Public Recreation District, Castroville Community Center	31,059
(64.1) Soledad-Mission Recreation District, Soledad-Mission Park	10,000
Projects in Napa County	
(64 2) County of Napa, Alston Park	50,000
Projects in Orange County	
(68) City of Brea, Country Hills Park	60,950
(69) City of Fullerton, Acacia Park	157,200
(70) City of Huntington Beach, Old Town Park	368,798
(71) County of Orange, Irvine Park	1,750,000
(72) City of Westminster, Westminster High School Park	187,514
(72 1) City of Villa Park, Wanda Road Trail	19,021
Projects in Placer County	
(73) City of Roseville, Lincoln Estates Park	30,000
Projects in Riverside County	
(74) Jurupa Community Services District, Jurupa Neighborhood Center	42,055
Projects in Sacramento County	

ITEM	AMOUNT
(74.1) Mission Oaks Recreation and Park District, Mission Oaks Recreation Center	101,130
Projects in San Bernardino County	
(75) County of San Bernardino, Barstow Three Parks.	39,671
Projects in San Diego County	
(76) Helix Water District, Helix Water District Park	50,000
(76 1) City of Oceanside, Pacific Street Bluff Area Park improvement	255,590
Projects in San Joaquin County	
(78) City of Escalon, Escalon Community Park	25,000
Projects in San Mateo County	
(81) City of Belmont, Marina Park	89,399
(82) Town of Portola Valley, Portola Valley Town Center	17,388
(83) City of San Carlos, Crestview Park.	16,227
(84) City of Burlingame, Washington Park	96,015
(85) City of San Bruno, War Memorial Recreation Center	15,000
(86) City of San Bruno, Commodore Park	89,486
(87) City of San Bruno, Lions Field Belle Air Park.	20,000
(88) City of San Bruno, San Bruno City Park	15,000
(89) City of Brisbane, Brisbane Recreation Area	10,395
(89 1) City of Colma, San Bruno Mountains	10,000
(89.2) City of Daly City, Hillside Park	80,000
(89 3) County of San Mateo, San Bruno Mountains	12,564
(89.4) County of San Mateo, San Pedro Valley County Park	122,000
Projects in Santa Barbara County	
(90) County of Santa Barbara, Lookout Park	32,000

ITEM	AMOUNT
(91) County of Santa Barbara, Goleta Beach	38,757
(92) County of Santa Barbara, Le Roy Park	10,000
(93) City of Santa Maria, Minami Community Center	126,125
Projects in Santa Clara County	
(96) City of Mountain View, Sylvan Avenue Park	117,213
(97) Town of Los Altos Hills, Byrne Preserve	14,878
Projects in Santa Cruz County	
(98) City of Capitola, Escalona Gulch	32,139
(99) City of Scotts Valley, Glenwood Park	24,272
Projects in Siskiyou County	
(100) City of Yreka, Hibbard Field	15,000
Projects in Solano County	
(101) Greater Vallejo Recreation District, North Vallejo Park	35,000
(102) Greater Vallejo Recreation District, Springstowne Jr. High Playfield	45,000
(103) Greater Vallejo Recreation District, Amador Tennis Courts	55,000
(104) City of Dixon, Hall Park	36,777
Projects in Shasta County	
(104.1) City of Redding, Cascade Community Park	106,000
Projects in Sonoma County	
(105) City of Cloverdale, 2nd St. and Tarman Parks	21,897
(106) Del Rio Woods Recreation and Park District, Del Rio Woods Dam	10,000
(107) City of Santa Rosa, Bennett Valley Community Park	227,615
(107.1) City of Petaluma, West Petaluma Regional Park	50,000
Projects in Stanislaus County	

ITEM		AMOUNT
	(108) City of Modesto, Beyer Community Park	293,920
	(109) City of Modesto, Muncy Neighborhood Park	40,000
	(110) City of Hughson, Hughson Neighborhood Park	10,000
	(110.1) City of Oakdale, Kerr Park	30,053
	(110.2) City of Ceres, Caswell Neighborhood Park	38,401
	Projects in Trinity County	
	(110.3) County of Trinity, Junction City Park	40,000
	Projects in Tulare County	
	(111) County of Tulare, Kings River Park	25,000
	(112) County of Tulare, Pixley Park	9,000
	(112.1) City of Exeter, Exeter City Parks	15,500
	Projects in Tuolumne County	
	(113) County of Tuolumne, Jamestown Park	40,000
	(113.1) Tuolumne Park and Recreation District, Tuolumne County Pool	15,000
	Projects in Ventura County	
	(115) City of San Buenaventura, Marina Park	74,250
	(116) City of San Buenaventura, Juanamaria Neighborhood Park	99,197
	(117) United Water Conservation District, Lake Piru	70,987
	(117.1) City of Oxnard, Seaview Park	125,436
	Projects in Yolo County	
	(118) City of Woodland, Crawford Senior Memorial Park	85,015
	(119) City of Winters, Winters Recreation Area	20,000

provided, that none of the funds which are appropriated in this item for the projects set forth herein shall be available for encumbrance unless and until such projects are submitted to, and reviewed and approved by, the Director of Parks and Recreation pursuant to Section 5096.130 of the Public

ITEM AMOUNT

Resources Code. The director may not approve any such project unless the applicant for the project is proposed to be included, or is already included, in the priority plan required by subdivision (c) of Section 5096.127 and unless the project meets the requirements of Section 5096.124, as it relates to local assistance grants, Section 5096.130, and any other provision of the Nejedly-Hart State, Urban, and Coastal Park Bond Act of 1976 (commencing with Section 5096.111 of the Public Resources Code).

Reversions

514—As of June 30, 1979, the unencumbered balance of the appropriation made by the following items shall revert to the unappropriated balance of the State, Urban, and Coastal Park Fund.

(j) Item 443.8(178) Budget Act of 1977, City of Montebello, Fremont School

(k) Item 443.8(180) Budget Act of 1977, City of Montebello, Greenwood School

(*l*) Item 443.8(182) Budget Act of 1977, City of Palos Verdes Estates, Palos Verdes Trail System

(x) Item 518(122) Budget Act of 1978, City of Brea, Arovista Elementary School Park

(z) Item 518(127) Budget Act of 1978, County of Orange, Arovista School Park

(aa) Item 518(128) Budget Act of 1978, County of Orange, Boisseranc Park

(bb) Item 518(129) Budget Act of 1978, County of Orange, Centennial Regional Park

(cc) Item 518(130) Budget Act of 1978, County of Orange, Columbus Tustin Park

(dd) Item 518(131) Budget Act of 1978, County of Orange, Hare School Park

(ee) Item 518(132) Budget Act of 1978, County of Orange, Lake School Park

ITEM	AMOUNT
(ff) Item 518(133) Budget Act of 1978, County of Orange, Linda Lane Park	
(gg) Item 518(134) Budget Act of 1978, County of Orange, Moulton Meadows Park	
(hh) Item 518(135) Budget Act of 1978, County of Orange, Oak Jr. High School Ball Diamond/Handball Courts	
(ii) Item 518(137) Budget Act 1978, County of Orange, Peralta Canyon Park	
(jj) Item 518(138) Budget Act of 1978, County of Orange, San Gorgonio Park	
(kk) Item 518(139) Budget Act of 1978, County of Orange, San Marino Park	
(*ll*) Item 518(140) Budget Act of 1978, County of Orange, Serra Community Center	
(mm) Item 518(141) Budget Act of 1978, County of Orange, Tri-City Park	
(nn) Item 518(142) Budget Act of 1978, County of Orange, Twin Lakes Freedom Park	
(oo) Item 518(143) Budget Act of 1978, County of Orange, Westminster High School Park	
(pp) Item 518(144) Budget Act of 1978, County of Orange, Yorba Linda Tennis Courts	
(tt) Item 443.8(354) Budget Act of 1977, Greater Vallejo Recreation District, River Park	
(aaa) Item 443.8(36), Budget Act of 1977, City of Concord, Inner Lime Ridge	
(ccc) Item 443.8(191), Budget Act of 1977, City of San Dimas, Freeway Park	
(ddd) Item 443.8(315), Budget Act of 1977, City of Oceanside, Center City Park	

ITEM		AMOUNT
(eee) Item 443 8G(3), Budget Act of 1977, City of Pasadena, Jefferson Community Recreation Center		
(fff) Item 443.8(387), Budget Act of 1977, City of Exeter, Pruner Park		
(ggg) Item 518(34), Budget Act of 1978, County of Fresno, McKenzie Avenue recreation trail		
(hhh) Item 518(50), Budget Act of 1978, County of Kern, Lake Woollomes		
(iii) Item 518(118), Budget Act of 1978, Soledad-Mission Recreation District, Solar Pool heating		
(jjj) Item 518(210), Budget Act of 1978, City of Daly City, Hillside Park acquisition		
(kkk) Item 518(233.1), Budget Act of 1978, City of Redding, Enterprise Community Park		
(*lll*) Item 518(245), Budget Act of 1978, City of Ceres, Smyrna Park		

STATE COASTAL CONSERVANCY

SEC. 3. The following sums of money, or so much thereof as may be necessary, are hereby appropriated for expenditure during the 1979–80, 1980–81 and 1981–82 fiscal years, unless otherwise provided herein, for the programs contemplated by Section 5096.125 and Division 21 (commencing with Section 31000) of the Public Resources Code, except that appropriations for administration and planning shall be available for expenditure only during the 1979–80 fiscal year. All such appropriations shall be paid out of the State Coastal Conservancy

STATE OPERATIONS

RESOURCES

515—For support, State Coastal Conservancy, for the purposes set forth in subdivision (f) of Section 5096.125 of the Public Resources Code, payable from the State Coastal Conservancy		838,110
Schedule:		
(a) Personal services	361,541	
(b) Operating expenses and equipment	176,569	

ITEM		AMOUNT
	(c) Pre-project feasibility planning. .	300,000

CAPITAL OUTLAY

RESOURCES

Reappropriation

516—For capital outlay, State Coastal Conservancy, payable from the State Coastal Conservancy, the undisbursed balance of Item 520.1 of Chapter 359, Statutes 1978, is hereby reappropriated for expenditure in the 1979–80 fiscal year.
provided, that expenditures of funds for local assistance grants are exempt from State Public Works Board review.

Provided, that no funds allocated to this item may be encumbered unless and until each project and the plan therefor is approved by the State Coastal Conservancy and, if required, is reviewed, approved, or certified by the California Coastal Commission pursuant to Section 31152, 31206, 31208, 31213, 31255, 31258, 31263, or 31304, or any combination thereof, of the Public Resources Code.

Provided further, that not less than 30 days prior to approval of any State Coastal Conservancy project by the State Public Works Board, the Executive Officer of the State Coastal Conservancy shall notify the chairman of the fiscal subcommittee in each house which considers appropriations for the State Coastal Conservancy, of the proposed project. The chairmen of the two fiscal subcommittees are hereby constituted a Joint Oversight Committee of the State Coastal Conservancy for purposes of reviewing State Coastal Conservancy projects. After reviewing such projects and conferring with other members of the fiscal subcommittees to the extent feasible, the fiscal subcommittee chairmen may make recommendations to the State Public Works Board regarding the projects It is the intention of the Legislature that the State Public Works Board shall consider and implement the recommendations of the fiscal subcommittee chairmen to the extent possible

Provided further, that upon the receipt of any federal reimbursement applicable to any of the

ITEM		AMOUNT
	projects specified in this item, such reimbursement is hereby appropriated for expenditure by the State Coastal Conservancy for the types of projects specified in this item	

HEALTH SCIENCE FACILITIES CONSTRUCTION BOND ACT PROGRAM

SEC 3.2. The following sums of money, or so much thereof as may be necessary, are hereby appropriated for expenditure during the 1979–80, 1980–81 and 1981–82 fiscal years for expenditures only for the programs contemplated by the Health Science Facilities Construction Program Bond Act of 1971, except that appropriations for studies, planning, working drawings, and minor capital outlay projects shall be available for expenditure only during the 1979–80 fiscal year. In addition, every appropriation made in this section for construction, or working drawings and construction, that has not been approved by the State Public Works Board on or before June 30, 1980, shall revert as of that date to the Health Science Facilities Construction Program Fund. All such appropriations shall be paid out of the Health Science Facilities Construction Program Fund

Education

517—For capital outlay, University of California, subject to approval of the State Public Works Board, payable from Health Sciences Facilities Construction Program Fund; provided, that withdrawals shall be as required to meet current obligations as certified by the University of California		5,022,000
Schedule		
Davis—Health Sciences		
(1) Working drawings and construct Medical Sciences Unit 1, alterations, Step 2	187,000	
Irvine—Health Sciences:		
(2) Construct renovations and improvements, alterations to Buildings 1 and 53, UCIMC . . .	2,730,000	
Los Angeles—Health Sciences·		
(3) Equip School of Nursing facility	104,000	
(4) Equip School of Medicine facility (Riverside program) . . .	75,000	
(5) Preliminary plans and working		

ITEM		AMOUNT
	drawings for Health Science Center Alterations, (Released School of Nursing space for Bio-medical library)	15,000
	San Diego—Health Sciences:	
(6)	Equip UCMC, San Diego-library expansion	34,000
(7)	Working drawings and construct UCMC, San Diego—clinical cardiology expansion and relocation	190,000
	San Francisco—Health Sciences:	
(8)	Construct clinics and medical science building alterations, Step 2	1,687,000

provided, that notwithstanding the provisions of Section 3.2 of this act the appropriations made in this item for equipment items shall be available for expenditure only during the 1979–80 and 1980–81 fiscal years

GENERAL SECTIONS

SEC 4. Notwithstanding any other provisions of this act, no appropriations made by this act, or funds obtained from any other source may be expended by any state entity for electronic data-processing services, equipment, facilities, personnel, or supplies for any electronic data-processing activity, unless the procedures, including those relating to confidentiality and security of data, set forth in the State Administrative Manual to implement this section have been met and followed. The Department of Finance is authorized to approve proposed expenditures subject to this section for the purpose of ensuring that required procedures have been followed. The provisions of this section shall not apply to expenditures for continuing previously approved efforts, as defined in the State Administrative Manual, including added costs due to merit salary increases and inflation.

If funds subject to this section are to be encumbered pursuant to a contract, each such contract encumbering funds in excess of $75,000 for electronic data-processing activities shall be competitively procured except (a) when the Department of Finance concurs that an article or service is the only article or service which can meet the needs of the state entity, or (b) in cases of emergency where immediate acquisition is necessary for the protection of the public health, welfare, or safety, as concurred in by the Director of Finance

The procurement mode to be used and the procedure to be followed in letting such a contract shall be approved by the Director of Finance. The Department of Finance, with the assistance of the Department of General Services, shall maintain in the State Administrative Manual appropriate criteria and procedures to ensure compliance with the contract-letting policies set forth in this section. The Department of Finance shall maintain in the State Administrative Manual procurement and contracting guidelines to be followed by state agencies with respect to expenditures subject to this section. Such guidelines may be in the form of standard formats or model formats which provide sufficient flexibility to enable the state to obtain contracts which take advantage of the vendor's best financing alternative while at the same time ensuring that reasonable protection for the state is not compromised.

In any procurement subject to this section involving the replacement of a computer central processing unit, if only one bid is received and that bid is from the vendor whose equipment is being replaced, a notification of an intent to award a contract to such sole bidder shall be submitted to the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee 30 days prior to an award of contract The notification of intent to award a contract to such sole bidder shall describe the rationale for the award and the measures taken by the state to elicit more than one bid.

The Department of Finance may impose additional requirements that are more stringent than those set forth in the State Administrative Manual with respect to any particular expenditure if the Director of Finance determines that such requirements will best serve the needs of the state

The Auditor General shall, upon approval by the Joint Legislative Audit Committee, seek to identify significant issues which appear to be limiting the state's effective use of electronic data processing technology, recommend a plan to address these issues, and report annually to the Joint Legislative Budget Committee, the chairman of the committee in each house which considers appropriations, the California Information Systems Implementation Committee, and the Director of Finance.

The provisions of this section shall not apply to the University of California, the State Compensation Insurance Fund, the community college districts, agencies provided for by Article VI of the Constitution, or the Legislature.

SEC 5. Because it is necessary to insure the availability of adequate equipment for physical facilities constructed for the operation of custodial, mental health, educational, administrative, military, and other agencies of the state government; because uncertainties as to completion dates make precise advance planning of equipment purchases impossible; and since delivery of some kinds of equipment cannot be made for six months or longer from the date of ordering; state agencies are therefore authorized to incur obligations, to be met during the 1980–81 fiscal year, for the purchase of equipment related to capital outlay projects for which the Legislature has appropriated construction funds, provided, that no obligation shall be incurred under the provisions of this section without the approval of the Department of Finance and the State Public Works Board Purchase orders issued and contracts entered into under the provisions of this section shall not exceed a total of three million dollars ($3,000,000) in estimated cost.

SEC 5 1 Because it is necessary to insure the availability of the adequate transfer of equipment and furnishings for the physical facilities for the Schools for the Blind, Deaf and Multihandicapped at Fremont currently under construction; and because uncertainties as to completion dates make precise advance planning of the transfer of equipment and furnishings impossible, the Department of Education is therefore authorized to incur obligations from funds appropriated for that purpose, to be met during the 1980–81 fiscal year, for the sole purpose of relocating existing equipment and furnishings from the Berkeley site to the Fremont site; provided, that no obligation shall be incurred under the provisions of this section without the approval of the Department of Finance Contracts entered into under the provisions of this section shall not exceed a total of two hundred fifty thousand dollars ($250,000) in estimated costs.

SEC. 5 4 There is hereby appropriated, from the reserve

account established pursuant to subdivision (b) of Section 71 of Chapter 161 of the Statutes of 1979 in the State Highway Account in the State Transportation Fund, to the State Highway Account an amount sufficient to fund the appropriations made by this act from the State Highway Account to the Department of Transportation in the event that funds in the State Highway Account, other than funds in such reserve account, are insufficient to fund such appropriations.

SEC. 5 5. To the Department of Transportation, for advance authority for the department to incur equipment purchase obligations in an amount not to exceed $3,000,000 during the 1979–80 fiscal year, for delivery beginning in the 1980–81 fiscal year, the sum of $3,000,000 is hereby appropriated from the State Highway Account, State Transportation Fund

SEC 5 8. The sum of thirty million dollars ($30,000,000) is hereby appropriated from the State Highway Account in the State Transportation Fund to the Department of Transportation for advancement to the San Diego Metropolitan Transit Development Board during the 1979–80 fiscal year pursuant to Section 199 2 of the Streets and Highways Code

SEC. 5 9 For allocation by executive order of the Department of Finance to the Office of Traffic Safety, for the purpose of providing a state match of not more than 25 percent of the planning and administration portion of the budget for the 1979 federal fiscal year commencing October 1, 1978, and ending September 30, 1979, $320,000 is hereby appropriated from the Motor Vehicle Account in the State Transportation Fund Such allocation shall be subject to approval by the Director of Finance and approval shall be granted only (1) if necessary to ensure the availability of federal funds for the Office of Traffic Safety for the 1979 federal fiscal year and (2) if requested prior to September 30, 1979

SEC. 6 1 None of the funds appropriated under Section 2 of this act may be expended for any project for the alteration of a state building requiring total expenditures of $5,000 or more Any such project requiring total expenditures of less than $5,000 during the 1978–79 fiscal year shall be reported by the Director of General Services to the Chairman of the Joint Legislative Budget Committee, or his designee, by October 1, 1979

SEC. 7. Any acquisition of land or other real property included in any appropriation made herein except appropriations from the California Water Fund or the State Highway Account, State Transportation Fund or appropriations to the Board of Governors of the California Community Colleges for allocation to the community college districts shall be subject to the provisions of the Property Acquisition Law.

All property acquisitions, notwithstanding other exemptions of this section, shall be reported to the State Public Works Board

SEC 8 No money appropriated herein in any item for capital outlay may be expended by any state agency, including the University of California, the California State University and Colleges

and the community colleges, except amounts for acquisition of land or other real property, amounts needed for equipment, minor projects and amounts appropriated specifically for preliminary surveys, studies and planning until the State Public Works Board and the Department of Finance have approved preliminary plans for the project to be financed from such item of appropriation for capital outlay and until the Chairman of the Joint Legislative Budget Committee, or his designee, is provided a 20-day review of the preliminary plans or not sooner than such lesser time as the chairman, or his designee, may in each instance determine, with the exception that community college approvals by the State Public Works Board will apply only to the allocation of state capital outlay funds appropriated heretofore and hereafter by the Legislature, including land acquisition and equipment funds; provided further, that unless excepted by the conditions of Section 81844 of the Education Code, the Public Works Board shall not approve for allocation any appropriated amounts for working drawings or construction where said working drawings or construction have been started by a community college prior to approval of the state-appropriated amounts by the Public Works Board, and all such amounts not approved by the board under this criterion shall be reverted to the unappropriated balance of the appropriate fund, provided further, no major project for which appropriation is made hereunder regarding which the Director of Finance or his authorized representative requests review of working plans shall be put out to bid until the working plans therefor have been approved by the Department of Finance, provided further, that no money appropriated herein may be spent for working drawings for any project as to which there has been made substantial change or changes from the preliminary plans as approved by the State Public Works Board and the Department of Finance unless there has first been obtained the approval of the Department of Finance to make such change or changes; provided further, that no more than one thousand dollars ($1,000) of the money appropriated herein may be spent for any single unit of equipment until prior approval for purchase of such equipment shall have been given by the Department of Finance

The State Public Works Board shall defer all augmentations in excess of 20 percent of the amount appropriated herein for each capital outlay project until the Legislature makes additional funds available for the specific project

The State Public Works Board shall defer action with respect to approval of any portion of an acquisition project when it is determined that the estimated cost of the total acquisition project approved by the Legislature is in excess of 20 percent of the amount appropriated, unless it is determined that a lesser portion of the property is sufficient to meet the objectives of the project approved by the Legislature, and the Chairman of the Joint Legislative Budget Committee, or his designee, is provided a 20 day prior notification of

the proposed reductions in the acquisition project, or not sooner than such lesser time as the chairman, or his designee, may in each instance determine.

Nothing in this section shall be construed to limit or control the Department of Transportation in the expenditure of State Highway Account, State Transportation Fund money appropriated for capital outlay purposes, except those nontransportation projects such as the construction or improvement of departmental buildings, maintenance buildings, district headquarters, and similar support facilities and nonhighway land acquisition shall be subject to this section.

SEC. 8.1. (a) The Director of Parks and Recreation may not advertise, negotiate, renegotiate, or amend any concession contract, operating lease, or nongovernmental agreement which involves a total investment for any private party in excess of $100,000 or involves projected concessionaire gross receipts in excess of $100,000 on an annual basis under the terms of such agreement unless the director first obtains approval of the State Public Works Board Prior to granting such approval, the State Public Works Board shall make a finding that the proposed concession operation was approved by the Legislature or could not have reasonably been presented to the Legislature through the annual budgeting process

(b) In addition, none of the access, picnic, restroom, or camping facilities constructed with funds appropriated by this act shall be operated pursuant to any new or existing concession agreement unless the justification for the appropriation presented to the Legislature has included such concession operation

(c) This section shall not apply to the California Exposition and State Fair.

SEC. 8.2 No expenditure for park furnishings shall be made from any appropriation contained in this act for expenditure by the Department of Parks and Recreation unless the department has made reasonable efforts to acquire such furnishings on a consolidated procurement basis. The department shall provide reasonable demonstration of such consolidated procurement to the Public Works Board and the Office of Procurement of the Department of General Services before the board and office authorize an expenditure or approve procurement.

SEC 8 3. The Controller may not disburse funds from any appropriation or reappropriation for acquisition made to the Department of Parks and Recreation by this act to pay for any property rights, however secured or received, until the State Public Works Board has approved the transaction In addition, the Attorney General and the Department of General Services shall inform the State Public Works Board of every action in inverse condemnation served upon either or both of them, which pertains to any acquisition for the state park system, by placing an item on the state board's agenda

SEC 8 4 In acquiring the Irvine Coast Project, as funded by

Items 462 (b), 464 (e), 500 (b), and 508 (h) of this act, Item 410.2, Chapter 375, Statutes of 1974, and Item 443 (r), Chapter 219, Statutes of 1977, the Department of Parks and Recreation and the State Public Works Board shall (1) refer to Department of Parks and Recreation's map I-2260A; dated May 18, 1979, for project scope (this scope provides for acquisition of lands at the mouth of Morro Canyon which the federal government has an interest in acquiring, and if acquired by the state, such lands may be transferred to the federal government under conditions acceptable to both parties), (2) assign first priority to the acquisition of lands which are to the coastal side of the Pacific Coast Highway and uplands needed for support of the coastal properties and second priority to the acquisition of all other uplands within the project scope, (3) use extended leases in lieu of relocation payments wherever possible, (4) provide project augmentations if determined necessary, subject to the provisions of Resolution Chapter 115 of the Statutes of 1966, First Extraordinary Session, rather than to Section 8 of this act, and (5) notify the Chairmen of the Assembly Ways and Means Committee, the Senate Finance Committee, and the Joint Legislative Budget Committee prior to making changes in project scope or augmentations pursuant to Section 28 of this act

SEC 8.5 In making appropriations to state agencies which are eligible for federal assistance programs, it is the intent and understanding of the Legislature that applications made by such agencies for federal funds under any such programs shall be for the maximum amount allowable under federal law

SEC 8.6 Any Federal funds set forth in any schedule in this act in an informational category designated as "Federal funds per Section 8.6" shall be subject to the provisions of Section 28 of this act.

SEC 8.7 Any Federal funds set forth in any schedule in this act in an informational category designated as "Federal funds per Section 8.7" shall not be subject to the provisions of Section 28 of this act

SEC 8.8 Any funds recovered from the federal government to offset statewide indirect costs shall not be encumbered for expenditure, but shall be transferred to the General Fund surplus unless encumbrance of such funds is authorized by the Department of Finance, not sooner than 30 days after notification in writing of the necessity therefor, to the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairman of the committee, or his designee, may in each instance determine

SEC 9 Notwithstanding any other provision of law, the portion of each sum of money heretofore appropriated or allocated, hereby appropriated or hereafter allocated to the Regents of the University of California for capital outlay which remains after the purpose for which each said sum was appropriated or allocated has been accomplished, and which have been or hereafter are withdrawn

from the State Treasury by the Regents of the University of California pursuant to the provisions of Section 92100 of the Education Code, together with increments, by way of interest or otherwise, on any such appropriation or allocations, shall be used and expended by the Regents of the University of California in executing and furthering the building and improvement program of the University of California; provided, that no such sums shall be allocated by the Regents of the University of California to projects for the purpose of augmenting those projects without prior approval of the State Public Works Board of the requested augmentation Such sums shall be available for expenditure in payment of any encumbrances heretofore or hereafter incurred without regard to fiscal years, provided, however, that any unencumbered balances existing as of the date on which each such appropriation or allocation otherwise would lapse, shall then revert.

SEC 10 05 STATE AND CONSUMER SERVICES

Notwithstanding any other provisions of law, the undisbursed balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purpose provided for in said appropriations and shall be available for expenditure until June 30, 1980

a Department of General Services·

General Fund

1. Item 375.1(a), Budget Act of 1974—Demolition of existing state office building and preliminary plans, working drawings for new state building, Los Angeles.
2 Item 439(a) Budget Act of 1978—Construction—new state building, San Jose
3 Item 439(e), Budget Act of 1978—Land acquisition and planning—new state building, San Francisco
4 Item 439(f), Budget Act of 1978—Planning—new state building, Van Nuys
5 Item 439(g), Budget Act of 1978—Planning and working drawings—new state Building site 1-C, Sacramento
6 Item 439(i), Budget Act of 1978—Demolition—old state building, San Francisco
7 Item 440(h), Budget Act of 1978—Alterations, Resources Building, Sacramento
8 Item 442, Budget Act of 1978—Preliminary plans and working drawings—gasifier, Central Plant, Department of General Services
9 Section 2 25(b), Chapter 583, Statutes of 1978—Preliminary plans for an on-site parking structure for the new state office building in Van Nuys

SEC 10 06 BUSINESS AND TRANSPORTATION

Notwithstanding any other provisions of law, the undisbursed balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes provided for in said appropriations, and shall be available for expenditure until June 30, 1980

a Department of Motor Vehicles:

Motor Vehicle Account, State Transportation Fund:

4 Item 362(e), Budget Act of 1975—site acquisition and working drawings for office building and parking facilities—South Lake Tahoe

provided, that the funds reappropriated in this item shall revert unless prior to September 30, 1979, the State Public Works Board has selected a site for acquisition for this project

5 Item 362(h), Budget Act of 1975—working drawings for office building and parking facilities—Compton

6 Item 362(i), Budget Act of 1975—site acquisition and working drawings for office building and parking facilities—Los Angeles (Southern Headquarters)

7 Item 362(j), Budget Act of 1975—working drawings for office building and parking facilities—Oroville

8 Item 362(k), Budget Act of 1975—working drawings for office building and parking facilities—Woodland/Davis

9 Item 362(*l*), Budget Act of 1975—site acquisition and working drawings for office building and parking facilities—Santa Barbara

12 Item 394(d), Budget Act of 1977—construct office building and parking facilities—Oceanside

17 Item 450(e), Budget Act of 1978—land acquisition and working drawings—Vallejo

18 Item 450(f), Budget Act of 1978—land acquisition and working drawings—San Clemente

19 Item 450(i), Budget Act of 1978—land acquisition and working drawings—Concord

20 Item 450(*l*), Budget Act of 1978—land acquisition and working drawings—Victorville

b Department of Transportation

State Highway Account, State Transportation Fund

1 Item 156, Budget Act of 1978—Local Assistance

2 Item 205, Budget Act of 1976—Local Assistance—Highway safety improvements and federal urban system

Transportation Planning and Research Account, State Transportation Fund

3 Item 158, Budget Act of 1977—Local Assistance

4 Item 210, Budget Act of 1974—Local Assistance

5 Section 16(p), Chapter 1130, Statutes of 1975—Public transit guideway system, City and County of San Francisco

6 Section 16(h), Chapter 1130, Statutes of 1975

State Highway Account, State Transportation Fund

7. Item 155(b), Budget Act of 1978—San Francisco Municipal Railroad

c. Department of California Highway Patrol:
Motor Vehicle Account, State Transportation Fund·
1 Item 449(a), Budget Act of 1978—Construct area facility—San Juan Capistrano
3 Item 449(f), Budget Act of 1978—Site acquisition and working drawings—Santa Barbara
5 Item 157(b), Budget Act of 1978—$29,120 of the amount appropriated for lease expenditures.

d State Banking Department:
General Fund:
1 Section 2(a), Chapter 1064, Statutes of 1977—For the state's premium contributions for loans, to be paid into the Small Business Loan Reserve Fund in accordance with subdivision (c) of Section 3838 of the Financial Code.

SEC 10 07. RESOURCES

Notwithstanding any other provisions of law, the undisbursed balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes provided for in said appropriations, and shall be available for expenditure until June 30, 1980·

(a) Department of Conservation:
General Fund
(1) Item 378(j), Budget Act of 1974—construct Coarsegold forest fire station

(b) Wildlife Conservation Board·
General Fund·
(1) Section 10 15(b), Budget Act of 1977, as amended by Chapter 1155 of the Statutes of 1977—acquisition and development of lands pursuant to Section 29305 of the Public Resources Code.

(c) Department of Parks and Recreation
General Fund
(1) Chapter 1139, Statutes of 1973
North Coastal—acquisition
(2) Section 2(a), Chapter 1174, Statutes of 1973
Century Ranch—acquisition
(3) Section 19 3, Budget Act of 1976
For a recreational trail on the San Francisco-Lake Tahoe Corridor between Old Sacramento State Historic Park and Folsom Lake State Recreation Area
Hostel Facilities Use Fees, General Fund:
(1) Section 2(a), Chapter 1529, Statutes of 1974
Acquisition of riding, hiking, and bicycle trails
(2) Section 2(b), Chapter 1529, Statutes of 1974
Development of riding, hiking, and bicycle trails

These funds shall be reappropriated for acquisition.
(3) Section 2(a), Chapter 744, Statutes of 1975
Acquisition of recreational trail rights-of-way.
(4) Section 2(b), Chapter 744, Statutes of 1975
Development of recreational trails
(5) Section 2, Chapter 1019, Statutes of 1975
Acquisition and development of trails in Santa Barbara and Ventura Counties
(6) Section 2, Chapter 1020, Statutes of 1975
Acquisition and development of trails in Marin County.
Bagley Conservation Fund
(1) Item 318 2(b) (14), Budget Act of 1972
Angel Island State Park
(2) Chapter 1423, Statutes of 1972
Santa Cruz Mountains Area, Unit No. 417
(3) Item 350(aa), Budget Act of 1973
Sonoma Coast State Beach land acquisition
(4) Item 350(gg), Budget Act of 1973
Candlestick Park land acquisition
(5) Item 350(nn), Budget Act of 1973
Wilder Ranch land acquisition
(6) Section 1(d), Chapter 1521, Statutes of 1974
Augmentation for land value increases, land acquisition, for Bagley Conservation Fund projects.
(7) Section 1(f), Chapter 1521, Statutes of 1974
Bear Harbor project augmentation land acquisition
(8) Section 1(h), Chapter 1521, Statutes of 1974
Mendocino Headlands augmentation land acquisition
(9) Section 1(m), Chapter 1521, Statutes of 1974
Tomales Bay land acquisition
(10) Section 1(r), Chapter 1521, Statutes of 1974
Doheny State Beach land acquisition
(11) Section 1(s), Chapter 1521, Statutes of 1974
Salt Point State Park land acquisition
(13) Section 1(w), Chapter 1521, Statutes of 1974
Poppy Preserve project land acquisition
(14) Section 1(ff), Chapter 1521, Statutes of 1974
Las Tunas Beach project land acquisition
(15) Section 1(a and b), Chapter 901, Statutes of 1975
San Buenaventura State Beach, development
(16) Section 6(a), Chapter 1379, Statutes of 1976
For the construction of slots at Benbow Dam; provided that any funds not encumbered for such construction may be encumbered for the acquisition of lands as an addition to Benbow Lake State Recreation Area
(18) Section 5(b) (6), Chapter 1440, Statutes of 1976
Salt Point State Park extension (Kruse Ranch), land acquisition costs
(19) Section 5(c) (1), Chapter 1440, Statutes of 1976

Planning costs

(20) Section 5(c) (2), Chapter 1440, Statutes of 1976
Hostel facilities

(21) Item 401(b), Budget Act of 1977
Seacliff SB—day use and sanitary facilities working drawings and construction

Collier Park Preservation Fund:

(1) Section 1(a), Chapter 853, Statutes of 1975
For the acquisition of beach lands in the City of Pacifica for the state park system.

(2) Item 386(e), Budget Act of 1976
Jack London State Historic Park, land acquisition.

(3) Item 386(i), Budget Act of 1976
China Camp, Marin County, land acquisition.

(3 1) Item 386(j), Budget Act of 1976
Monterey State Historic Park, land acquisition, subject to the provisions of subdivision (a) of Section 11.07 of this act, Collier Park Preservation Fund, paragraph (9)

(4) Item 386(*l*), Budget Act of 1976
Acquisition costs

(5) Item 386(m), Budget Act of 1976
Opportunity purchases

(6) Section 2, Chapter 462, Statutes of 1976
Planning and acquisition of wetlands projects, including costs of acquisition.

(7) Section 6(b), Chapter 1379, Statutes of 1976
For the construction of slots at Benbow Dam; provided, that any funds not encumbered for such construction may be encumbered for the acquisition of lands as an addition to Benbow Lake State Recreation Area.

(8) Item 402(d), Budget Act of 1977
Huntington SB—day use, working drawings

(9) Item 402(g), Budget Act of 1977
McGrath SB—Sewage system, development

(10) Item 402(k), Budget Act of 1977
Saddleback Butte SP—facility improvements

(11) Section 5(b) (1), Chapter 946, Statutes of 1977
For the acquisition of land for the South Yuba River Trail Project

Off-Highway Vehicle Fund

(1) Section 2(a), Chapter 542, Statutes of 1974
For the acquisition of an interest in real and personal property located in San Benito County

(2) Item 2(a), Chapter 741, Statutes of 1975
For the acquisition of an interest in real and personal property in San Diego County

(3) Section 2(a), Chapter 1379, Statutes of 1976
For development and planning costs including, but not limited to, design, field engineering, construction, and

relocation.

(4) Item 403 5(b), Budget Act of 1977
Hungry Valley—Planning and operations

(5) Item 461(b), Budget Act of 1978
Hollister Hills SVRA—Phase I, working drawings and construction

(9) Item 272(d) Budget Act of 1976—County of Sacramento, Off-Road Vehicle Park

Parks and Recreation Revolving Account

(1) Section 1, Chapter 1077, Statutes of 1975
For the acquisition of no more than 32 acres of the Los Liones Canyon in the Santa Monica Mountains for the state park system

(2) Item 400(h), Budget Act of 1977
Clear Lake SP—sewer buy-in charge.

State Park Contingent Fund:

(1) Item 367(a), Budget Act of 1975
Humboldt Redwoods State Park, land acquisition
provided, that Parcels No 3191, 3200, 3166, 3175, 3194, and 3184 may be acquired only if the owners are willing sellers

(2) Item 387(b), Budget Act of 1976
Castle Rock State Park, land acquisition
provided, that such lands may be acquired only if the owners are willing sellers.

State Park Highway Account, Bagley Conservation Fund

(1) Section 1, Chapter 646, Statutes of 1975
For the development of a road at Millerton Lake State Recreation Area

(d) Department of Forestry·
General Fund

(1) Item 396(f), Budget Act of 1977—construct Almaden forest fire station

(2) Item 396(h), Budget Act of 1977—construct material service center—San Bernardino ranger unit headquarters

(3) Item 452(n), Budget Act of 1978—construct Fire Academy emergency vehicle operator course

(e) Department of Water Resources.
Bagley Conservation Fund

(1) Section 6, Chapter 1023, Statutes of 1976—Feather River recreation project.

(f) Division of Exposition and State Fair
General Fund

(1) Item 404(a), Budget Act of 1977
Concession facilities, working drawings

(2) Item 404(b), Budget Act of 1977
Expo Center, working drawings

(3) Item 462(a), Budget Act of 1978

Concession facilities construction
(4) Item 462(b), Budget Act of 1978
Expo Center construction

SEC 10.08 HEALTH AND WELFARE

Notwithstanding any other provisions of law, the unencumbered balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes provided for in such appropriations, and shall be available for expenditure until June 30, 1980.

(a) Employment Development Department
Unemployment Trust Fund.
(1) Item 408(b), Budget Act of 1977, Modesto office—construction, building addition
(2) Item 408(c), Budget Act of 1977, Modesto office—parking lot
(3) Item 408(g), Budget Act of 1977, Monterey office—office building site acquisition
(4) Item 408(i), Budget Act of 1977, Bakersfield office—parking site acquisition and improvement
(5) Item 470(c), Budget Act of 1978, Monterey—working drawings
(6) Item 470(d), Budget Act of 1978, Bakersfield—parking site acquisition and improvement
(7) Item 470(e), Budget Act of 1978, Hollywood—parking site acquisition and improvement

(b) Department of Developmental Services
General Fund·
(1) Item 468 (c), Budget Act of 1978, Camarillo State Hospital—construction of new domestic water line

(c) Department of Social Services
General Fund
(1) Item 274 (i), Budget Act of 1978, Senior Citizen Services Centers

(d) Department of Corrections
General Fund.
(1) Item 4103(b), Budget Act of 1977, San Quentin Prison—replace laundry equipment
(2) Item 4103(d), Budget Act of 1977, San Quentin Prison—upgrade internal security and control

(e) Health and Welfare Agency Data Center General Fund:
(1) Item 466, Budget Act of 1978, Employment Development Building, Sacramento—alterations, Health and Welfare Agency Consolidated Data Center

SEC 10.09 EDUCATION

Notwithstanding any other provisions of law, the undisbursed

balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes provided for in said appropriations, and shall be available for expenditure until June 30, 1980.

(a) California State University and Colleges·
Capital Outlay Fund for Public Higher Education
State College, Bakersfield
(1) Item 399(22), Budget Act of 1976—Construct fine arts building (little theater)
State University, Fresno:
(2) Item 399(24), Budget Act of 1976—Working drawings and construct Library III
State University, Fullerton:
(3) Item 399(27 2), Budget Act of 1976—Construct arts building addition.
State University, Sacramento:
(4) Item 399(26), Budget Act of 1976—Construct classroom office building.

(b) Department of Education·
General Fund.
(1) Item 295, Budget Act of 1978, to a maximum of $110,000 support of Legal Counsel for the Serrano Defense
(2) Section 10(a)(3), Chapter 292, Statutes of 1978—For demonstration programs in reading and mathematics for the purpose of project evaluation and dissemination activities
(3) Section 73, Chapter 894, Statutes of 1977—For support of independent evaluation of the California Master Plan for Special Education.
(4) Section 70, Chapter 894, Statutes of 1977—For the independent evaluation of the school improvement program

(c) California Postsecondary Education Commission
General Fund:
(1) Item 321.1, Budget Act of 1978—Statewide study of student financial aid

(d) Commission for Teacher Preparation and Licensing
Teacher Credentials Fund.
(1) Item 320, Budget Act of 1978, to a maximum of $30,000—Development of an administrative services credential examination.
California Community Colleges·
Capital Outlay Fund for Public Higher Education
West Calley Joint Community College District, Mission College·
(1) Item 490(46 1), Budget Act of 1978—working drawings for environmental and applied sciences building, phase II

Notwithstanding any other provisions of law, the undisbursed balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purpose provided for in such appropriations and any additional purposes provided in this section, and shall be available for expenditure until June 30, 1980

(a) Department of Food and Agriculture.

General Fund:

(1) Item 492(e), Budget Act of 1978, preliminary plans and, in addition, working drawings, convert Long Valley inspection station

SEC. 10.12

Notwithstanding any other provision of law, on the effective date of this act, the unexpended balance of the funds appropriated in Item 312 of the Budget Act of 1978 are reappropriated for the purposes provided in such appropriation and shall be available for expenditure until June 30, 1980, and school districts and eligible agencies may carry over unexpended funds allocated to them pursuant to Item 312 into the 1979–80 fiscal year.

SEC 10.13.

Notwithstanding any other provisions of law, the undisbursed balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes provided for in said appropriations, and shall be available for expenditure until June 30, 1980·

(a) Department of Finance

General Fund.

(1) Item 349.1(c), Budget Act of 1978, Interim departmental system modifications and operation.

(2) Item 349.1(f), Budget Act of 1978, Purchase and installation of CFIS software.

(3) Item 349 1(i), Budget Act of 1978, Purchase of CFIS terminals

SEC 10 15 GENERAL GOVERNMENT

Notwithstanding any other provisions of law, the unencumbered balances, or a portion thereof as may be specified in this section, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes provided for in such appropriations, as amended by this section, and shall be available for expenditure until June 30, 1980

(a) Public Utilities Commission·

General Fund.

(1) Section 4(b), Chapter 855, Statutes of 1977, provided that

only $1,668,000 of the funds appropriated by Chapter 855 of the Statutes of 1977 shall be reappropriated by this act, to be transferred to Item 396, and provided further, that any funds reappropriated by this act from Chapter 855 of the Statutes of 1977 need not be repaid to the General Fund when such funds are used for support of the Public Utilities Commission

SEC 10 16. DEPARTMENT OF TRANSPORTATION

Notwithstanding any other provisions of law, the undisbursed balances, on the effective date of this act, of the appropriations provided in the following citations, are reappropriated for the purposes provided for in said appropriations and shall be available for expenditure until June 30, 1981. The funds reappropriated by this section shall be available for allocation by the California Transportation Commission to those projects previously planned for allocation from the appropriations, but which may or may not be included in an adopted State Transportation Improvement Program

(a) State Highway Account, State Transportation Fund, Chapter 1364, Statutes of 1978.
(b) State Highway Account, State Transportation Fund, Item 447, Budget Act of 1978.
(c) State Highway Account, State Transportation Fund, Item 160 1, Budget Act of 1977.

SEC. 10 20

As of June 30, 1979, the unexpended balances of the appropriations made by Items 426, 426.1 and 426.2, Budget Act of 1978, shall revert to the unappropriated surplus of the General Fund, special funds and nongovernmental cost funds respectively

As of July 1, 1979, the amounts reverted as of June 30, 1979, for Items 426, 426.1 and 426.2, Budget Act of 1978, are reappropriated and shall be available until June 30, 1980, and may be expended on written authorization of the Department of Finance issued on or before said date, for contingencies and emergencies, within the meaning of said items, occuring during the 1978–79 fiscal year

SEC. 11.05

As of June 30, 1979, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made.

(a) State Personnel Board
General Fund:
(1) Chapter 578, Statutes of 1971—Career Opportunities Development

(b) Department of Industrial Relations·
General Fund·
(1) Chapter 1245, Statutes of 1978—Occupational Health Centers

SEC 11.07. RESOURCES

As of June 30, 1979, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made

(a) Department of Parks and Recreation:
General Fund
(1) Chapter 16, Statutes of 1968
Lake Oroville SRA, Thermalito Forebay—Initial Development.
(2) Section 1(d), Chapter 983, Statutes of 1973
Hendy Woods State Park—acquisition.
(3) Section 1(i), Chapter 983, Statutes of 1973
Leo Carrillo State Beach—acquisition.
(4) Item 456(a), Budget Act of 1978
Hearst San Simeon State Historical Monument—continuing restoration.
Hostel Facilities Use Fees, General Fund:
(1) Section 2(a), Chapter 1014, Statutes of 1975
Acquisition and development of recreational trail rights-of-way in Los Angeles and Ventura Counties
Bagley Conservation Fund
(1) Item 350(dd), Budget Act of 1973
Manchester State Beach, land acquisition
(2) Item 350(ee), Budget Act of 1973
Fort Ross, land acquisition.
(3) Section 1(a), Chapter 1521, Statutes of 1974
Project planning and acquisition costs.
(4) Section 1(*l*), Chapter 1521, Statutes of 1974
Fort Ross State Historical Monument, land acquisition.
(4 1) Section 1(t), Chapter 1521, Statutes of 1974
Century Ranch extension, land acquisition.
(5) Section 1(v), Chapter 1521, Statutes of 1974
Red Rock Canyon State Recreation Area, land acquisition.
(6) Section 1(cc), Chapter 1521, Statutes of 1974
Leo Carrillo State Beach extension, land acquisition.
(7) Section 1, Chapter 502, Statutes of 1976
For the acquisition of Carma Ranch-El Matador Beach in Los Angeles County for the State Park System.
(7 1) Section 5(b)(3), Chapter 1440, Statutes of 1976
Pismo Beach extension, land acquisition
(8) Section 5(b)(7), Chapter 1440, Statutes of 1976
El Matador Beach (Malibu), augmentation for land

acquisition.
(9) Section 5(b) (8), Chapter 1440, Statutes of 1976
El Pescador Beach (Malibu), land acquisition
(10) Section 5(b) (9), Chapter 1440, Statutes of 1976
La Piedra Beach (Malibu), land acquisition
(11) Section 5(b) (15), Chapter 1440, Statutes of 1976
Planning and acquisition costs.
(11.1) Section 3(c), Chapter 1109, Statutes of 1977
Andrew Molera SP extension, land acquisition
(12) Section 3(e), Chapter 1109, Statutes of 1977
La Piedra Beach extension (Malibu), land acquisition
(12.1) Item 401(c), Budget Act of 1977
Torrey Pines SR, acquisition
(13) Item 458(a), Budget Act of 1978
Design and construction planning.
Collier Park Preservation Fund:
(1) Section 1, Chapter 775, Statutes of 1975
For repairs to the School Street Adobe in the City of Santa Cruz for the State Park System
(2) Item 369(d), Budget Act of 1975
Folsom Lake State Recreation Area, for acquisition
(3) Item 386(a), Budget Act of 1976
Big Basin Redwoods State Park, land acquisition
(4) Item 386(b), Budget Act of 1976
Castle Rock State Park, land acquisition
(5) Item 386(c), Budget Act of 1976
Cuyamaca Rancho State Park, land acquisition
(6) Item 386(f), Budget Act of 1976
MacKerricher State Park, sewage system augmentation
(7) Item 386(g), Budget Act of 1976
MacKerricher State Park, underpass construction augmentation.
(8) Item 386(h), Budget Act of 1976
McArthur-Burney Falls Memorial State Park, land acquisition.
(9) Item 386(j), Budget Act of 1976
Monterey State Historic Park, land acquisition; provided, that this reversion shall be limited to $300,000
(10) Item 386(k), Budget Act of 1976
Truckee River Outlet (Fanny Bridge), Placer County, land acquisition
(11) Item 386(n), Budget Act of 1976
Huntington State Beach, acquisition
(12) Item 386(p), Budget Act of 1976
American River Trail—acquisition and development
(13) Section 1, Chapter 1313, Statutes of 1976
For the acquisition of approximately 11 acres of land adjacent to National Bridges State Beach in the City of Santa Cruz for the state park system

(14) Section 1, Chapter 1326, Statutes of 1976
For acquisition, as a unit of the state park system, of approximately 13 9 acres, and improvements thereon, of property situated in the County of Contra Costa near Danville and known as "Tao House", the former residence of the playwright Eugene O'Neill
(15) Item 402(f), Budget Act of 1977
Malakoff Diggins SHP—acquisition
(16) Item 5(a), Chapter 946, Statutes of 1977
For the acquisition of land for the South Yuba River Trail Project.
(17) Item 459(e), Budget Act of 1978
Woodson Bridge SRA—levee study.
(18) Item 459(f), Budget Act of 1978
Minor capital outlay.
(19) Item 459(g), Budget Act of 1978
Picacho SRA—mobile home purchase and site development
(19 1) Section 1, Chapter 571, Statutes of 1978, Frank's Tract SRA—acquisition

Off-Highway Vehicle Fund
(1) Section 2(b), Chapter 741, Statutes of 1975
For development and for administrative costs including, but not limited to rental, leasing costs, archeological investigations, operating expenses and equipment, and personal services
(2) Item 461(d), Budget Act of 1978
Pismo Dunes SVRA—Phase I and II, working drawings.
(3) Item 272(a) Budget Act of 1976
City of Long Beach, Honda Haven Long Beach Safety Council Mini-Bike and Motorcycle Park
(4) Item 272(b) Budget Act of 1976
County of Los Angeles, Whittier Narrows Recreation Area—Mini-Bike Park Project.
(5) Item 228(k) Budget Act of 1977
County of San Diego, Santee Off-Road Vehicle Regional Park

Park and Recreation Revolving Fund
(1) Section 1(a), Chapter 927, Statutes of 1975
For acquisition of lands as an addition to the Border Field Area in the County of San Diego for the state park system
(2) Item 383(a), Budget Act of 1976
Tahoe City Public Utility District, sewer intercept buy-in charge
(3) Section 1, Chapter 1305, Statutes of 1976
For development of a visitors' center at Anza-Borrego Desert State Park
(4) Section 1, Chapter 1328, Statutes of 1976
For development of an Indian cultural center at Indian

Grinding Rock State Historic Park
(4.1) Item 400(a), Budget Act of 1977
Bidwell Mansion SHP—acquisition
(4.15) Item 400(b), Budget Act of 1977
Clear Lake State Park—acquisition
(4.2) Item 400(c), Budget Act of 1977
Folsom Lake SRA—acquisition
(5) Item 400(d), Budget Act of 1977
Henry W Coe SP—acquisition
(6) Item 400(e), Budget Act of 1977
Forest of Nisene Marks SP—acquisition
(7) Item 400(f), Budget Act of 1977
Old Town San Diego SHP—Mission Playhouse, construction
(8) Item 400(g), Budget Act of 1977
Yolanda Ranch—acquisition.
(9) Item 400(i), Budget Act of 1977
Malakoff Diggins SHP—water turbidity study
(10) Item 457(c) Budget Act of 1978
Preliminary planning.
(11) Section 2, Chapter 253, Statutes of 1978
For the acquisition, as a unit of the state park system, approximately 10 acres, and improvements therein, of property situated in the County of Madera and known as the Ahwahnee Roundhouse and Cemetery
State Park Contingent Fund:
(1) Item 382(a), Budget Act of 1974
Humboldt Redwoods State Park, land acquisition (Land and Water)
(2) Item 382(c), Budget Act of 1974
Ward Creek, land acquisition.
(2.1) Item 382.1(a), Budget Act of 1974
Humboldt Redwoods State Park, land acquisition
(3) Item 367(b), Budget Act of 1975
Standish Hickey State Recreation Area, land acquisition
(3.1) Item 367(d), Budget Act of 1975
Castle Rock State Park, land acquisition
(4) Item 387(a), Budget Act of 1976
Benbow Lake State Recreation Area, land acquisition
(5) Item 387(c), Budget Act of 1976
Cuyamaca Rancho State Park—land acquisition
(6) Item 387(d), Budget Act of 1976
Zmudowski State Beach—land acquisition
(7) Item 403(d), Budget Act of 1977
Rancho Olompali—acquisition
(8) Item 403(e), Budget Act of 1977
Forest of Nisene Marks SP—acquisition
(b) Department of Forestry
General Fund

(1) Chapter 1118, Statutes of 1978

SEC. 11 08 HEALTH AND WELFARE

As of June 30, 1979, the unencumbered balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made:

(a) Office of Statewide Health Planning and Development
General Fund:
(1) Chapter 500, Statutes of 1967, Item 283—hospital construction.
(2) Chapter 1451, Statutes of 1968—hospital construction.
(3) Chapter 424, Statutes of 1974—fire protection loans.
(4) Chapter 191, Statutes of 1976—fire protection loans.

(b) Employment Development Department
Unemployment Trust Fund:
(1) Item 408(f), Budget Act of 1977, Van Nuys, southeast office—office building site acquisition.
(2) Item 408(j), Budget Act of 1977, Salinas, office—parking site acquisition and improvement.

(c) Department of Developmental Services
General Fund:
(1) Chapter 219, Statutes of 1977, Item 407(a), as reappropriated by Section 10.60(a), Chapter 359, Statutes of 1978—fire and life safety and environmental
(2) Chapter 320, Statutes of 1976, Item 390(e)—Napa State Hospital—construction of sanitary sewer treatment plant.

(d) Department of Mental Health
General Fund:
(1) Chapter 1039, Statutes of 1978—extended MDSO commitments.
(2) Chapter 219, Statutes of 1977, Item 407(a), as reappropriated by Section 10.60(b), Chapter 359, Statutes of 1978—fire and life safety and environmental.

(e) Department of Health Services
General Fund
Chapter 1202, Statutes of 1976—nurse assistants

(f) Employment Development Department
Contingent Fund.
(1) Item 391(a), Budget Act of 1976, San Luis Obispo office—site acquisition
(2) Item 408.5, Budget Act of 1977, San Luis Obispo office—site acquisition, in augmentation of Item 391(a), Budget Act of 1976.

(g) Department of Social Services

General Fund·
Chapter 808, Statutes of 1977—for payment of legislative mandates

SEC. 11.09. EDUCATION

Notwithstanding any other provisions of law, as of June 30, 1979, the unexpended balance of the appropriations provided in the following citations shall revert to the unappropriated surplus of the fund from which the appropriation was made·

(a) California Community Colleges
Capital Outlay Fund for Public Higher Education·
(1) Item 425(49), Budget Act of 1977—working drawings and construct music facilities—Cabrillo College
(2) Item 490(17), Budget Act of 1978—equip music facilities Cabrillo College.

SEC. 11 11 GENERAL GOVERNMENT

General Administration

As of June 30, 1979, the unencumbered balance of the appropriation provided in the following citation shall revert to the unappropriated surplus of the fund from which the appropriation was made

(a) Department of Food and Agriculture:
General Fund
(1) Chapter 303, Statutes of 1977—Study of item-pricing and determination of what consumer commodities should be exempt from laws requiring a clearly readable price on each commodity.

SEC. 12 5 The final repayment date of the loan made to the State Air Resources Board from the Motor Vehicle Account, State Transportation Fund pursuant tc Item 245.1, Budget Act of 1974, for the purposes of initiating and conducting a vehicle inspection program is hereby extended to June 30, 1981.

SEC 12 7. None of the funds authorized for encumbrance by the Department of Education for research, program development, and evaluation in the education of handicapped or gifted pupils pursuant to Section 56362 2 of the Education Code may be encumbered for that purpose or any other purpose.

SEC 13 The Department of Mental Health shall submit quarterly to the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee all of the following information· (1) local mental health expenditures by county, (2) any changes to county mental health allocations, and (3) all requests for new county mental health programs, together with the action taken on such requests by the Department of Mental Health.

No reallocation of regular Short-Doyle funds among counties shall be made after the initial allocation of such funds to counties until 30 days following notification in writing of the proposed reallocation is made by the Director of Mental Health to the Chairman of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairman of the committee, or his designee, may in each instance determine.

SEC 15 No appropriation made by this act or any other provision of law may be combined or used in any manner to avoid budgeting the salary or operating expenses of any position or to achieve any purpose which has been denied by any formal action of the Legislature

SEC 16 The Supplemental Report of the Committee of Conference on the Budget Bill, which contains agreed language on statements of intent or requests for studies and which was submitted to the Senate and Assembly concurrently with consideration of the Budget Bill for the 1979–80 fiscal year, reflects the intent of the Legislature in enacting the Budget Act of 1979 and should be interpreted as such by the various agencies of state government affected by the statements contained in the report. The Legislative Analyst shall transmit copies of the report to all agencies to which statements of intent and requests for studies are directed in order that each may be fully informed of the intent of the Legislature.

SEC. 18. Notwithstanding any statutes, regulations or state policy to the contrary, all contracts and interagency agreements for consultant or personal services, except such contracts as are expressly excluded below, shall, prior to their approval by the Department of General Services, be routed to the Department of Finance for review and approval The Director of Finance shall, within 30 days of approving any such contract, so notify the Chairman of the Joint Legislative Budget Committee and the chairman of the committee in each house which considers appropriations

The following types of contracts are excluded from the provisions of this section·

(a) Contracts that require payment of less than $16,500 per party per 12-month period

(b) Contracts for hearing reporter services.

(c) Contracts for employer training programs which provide on-the-job training for workers.

(d) Contracts for rehabilitation services entered into by the Department of Rehabilitation

(e) Contracts for maintenance or service of equipment

(f) Contracts for electronic data-processing services reported under Section 4 of this act

(g) Contracts related to any type of construction

(h) Contracts for community mental health training entered into by the Centers for Training in Community Psychiatry, Department of Mental Health

(i) Contracts for library services entered into by the Department

of Education

(j) Contracts for family planning contraceptive services entered into by the Department of Health Services.

(k) Contracts with local agencies for administration of the Special Supplemental Food Program for Women, Infants, and Children

(*l*) Contracts implementing the Welfare Reform Act, 1971, Career Opportunities Development Program, which provide on-the-job training for workers or which provide matching funds for on-the-job training for workers

(m) Contracts for the Office of Economic Opportunity Weatherization Program entered into by the employment Development Department.

SEC 19 On or before September 30, 1979, the State Controller shall transfer to the General Fund any amount of accumulated surplus in the Service Revolving Fund as of June 30, 1979, as follows. for the Office of State Printing totals in excess of $10,371,186, and for the remainder of the Service Revolving Fund totals in excess of $26,443,581 and shall apply the amount of such transfers first against any outstanding working capital advances and working capital property

No machinery or equipment shall be purchased by or for the Office of State Printing except as provided for in this act and for emergency replacements.

The Director of General Services may authorize expenditures for an emergency replacement not sooner than 30 days after notification in writing of the necessity therefor to the chairmen of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairman of the committee, or his designee, may, in each instance determine.

No augmentation shall be made to the capital of the Service Revolving Fund for the benefit of the Office of State Printing during the 1979–80 fiscal year except as specifically provided for in this act Any proposed capital addition to the Service Revolving Fund for the benefit of the Office of State Printing for the 1980–81 fiscal year shall be included in the proposed budget for that fiscal year as an appropriation

Any surplus resulting from legislative printing shall be shown as a reimbursement to Item 14 of this act.

SEC 19.1 Notwithstanding the provisions of Section 42050 of the Vehicle Code and subdivision (b) of Section 41304 of the Education Code, the sum of seven million dollars ($7,000,000) is appropriated from the Driver Training Penalty Assessment Fund to the unappropriated surplus of the General Fund on the effective date of this act

SEC. 19.2. As of June 30, 1979, the unencumbered balance in the Local Agency Emergency Loan Fund, established by Chapter 292, Statutes of 1978, shall be transferred by the State Controller to the General Fund

SEC. 19.3. Notwithstanding the provisions of Section 42050 of the Vehicle Code and subdivision (b) of Section 41304 of the Education Code, the Controller shall transfer by June 30, 1980, any unexpended balances from the Driver Training Penalty Assessment Fund to the General Fund

SEC. 19.8 The Superintendent of Public Instruction, on or before October 1, 1979, shall notify in writing the governing board of each school district, county superintendent of schools, and parent advisory committee within each Special Education Service Region scheduled to receive funding under provisions of the Master Plan for Special Education in 1980–81 and fiscal years thereafter that funds may not be provided for such purpose. His notification shall include, but not be limited to, the following statement· "Each member of the California Legislature has a deep and sincere sense of commitment to the handicapped students in our state. However, with respect to the Master Plan for Special Education, the Legislature is confronted with the potential in future years of insufficient resources to support program expansion. An initiative has already limited the amount of money available for education services. In addition, the potential passage of other initiatives may further limit the availability of funds for such services. Therefore, the Legislature has directed me to inform you that (1) a major ongoing evaluation of the Master Plan is underway from which periodic reports are produced, (2) modifications of the Master Plan to increase its cost effectiveness and to provide alternative mechanisms for addressing the federal mandate to provide appropriate educational opportunities for handicapped students are being actively explored, and (3) further expansion of the Master Plan will depend on the results of the aforementioned studies and the availability of funds "

The Superintendent of Public Instruction shall notify the Chairman of the Joint Legislative Budget Committee of the completion of the notification required by this provision

SEC. 19.9. No pupil textbooks shall be adopted by the State Board of Education nor shall funds be available to finance contracts for textbooks in which the royalty amount exceeds 55 percent of the completed book bid which is the total cost less sales tax less all freight. Royalty amounts payable shall be adjusted annually in subsequent adoption years in conformance with the Consumer Price Index—All Items, of the Bureau of Labor Statistics of the United States Department of Labor.

SEC. 19.11 Notwithstanding any other provisions of law, the employer's contributions for the 1979–80 fiscal year, which is chargeable to an appropriation made in this act, with respect to each state officer and employee or an annuitant who was in such employment or office, including an academic position with a California State University or College, or is a survivor of such person, or is an annuitant, shall be $43 for basic and related major medical plans with respect to employees or annuitants enrolled for self alone, or $79 for an employee or annuitant so enrolled for self and one

family member, or $102 for an employee or annuitant so enrolled for self and two or more family members, or, if less, the amount necessary to pay the cost of such person's enrollment, including the enrollment of such person's family members, in a health benefits plan or plans.

SEC. 19.15. Notwithstanding the provisions of Section 42050 of the Vehicle Code and subdivision (b) of Section 41304 of the Education Code, the sum of four million dollars ($4,000,000) is appropriated from the Driver Training Penalty Assessment Fund to the Motor Vehicle Account in the State Transportation Fund to support post licensing control program activities of the Department of Motor Vehicles.

SEC. 20 No money appropriated by this act shall be used to pay the salary of any authorized state position which was abolished effective September 1, 1979 and which position was vacant continuously during the period between October 1, 1978 and July 1, 1979. The State Controller, no later than August 1, 1979, shall notify in writing the Department of Finance of any authorized state position which was vacant continuously during such period. All such positions, except those exempt from civil service or those instructional and instructional-related positions authorized for the California State University and Colleges, are abolished effective September 1, 1979

The State Controller, not later than December 1, 1979, shall furnish the Joint Legislative Budget Committee a report on all positions as of July 1, 1979, which were unfilled continuously during the period between October 1, 1978, and July 1, 1979

SEC. 20 1 Notwithstanding any other provisions of law, expenditures under Item 14 of this act or any appropriation in augmentation of such item shall be exempt from the provisions of Sections 13320 and 13325 of, and Chapter 3 (commencing with Section 14250) of Part 5 of, and Chapter 6 (commencing with Section 14780) of Part 5.5 of, Division 3 of Title 2 of the Government Code, subdivision (a) of Section 713 of Title 2 of the California Administrative Code and Sections 4, 8, 18, and 25 of this act, and may be expended as set forth in the Governor's Budget, or for such other purposes, including expenditures for such number of positions in various classifications, as may be authorized by the Joint Committee on Rules.

SEC 21.4. Since it is imperative that the maximum amount of time possible be provided the State Board of Education in the selection of instructional materials and for private publishers and manufacturers and the State Printer to produce such materials for the ensuing school year, the Department of Education and the Department of General Services are authorized subject to the provisions of Sections 60000 to 60315, inclusive, of the Education Code, to incur obligations for production of instructional materials in an amount not to exceed $10 million in the aggregate during the 1979–80 fiscal year for delivery by the State Printer and private

publishers and manufacturers to the Department of Education and local educational agencies beginning in the 1980–81 fiscal year

SEC. 21.5. Because it is necessary to provide adequate time for planning and preparation for the 1980 California State Fair and Exposition, the Division of Exposition and State Fair of the Department of Parks and Recreation is authorized during the 1979–80 fiscal year to incur obligations for entertainment in an amount not to exceed $300,000 for the 1980 fair, and the sum of $300,000 is hereby appropriated from the General Fund to the Division of Exposition and State Fair of the Department of Parks and Recreation for this purpose. The appropriation in this section shall be available for encumbrance only until June 30, 1981.

SEC. 22. No purchase order for acquisition or replacement of motor vehicles shall be issued against any appropriation made herein until the Department of General Services has investigated and established the necessity therefor.

All passenger-type motor vehicles purchased from any appropriation made by this act for the use of state employees and officers, or from any appropriation available for the use of the Department of Transportation, except constitutional officers, shall be of the light class, as defined by the State Board of Control, unless excepted by the Director of General Services on the basis of unusual requirements, such as use by the California Highway Patrol, which would justify the need for an automobile of a heavier class.

No general use mobile equipment having an original purchase price of $25,000 or more shall be rented or leased from a nonstate source and payment therefor made from any appropriation made by this act, including any appropriation made by this act or from any other appropriation available therefor for the use of the Department of Transportation, without the prior approval of the Department of General Services after a determination that comparable state-owned equipment is not available, unless obtaining such approval would endanger life or property, in which case the transaction and the justification for not having sought prior approval shall be reported immediately thereafter to the department. For purposes of this section, "general use mobile equipment" shall be deemed to refer to equipment that is listed in the Mobile Equipment Inventory of the State Equipment Council and which is capable of being used by more than one agency, and shall not be deemed to refer to such equipment having a practical use limited to the controlling agency only. Section 575 of the Vehicle Code shall have no application to this section.

SEC. 24. None of the moneys appropriated by this act or for an expenditure which is supplemented from money appropriated by this act shall be used to purchase furnishings for any house, mobilehome, or apartment of three or more rooms other than a dormitory which is rented to a state employee. This provision shall not apply to the purchase of refrigerators, heaters, air-conditioning equipment, stoves, linoleum, or equipment normally furnished in construction of the house as may be determined by the State Board

of Control Any such funds that are appropriated by this act for this purpose shall be held intact and be reverted to the fund from which they were appropriated. It is the intent of the Legislature that no money shall be appropriated henceforth for the purpose of house furnishings. Such furnishings are not to be provided by the state nor shall any money be paid from this appropriation for their replacement, repair or otherwise except in connection with the disposal of the same.

SEC 25 (a) No moneys appropriated by this act shall be used, either directly or by supplementing any other appropriation, to purchase rugs or carpets for any state office except for offices used by elective officers, the President of the University of California, a Chancellor of the University of California, the Chancellor of the California State University and Colleges, a president of a state university or college, department heads and for other facilities or areas under the control of the agencies financed by this act in accordance with standards issued by the Director of General Services. The Director of General Services shall furnish a detailed report annually to the Joint Legislative Budget Committee of all rugs or carpets purchased for state facilities under this section.

Approval of the Director of General Services shall be obtained prior to procurement and installation of such materials The Director of General Services may authorize the use of carpeting in other specialized facilities not meeting the established standards 30 days after notification in writing of the proposal with justification therefor to the Joint Legislative Budget Committee.

(b) The Director of General Services shall prepare and submit to the Chairman of the Joint Legislative Budget Committee, or his designee, a cost-benefit analysis of open-office landscape proposals in either existing or new buildings 30 days prior to implementing any open-office landscape proposal.

SEC 25.1 The Director of General Services may not approve an agreement for the leasing of an office copy machine, unless not less than 30 days prior to its approval, the director submits in writing to the Chairman of the Joint Legislative Budget Committee, or his designee, notification of his intent to approve such a lease and an explanation as to why the copier should be leased rather than purchased, or not sooner than such lesser time as the chairman of said committee, or his designee, may in each instance determine

SEC 26 Whenever herein an appropriation is made for support it shall include salaries and all other proper expenses, including repairs and equipment, incurred in connection with the institution, department, board, bureau, commission, officer, employee, or other agency, for which such appropriation is made.

Whenever herein an appropriation is made for capital outlay, it shall include acquisition of land or other real property, major construction, improvements, equipment, designs, working plans, specifications, repairs and equipment necessary in connection with a construction or improvement project.

Whenever herein any item of appropriation contains provisions for acquisition of land or other real property, it shall include all necessary expenses in connection with the acquisition of such property

Whenever herein an appropriation is made in accordance with a schedule set forth after such appropriation, the expenditures from such item for each category or project included in the schedule shall be limited to the amount specified for such category or project, except as otherwise provided in this act. Each such schedule is a restriction or limitation upon the expenditure of the respective appropriation made by this act, does not itself appropriate any money, and is not itself an item of appropriation.

As used in this act in reference to such schedules "category" or "project" means a class of expenditures such as, but not limited to:

(a) "Personnel services" which shall include all expenditures for payment of officers and employees of the state; including salaries and wages, workers' compensation, unemployment compensation benefits, insurance premiums for workers' compensation coverage, industrial disability leave and payments, nonindustrial disability benefits and payments, the state's contributions to the Public Employees' Retirement Fund, the Teachers' Retirement Fund, the University of California Retirement Fund to provide for that portion of retirement costs to be provided for Hastings College of Law in Item 358 of this Budget Act, the Old Age and Survivors' Insurance Revolving Fund, the State Employees' Contingency Reserve Fund, and the state's cost of health benefits plans; but do not include compensation of independent contractors rendering personal services to the state under contract;

(b) "Operating expenses and equipment" which shall include all expenditures for purchase of materials, supplies, equipment, services (other than services of state officers and employees), and all other proper expenses,

(c) "Preliminary plans" are defined as a site plan, architectural floor plans, elevations, outline specifications, and a cost estimate For each utility, site development, conversion and remodeling project, the drawings shall be sufficiently descriptive to accurately convey the location, scope, cost, and the nature of the improvement being proposed;

(d) "Working drawings" are defined as a complete set of plans and specifications showing and describing all phases of a project, architectural, structural, mechanical, electrical, civil engineering, and landscaping systems to the degree necessary for the purposes of accurate bidding by contractors and for the use of artisans in constructing the project. All necessary professional fees and administrative service costs are included in the preparation of such drawings,

(e) "Construct" or "construction" when used in connection with a capital outlay project shall include all such related things as fixtures, installed equipment, and auxiliary facilities;

(f) "Minor projects" include construction, improvements and equipment projects not specifically set forth in the schedule.

For the purpose of further interpreting the meaning of the words, terms and phrases used in such schedules, reference is hereby made to those documents entitled, "State of California Governor's Budget for 1979–80," submitted by the Governor to the Legislature at the 1979 portion of the 1979–80 Regular Session, the uniform accounting system prescribed by the Department of Finance under the provisions of Section 13300 of the Government Code, and the appropriate portions thereof The State Board of Control shall establish such interpretations as are necessary to carry out the provisions of this section and shall furnish the same to the State Controller and to every state agency to whom appropriations are made under this act

SEC. 26.1 No funds appropriated by this act shall be used to pay the salary of any state employee who has automatically resigned from state service pursuant to Section 19503 of the Government Code, for the period of his absence or separation or for any portion thereof.

SEC 26 5 Whenever herein an appropriation is made for support or other expenses for an institution, department, board, bureau, commission, officer, employee, or other agency, there shall be charged to such appropriation from which salaries and wages are paid· worker's compensation, unemployment compensation benefits, industrial disability leave and payments, nonindustrial disability benefits and payments, the state's contribution to the Public Employees' Retirement Fund as provided by Sections 20751 and 20752 of the Government Code, the state's contribution to the Teachers' Retirement Fund as provided by Sections 23000 and 23400 of the Education Code, the state's contribution to the Old Age and Survivors' Insurance Revolving Fund as provided by Sections 20782 and 20783 of the Government Code, the state's contribution to the State Employees' Contingency Reserve Fund and the state's contribution for the cost of health benefits plans as provided by Sections 22828 and 22829 of the Government Code

As of the effective date of this act, the state's contributions as provided by Sections 22828 and 22829 of the Government Code for any month shall be charged to the same appropriations used for payment of salaries and wages from which the employee premium contributions for such month are deducted

The appropriations made by Sections 20751, 20752, 20782, 20783, 22828, and 22829 of the Government Code, by Sections 23000 and 23400 of the Education Code, shall continue to be available for expenditure, and shall be charged for any expenditure which is not chargeable to an appropriation for support or other expenses as provided in this section This transfer may be chargeable to such appropriation for a previous fiscal year if there are no funds available from that fiscal year

The State Controller may transfer to the State Payroll Revolving Fund the contributions required by Sections 20751, 20752, 20782,

20783, 22828, and 22829 of the Government Code, and upon certification by the Board of Administration of the Public Employees' Retirement System in accordance with Sections 20754 and 20784 of the Government Code, may transfer from the State Payroll Revolving Fund to the Public Employees' Retirement Fund and the Old Age and Survivors' Insurance Revolving Fund the amounts of contributions so certified.

SEC 26 7. Each item appropriating funds for salaries and wages includes the additional funds necessary to continue the payment of the amount of salaries in effect on June 30, 1979, for the state officers whose salaries are specified by statute.

SEC. 26 8 No funds appropriated by this act may be encumbered for paying a civil service employee a salary which is above the maximum of the salary range of the employee's present classification for a period of more than 90 calendar days following termination of a Career Executive Assignment (C E A.) appointment The intent of the Legislature in permitting payment above the maximum of the salary range for the 90-day period is to facilitate the employee's adjustment to a lower salary level. The provisions of this section shall not apply with respect to an employee who accepted any C.E.A. appointment on or after June 20, 1976, and before July 1, 1977, and any such employee, who is otherwise eligible, shall receive a salary rate pursuant to the provisions of Rule 548.25, adopted by the State Personnel Board on May 18, 1976, based upon the highest C.E A. level held by such employee during such period.

SEC 27. The Department of Finance may, pursuant to a request by the officer, department, division, bureau, board, commission, or other agency to whom an appropriation is made herein, authorize the augmentation of the amount available for expenditure for a category or project designated in any schedule set forth for such appropriation by transfer from any of the other designated categories or projects within the same schedule The Department of Finance shall furnish the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee a report on all authorizations given pursuant to this section during the preceding quarter.

Augmentations of amounts available for expenditure for a category or project designated in any line of any schedule for personal services or operating expenses and equipment set forth for such appropriation by transfer from any of the other designated categories or projects within the same schedule shall not exceed, during any fiscal year, 20 percent of the amount so scheduled on that line The Department of Transportation Highway Program, however, shall be limited to a schedule change of 10 percent

SEC 27.2 The Department of Finance shall reduce amounts included for personal services in any General Fund appropriation item, or in any category thereof; in this act, except any General Fund salary increase item and any item of appropriation for the University of California and the California State University and Colleges, in

order to achieve a statewide reduction which is equivalent of a reduction of $25,224,000 in personal services

The Department of Finance shall certify to the State Controller the amount of such reductions in this act by item and category, and the State Controller shall revert such sums to the unappropriated surplus of the General Fund

SEC 28 (a) The Director of Finance may authorize the augmentation of the amount available for expenditure for any category in the schedule set forth for any appropriation in this act or any additional category in the amount of any funds which he estimates will be received by an officer, department, division, bureau, or other agency during the 1979–80 fiscal year from any other state agency, from any agency of local government or the federal government, from any appropriation made by the Legislature or from any other source which he determines has not been taken into consideration in the schedule or is in excess of the amount so taken into consideration

(b) The director also may authorize expenditure for a new program not identified in the budget as such or for purposes which in his judgment constitute an increase in the level of services above that authorized by this act or other existing law not sooner than 30 days after notification in writing of the necessity therefor to the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairman of the committee, or his designee, may in each instance determine Any authorization made pursuant to this subdivision too late for inclusion in the Governor's Budget for the 1980–81 fiscal year shall remain in effect for such period as the director may determine in each instance, but in no event after June 30, 1981.

The Director of Finance may also reduce any category whenever he determines that funds to be received will be less than the amount taken into consideration in the schedule

(c) All authorizations reported or requested under the provisions of this section shall include all of the following

(1) A description of the proposed expenditure and identification of the statutory authority for the expenditure

(2) A determination whether the expenditure, if federally funded, is specifically designed to be one-time, a continuing federal obligation, or one that the state is required (or expected) to fund at some future date

(3) A determination whether the expenditure, if federally funded, supplements or replaces existing state expenditures

(4) A determination whether the expenditure has previously been considered at some point in the legislative process and has been denied, and, if denied, for what reasons

SEC 28 1 The Regents of the University of California may not enter into a lease-purchase agreement with another entity, public or private, which involves building space, unless such agreement is

reviewed and approved by the Legislature.

SEC. 28.2. The Director of General Services may not execute a lease agreement between the state and another entity, public or private, in which the state is lessee when the agreement is to be for the lease of a building or building space or both which will be for the occupancy of any agency or agencies of the state with a firm lease period of five years or longer and an annual rental in excess of $10,000, unless not less than 30 days prior to its execution he notifies the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee or his designee in writing of his intention to execute such an agreement, or not sooner than such lesser time as the chairman of said committee, or his designee, may in each instance determine, provided that no funds appropriated in this act may be encumbered or expended for any lease entered into on or after July 1, 1979, for office space in the County of Sacramento unless all solicitations for leases for office space in the County of Sacramento under these conditions shall contain the statement, "The state is anticipating capital construction in the City of Sacramento and intends to eventually reduce the use of space on a leased basis."

The Director of General Services shall not enter into a lease-purchase agreement or a lease with an option to purchase agreement with another entity, public or private, which involves building space, unless or until such agreement is reviewed and approved by the Legislature.

SEC 28.3. The Department of Social Services shall submit, by September 1, November 15, and April 15, to the Department of Finance for its approval, all assumptions underlying all estimates related to the (1) average monthly caseloads for each of the categorical aid programs, (2) average grant for each of the categorical aid programs, (3) total estimated expenditures for each of the categorical aid programs, (4) savings or costs associated with all regulatory or statutory changes, and (5) a projection of the fiscal impact of each assumption underlying all estimates.

The State Department of Health Services shall submit, by September 1, November 15, and April 15, to the Department of Finance for its approval, all assumptions underlying all estimates related to (1) the average monthly caseload for the medically needy and medically indigent in the Medi-Cal Program, (2) the average cost for each category of service and each category of recipient, (3) total estimated expenditures for each category of service, (4) savings or costs associated with all regulatory or statutory changes, and (5) a projection of the fiscal impact of each assumption underlying all estimates

The department shall also prepare detailed narrative assumptions and other appropriate budgetary information which supports and explains expenditure estimates for fiscal intermediary services

The Department of Finance shall approve or modify the assumptions underlying all estimates within 15 working days of their

submission If the Department of Finance does not approve or modify the assumptions by such date, the assumptions, as presented by the submitting department, shall be deemed to be accepted by the Department of Finance as of that date.

The estimates of average monthly caseload, average monthly grant, average cost of medical services, total estimated expenditures (including administrative expenditures and savings or costs associated with all regulatory or statutory changes), and a listing of all of the approved assumptions, as well as all supporting data provided by the Department of Social Services and the Department of Health Services or developed independently by the Department of Finance, shall be made available to the Joint Legislative Budget Committee immediately following approval by the Department of Finance However, such departmental estimates, assumptions, and other supporting data as have been prepared shall be forwarded to the Joint Legislative Budget Committee not later than October 1, January 10, and May 15 by the Department of Social Services and the Department of Health Services in the event this information has not been released earlier

The Departments of Mental Health and Developmental Services shall submit by September 15, January 1, and May 1, to the Department of Finance for its approval all assumptions underlying estimates of state hospital developmentally disabled and mentally disabled populations. The Department of Finance shall approve or modify the assumptions underlying all estimates within 15 working days of their submission If the Department of Finance does not approve or modify the assumptions by such date, the assumptions, as presented by the submitting department, shall be deemed to be accepted by the Department of Finance as of that date.

The estimates of populations, and a listing of all of the approved assumptions and the impact of each assumption, as well as all supporting data provided by the Department of Developmental Services and the Department of Mental Health or developed independently by the Department of Finance, shall be made available to the Joint Legislative Budget Committee immediately following approval by the Department of Finance. However, such departmental estimates, assumptions, and other supporting data as have been prepared, shall be forwarded to the Joint Legislative Budget Committee not later than October 1, January 15, and May 15, by the Department of Developmental Services and the Department of Mental Health in the event this information has not been released earlier

SEC 28 4 No funds appropriated by this act shall be encumbered for the purpose of funding any increased state costs or local governmental costs, or both such costs, arising from the issuance of an executive order as defined in Section 2209 of the Revenue and Taxation Code or subject to the provisions of Section 2231 of the Revenue and Taxation Code, unless (a) such funds to be encumbered are appropriated for such purpose, or (b) notification

in writing of the necessity of the encumbrance of funds available to the state agency, department, board, bureau, office, or commission is given by the Department of Finance, at least 30 days before such encumbrance is made, to the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee, or such lesser time as the chairman of the committee, or his designee, determines

SEC. 28 5. Approvals by the Department of Finance to the creation of deficiencies pursuant to Section 11006 of the Government Code and approvals to expend at rates which, in the opinion of the Director of Finance, will require a deficiency appropriation shall be made in writing and filed with the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee Such notices shall state the reason for and amount of such authorization and shall be filed prior to approval whenever possible and in no case shall they be filed more than 10 days after approval

SEC 28 7 The Regents of the University of California shall not undertake any project funded from the Health Sciences Hospital Reserve Fund, which is in excess of $100,000, unless the scope and cost of any such project is approved by the Director of Finance and 30 days' written notification is provided to the Chairman of the Joint Legislative Budget Committee or his designee, or not sooner than such lesser time as the chairman of such committee, or his designee, may in each instance determine. Any project funded from the Health Sciences Hospital Reserve Fund, of less than $100,000, shall be reported to the Chairman of the Joint Legislative Budget Committee by December 1 of each fiscal year For purposes of this section the definition of a project does not include equipment projects Any urgent project concerned with patient life or safety may proceed without prior approval or notification but such project shall be identified in the report provided each December 1

SEC 28 81 No funds appropriated by this act may be used by the Trustees of the California State University and Colleges to reclassify instructional capacity space to noninstructional capacity space unless and until any such reclassification is first approved by the Department of Finance and 30 days' written notification is provided to the Chairman of the Joint Legislative Budget Committee or his designee, or not sooner than such lesser time as the chairman of such committee, or his designee, may in each instance determine

SEC 28.9. Since it is the intent of the Legislature in enacting this act that no qualified student be denied admission to the California State University and Colleges or to the University of California because of a budget deficiency caused by unanticipated additional enrollments, the Director of Finance may, following the adoption of a resolution by the Trustees of the California State University and Colleges or the Regents of the University of California declaring an enrollment emergency, authorize the accelerated expenditure of amounts budgeted for the state university and colleges or the

university, in the form of an agreement to seek a supplementary appropriation from the General Fund to the extent necessary to ensure that all qualified students can be admitted when he certifies that the systemwide enrollment of the California State University and Colleges or of the University of California exceeds by 2 percent or more the enrollment upon which the budget for the state university and colleges or the university was based; provided, that no increased expenditure may exceed $5,000,000 in the aggregate or be authorized sooner than 30 days after notification in writing of the necessity therefor to the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairman of such committee, or his designee, may in each instance determine

In the event that the systemwide enrollment of the California State University and Colleges or University of California is under the budgeted enrollment by more than 2 percent, such excess shall be unallocated by the Director of Finance. Unallocated funds may be reallocated to preclude layoffs only after the Director of Finance has approved such action and shall not be authorized sooner than 30 days after notification in writing of the necessity therefor to the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee, or not sooner than such lesser time as the chairman of such committee, or his designee, may in each instance determine.

Based upon fall annualized full-time equivalent (FTE) students, all surplus funds withdrawn from any campus consistent with the policy of the California State University and Colleges (CSUC) system due to fluctuations in student enrollments, shall be returned

(a) To campuses with enrollments in excess of the budgeted level consistent with the CSUC policy and

(b) To all campuses for allocation to the programs of "Instruction" and "Academic Support"

"Surplus" is defined as those funds in excess of that returned to the state pursuant to this section No exceptions to the above prescribed allocation may be made unless prior approval is given by the Department of Finance and is reported to the Chairman of the Joint Legislative Budget Committee, and the financial necessity of any such exception shall be identified.

SEC. 28.91 All appropriations for the support of the California State University and Colleges shall be subject to the provisions of Section 13320 of the Government Code and applicable Budget Act restrictions with the following exceptions

(a) The trustees may transfer excess salary savings funds from the salary savings reserve allotments to expenditure allotments provided such transfers do not exceed 20 percent of salary saving Excess salary savings funds are those in excess of the amount budgeted

(b) The trustees may approve transfer of funds between one or more of the programs for which funds are appropriated for the

support of the California State University and Colleges

Any transfer of funds made under the above exceptions shall be reported to the Department of Finance and Joint Legislative Budget Committee within 30 days after the end of each quarter in which such transfer was approved

SEC 29. Premiums for official bonds may be paid out of appropriations contained in this act, notwithstanding the period covered by such bonds.

SEC 30. Whenever an expenditure is authorized from the reserve for contingencies and emergencies, from price increase funds, from employee benefits or special salary adjustments funds, from total equivalent compensation funds, from the salary increase funds, or from a fund pursuant to Section 11006 of the Government Code, in addition to an appropriation made by this act, such authorized expenditures may, for accounting purposes, be deemed to be an augmentation and increase of the appropriation made by this act.

SEC. 31 The appropriations under this act, unless otherwise provided, shall be subject to the provisions of Section 13320 of the Government Code requiring expenditures to be made in accordance with the allotments and other provisions of fiscal year budgets approved by the Department of Finance

The fiscal year budget shall authorize in such manner as the Department of Finance shall prescribe all established positions whose continuance for the year is approved and all new positions. No new position shall be established unless authorized by the Department of Finance on the basis of work program and organization

The Director of Finance, or his authorized designee, shall notify the Chairman of the Joint Legislative Budget Committee within 30 days of authorizing any position not authorized for that fiscal year by the Legislature or any reclassification to a position with a minimum step of $1,647 per month He shall also report all transfers to blanket authorizations and the establishment of any permanent positions out of a blanket authorization

All positions administratively established pursuant to this section during the 1979–80 fiscal year shall terminate on June 30, 1980, except that those positions which have been (a) included in the 1980–81 Governor's Budget as proposed new positions, or (b) approved by the Department of Finance and reported to the Legislature after the 1980–81 Governor's Budget submission to the Legislature, may be reestablished by the Department of Finance during the 1980–81 fiscal year, provided such positions are shown in the 1981–82 proposed Governor's Budget submitted to the Legislature, or in subsequent Department of Finance letters to the Legislature, and provided, such positions do not result in establishment of positions deleted by the Legislature through the 1980–81 budget process

Each fiscal year budget shall provide for a salary savings reserve to which shall be transferred on a document initiated by the agency

and submitted to the Department of Finance the unencumbered balance remaining in each allotment for salaries and wages at the close of each quarter or other period of time covered by the allotment The unencumbered balance remaining in each budget allotment for salaries and wages shall be computed by deducting from the amount of the allotment the expenditures and accrued obligations for salaries and wages chargeable to such allotment for the period covered thereby The amount in the salary savings reserve shall not be available for expenditure except upon transfer to allotments for salaries and wages approved by the Department of Finance Such transfer shall be approved only after it has been demonstrated to the satisfaction of the Department of Finance that the allotment to be augmented is insufficient to meet necessary expenditures for salaries and wages.

No money in any 1979–80 fiscal year appropriation not appropriated for that purpose may be expended for increases in salary ranges or any other salary action(s) unless the Department of Finance certifies to the salary setting authority prior to the adoption of such action(s) that funds are available to pay the increased salary or wage resulting therefrom Provided, that prior to certification the Department of Finance shall determine whether such increase in salary range or salary action will require supplemental funding in the 1980–81 fiscal year If the Department of Finance determines that supplemental funding will be required, no certification shall be issued unless notification in writing is given by the Department of Finance, at least 30 days before certification is made, to the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee, or such lesser time as the chairman of the committee, or his designee, determines

A certification on a payroll claim that expenditures therein are in accordance with current budgetary provisions as approved by the Department of Finance shall be sufficient evidence to the State Controller that such expenditures comply with the provisions of this section

Each agency, department, board, commission, and institution, for whose benefit and support appropriations are made in this act, shall certify to the Director of Finance that its expenditures have been made for the purposes stated in the budget, as implemented by the Budget Act, except as the purposes stated have been revised, in accordance with law, by the Department of Finance subsequent to the enactment of the Budget Act.

SEC 32 The officers of the various departments, boards, commissions and institutions, for whose benefit and support appropriations are made in this act, are expressly forbidden to make any expenditures in excess of such appropriations, except the consent of the Department of Finance be first obtained, and a certificate, in writing, duly signed by the director of said department, of the unavoidable necessity of such expenditure, and any indebtedness

attempted to be created against the state in violation of the provisions of this section shall be absolutely null and void; and shall not be allowed by the State Controller nor paid out of any state appropriation. Any member of any such department, board, commission or institution, who shall vote for any expenditure, or create any indebtedness against the state in excess of the respective appropriations made by this act, except by the consent of the Department of Finance and the certificate in this section provided to be first obtained, shall be liable on his official bond for the amount of such indebtedness, to be recovered in any court of competent jurisdiction by the person or persons, firm or corporation to whom such indebtedness is owing.

The Department of Finance shall submit copies of certificates approved by it under this section to the Chairman of the Joint Legislative Budget Committee, and the chairman of the committee in each house which considers appropriations, quarterly, and shall indicate in the case of each certificate the code section or section of this act under which the department gave its consent to exceed the particular appropriation

SEC 32 2 The Director of Finance may direct the transfer of such unexpended balances of appropriations and of other funds available for use in connection with any function or agency affected by a reorganization plan submitted to the Legislature pursuant to Article 7 5 (commencing with Section 12080) of Chapter 1, Part 2, Division 3, Title 2 of the Government Code when the plan becomes effective pursuant to Section 12080 5 of the Government Code, as he deems necessary by reason of the reorganization, for use in connection with the functions affected by the reorganization, or for the use of the agency which has such functions after the reorganization plan is effective; provided that, unexpended balances so transferred shall be used only for the purpose for which the appropriation was originally made

SEC 32 5 Notwithstanding the provisions of any appropriation of state funds made in the Welfare and Institutions Code for the Child Support Incentive Payment program (pursuant to Sections 15200 1 and 15200 2 of the Welfare and Institutions Code) and the Aid to Families with Dependent Children Program including in-lieu foster care payments pursuant to Welfare and Institutions Code Section 16120, expenditures of state funds for those programs for the fiscal year ending June 30, 1980, shall not exceed, in the aggregate, the sum of $702,509,200

The Department of Social Services shall administer the public assistance programs so that the counties will bear no more than the amount of welfare costs that they would be obligated to bear under the applicable provisions of the Welfare and Institutions Code, without the expenditure limitations set forth in this section, and so that the amount authorized to be expended under this section shall fully cover the state's share of aid payments and for services under such programs for the 1979–80 fiscal year

The limitations on amounts imposed by this section shall apply to any amounts which are determined by the Director of Finance to be necessary to meet increases in costs arising from approvals made by the Department of Finance pursuant to the provisions of Item 282, provided the Legislature is notified pursuant to the provisions of Section 28 of this act In addition, the Director of Finance is authorized to approve expenditures in those amounts made necessary by changes in either caseload or payments, or any change in a rule or regulation adopted and any All-County Letter issued, during the 1979–80 fiscal year which are in excess of amounts appropriated in this act for that year

If the Director of Finance determines that the estimate of expenditures will exceed the expenditures authorized by this section, the director shall so report to the Legislature At such time as the report is made, the amount of the limitation shall be increased by the amount of such excess unless and until otherwise provided by law.

Provided further, that any appropriation made pursuant to this act shall be in lieu of any appropriations made pursuant to Section 15200 of the Welfare and Institutions Code for the 1979–80 fiscal year.

Provided further, that in addition to the expenditure of state funds authorized by this section, it is estimated that the Federal share of the program costs will be $1,056,434,950 These Federal funds will be under the definition provided in Section 8.7 and will not be subject to the provisions of Section 28

Provided further, that any rule or regulation adopted and any all-county letter issued by the Department of Social Services during the 1979–80 fiscal year which adds to program or administrative costs funded from the General Fund of $500,000 or less shall only be effective from and after the date upon which the Director of Finance approves the availability of funds

Provided further, that the availability of funds for welfare rules, regulations, or all-county letters which (a) add to program or administrative costs funded from the General Fund in excess of $500,000, and (b) are not specifically required by a change in federal or state law, or which is expressly funded by an appropriation made by this act, may be approved by the Director of Finance not sooner than 30 days after notification in writing of the necessity therefor to the chairman of the committee in each house which considers appropriations and the Chairman of the Joint Legislative Budget Committee, or such lesser time as the chairman of the committee, or his designee, may in each instance determine

SEC 33 If any item of appropriation in this act is vetoed, eliminated, or reduced by the Governor under Section 10 of Article IV of the Constitution, while approving portions of this act, such veto, elimination, or reduction shall not affect the other portions of this act, and these other portions of this act, so approved, shall have the same effect in law as if any vetoed or eliminated items of appropriation had not been present in this act, and as if any reduced

item of appropriation had not been reduced.

SEC 34 If any portion of this act is held unconstitutional, such decision shall not affect the validity of any other portion of this act. The Legislature hereby declares that it would have passed this act, and each portion thereof, irrespective of the fact that any other portion be declared unconstitutional.

SEC 34 1 Funds from each appropriation made in this act may be expended to pay such salary adjustments as are authorized by salary-fixing authorities to provide an increase in the compensation for officers and employees during the month of July 1979 to provide compensation equivalent to that which they would have otherwise received had this act been operative on July 1, 1979.

SEC 34 2 Funds from each appropriation made in this act may be expended to pay any obligation incurred between the commencement of the 1979–80 fiscal year and the effective date of this act, which would otherwise have been authorized hereunder had this act been operative on July 1, 1979, subject to the same limitations, conditions and requirements.

SEC 35 This act, inasmuch as it provides for an appropriation for the usual current expenses of the state, shall, under the provisions of Section 8 of Article IV of the Constitution of the State of California, take effect immediately

SEC 36 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 act makes appropriations for support of state and local government for the 1979–80 fiscal year and provides for capital outlay appropriations, in continuation of existing programs and to promote and sustain the economy of the state It is imperative that such appropriations be available for expenditure commencing not later than July 1, 1979. It is therefore necessary that this act go into immediate effect

SEC 37. INDEX This section provides a ready reference to item numbers, departmental and budget titles, and the 1979–80 Governor's Budget page numbers. The contents of this section do not affect the scope, meaning or intent of the provisions of this act Item numbers carry a fund designation as follows:

G = General Fund
S = Special Funds
N = Nongovernmental Funds
B = Selected Bond Funds
F = Federal Funds

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Public Employment Relations Bd	375G	1070
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CHAPTER 260

An act to amend Sections 205.1, 6365, 8732, 8782, and 8995 of, and to add Section 6814 to, the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 16, 1979 Filed with Secretary of State July 17, 1979.]

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

SECTION 1. Section 205.1 of the Revenue and Taxation Code is amended to read:

205.1. Section 205 of this code fulfills the intent of subdivisions (o), (p), (q), and (r) of Section 3 of Article XIII of the Constitution. To further carry out the intent of subdivisions (o), (p), (q), and (r) of Section 3 of Article XIII of the Constitution, any change in assessment ratio shall not be reason to decrease the amount of the exemption or the amounts used to limit eligibility for such exemption. Whenever assessed value is used as the test of the exemption, the exemption shall be increased accordingly when the assessment ratio is increased to 100 percent. Whenever the valuation of assessable property is used to determine eligibility for such exemption based on the limitations on the value of property owned, such limitations shall be increased accordingly when the assessment ratio is increased to 100 percent to maintain the same proportionate values of such property and such limitations.

SEC. 1.5. Section 6365 of the Revenue and Taxation Code is amended to read:

6365. (a) There are exempted from the taxes imposed by this part the gross receipts from the sale of, and the storage, use or other consumption in this state of, original works of art, which are:

(1) Purchased by this state or any city, county, city and county, or other local governmental entity;

(2) Purchased by any nonprofit organization operating any public museum for, and pursuant to contract with, any such governmental entity;

(3) Purchased by any nonprofit organization which has qualified for exemption pursuant to Section 23701d for one or more museums regularly open to the public not less than 20 hours per week for not less than 35 weeks of the calendar year and operated by the

purchaser of such art or operated by another nonprofit organization which has qualified for exemption pursuant to Section 23701d; or

(4) Purchased for donation and actually donated by delivery by the retailer pursuant to the instructions of the buyer to any such governmental entity, or nonprofit organization, and evidenced by a written transfer of title from the buyer to such governmental entity or nonprofit organization.

(b) The exemption provided by this section shall apply only to works of art purchased to become part of the permanent collection of:

(1) A museum; or

(2) A nonprofit corporation which has qualified for exemption pursuant to Section 23701d; regularly loans not less than 85 percent of the value of its collection of works of art to one or more museums; and is required by its articles of incorporation to loan its works of art and is otherwise prohibited by its articles from making any private use of its works of art; provided, that the work of art for which the exemption is claimed pursuant to this section shall actually be placed on display at one or more museums in California for not less than 24 months during the three-year period commencing from the date of purchase.

(c) For purposes of this section, "work of art" means a work of visual art, including, but not limited to, a drawing, painting, mural, fresco, sculpture, mosaic, film, or photograph, a work of calligraphy, a work of graphic art (including, but not limited to, an etching, lithograph, offset print, silk screen, or a work of graphic art of like nature), crafts (including, but not limited to, crafts in clay, textile, fiber, wood, metal, plastic, glass, and like materials), or mixed media (including, but not limited to, a collage, assemblage, or any combination of the foregoing art media).

(d) For purposes of this section, a "museum" shall only include:

(1) A museum which has a significant portion of its space open to the public without charge; or

(2) A museum open to the public without charge for not less than six hours during any month the museum is open to the public; or

(3) A museum which is open to a segment of the student or adult population without charge.

(e) Any public entity or nonprofit organization claiming an exemption pursuant to this section shall maintain records, in such forms as prescribed by the board, sufficient to substantiate its claim. Such records shall include, but not be limited to, the date of purchase, the purchase price, the date the property was first brought into this state, and the dates and locations the work of art was on display at a museum.

SEC. 2. Section 6814 is added to the Revenue and Taxation Code, to read:

6814. The obligation of the successor shall be enforced by serving a notice of successor liability on the person. The notice shall be served in the manner prescribed for service of a notice of a deficiency determination. The successor may petition for reconsideration in the manner provided in Article 5 (commencing

with Section 6561) of Chapter 5 of this part. The notice shall become final and the amount due and payable in the manner provided in that article except that no additional penalty shall apply if not paid when due and payable. The provisions of this chapter with respect to the collection of any amount required to be paid under this part shall apply when the notice becomes final.

SEC. 2.5. Section 8732 of the Revenue and Taxation Code is amended to read:

8732. A vendor of fuel the use of which is taxable under this part, who sells and delivers such fuel into a fuel tank shall, at the time of sale, collect the tax from the user and give to the user a receipt therefor in the manner and form prescribed by the board.

When fuel is sold through a keylock mechanism or other unattended mechanism it shall be presumed that the vendor delivered the fuel into the fuel tank of a motor vehicle and the vendor must collect the tax from the user. This presumption shall be rebutted and the vendor shall not collect the tax if the user certifies in writing to the vendor that all fuel delivered to him through a specific keylock mechanism or other unattended mechanism will be delivered into bulk containers.

Vendors of fuel required by this section to collect tax from users shall not be required to make such collections on sales and deliveries to users who are authorized by the board, as hereinafter provided, to purchase fuel without payment of tax to a vendor.

The board may issue written authorization to a holder of a valid use fuel permit to purchase fuel from a vendor designated by the user without payment of the tax to the vendor when the board finds (1) that the user consistently is using the fuel in vehicles which are operated partly without this state or off the highways of this state, or the user qualifies for the exemption provided in Section 8655, and (2) that to require collection of the tax from the user by the vendor would cause consistently recurring overpayments of the tax, and (3) that the revenue of the state with respect to the tax liability of such user is adequately secured. Such authorization may be revoked when any such condition no longer obtains.

SEC. 3. Section 8782 of the Revenue and Taxation Code is amended to read:

8782. Except in the case of fraud, intent to evade the tax, or failure to make a return, every notice of a deficiency determination shall be given within three years after the last day of the month following the period for which the return was due or within three years after the return is filed, whichever period expires the later. If the user fails to make a return, the notice of determination shall be mailed within eight years after the last day of the month following the period for which the return was due.

SEC. 4. Section 8995 of the Revenue and Taxation Code is amended to read:

8995. The Department of Motor Vehicles may transfer the registered ownership of any motor vehicle using fuel taxable under this part only after a certificate of excise tax clearance has been issued by the board. The certificate may be issued after the payment

of all amounts due under this part, according to the records of the board as of the date of the certificate, or after the payment of the amounts is secured to the satisfaction of the board.

An excise tax clearance certificate shall not be required to transfer the registered ownership of a passenger vehicle as defined in Section 465 of the Vehicle Code.

SEC. 4.3. Section 1 of this act shall not become operative unless Resolution Chapter 85 of the Statutes of 1978 is approved by the voters.

SEC. 4.5. Notwithstanding Section 2230 of the Revenue and Taxation Code, no appropriation is made by this act and the state shall not reimburse any local agency for any sales and use tax revenues lost by it under this act. It is recognized, however, that such agency may pursue any other remedies available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

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

In order to correct errors in the Sales and Use Tax Law and in the Use Fuel Tax Law as soon as possible, it is necessary for this bill to take immediate effect.

CHAPTER 261

An act to amend Section 25210.77a of, and to add Chapter 10 (commencing with Section 60400) to Division 2 of Title 6 of, the Government Code, and to amend Sections 5830, 5831, 5832.6, 5832.7, 5835.5, 5839, 5840, 5841, 19161, 19170, 19171, 19175, 19176, 19177, 19180, 19181, 19182, 19184, 19185, 19230, 19231, 19233, 19253, 19270, 19280, 19305, 19306, 19310, 19310.5, 19311, 19312, 22555, 22605, 22624 of, to add Sections 1550.4, 1550.5, 1550.6, 1550.7, 1550.8, 5830.1, 5830.2, 5841.5, 19161.1, 19176.1, 19180.1, 19180.2, 19311.1, 19328, 22552.1, 22595, 22608.1, 22608.2, and 22611 to, and to repeal Sections 22557 and 22627 of, the Streets and Highways Code, relating to districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 16, 1979 Filed with Secretary of State July 17, 1979]

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

SECTION 1. Section 25210.77a of the Government Code is amended to read:

25210.77a. For any county service area or zone thereof located therein, a county may fix and collect charges for a particular extended service authorized pursuant to this article to pay, in whole or in part, for the cost thereof. The revenue obtained thereby may be in lieu of, or supplemental to, revenue obtained by the levy of taxes. The charges may vary by reason of the nature of the use or the

month in which the service is rendered to correspond to the cost and the value of the service. The charges may be determined by apportioning the total cost, not otherwise offset by other available revenue, of the extended service area to each parcel therein in proportion to the estimated benefits from such service to be received by each parcel.

Any county which has fixed charges pursuant to this section may, by ordinance, provide a procedure for, and collect such charges, on the tax roll in the same manner and at the same time as its general ad valorem property taxes are collected as provided herein, except that the board of supervisors shall not impose a charge upon a federal or state governmental agency or another local agency. Any such ordinance shall provide that:

(a) Once a year the board of supervisors shall cause to be prepared a written report which shall contain a description of each parcel of real property receiving the particular extended service and the amount of the charge for each parcel for such year computed in conformity with the procedure set forth in the ordinance authorizing collection of such charges on the tax roll. Such report shall be filed with the clerk of the board of supervisors.

(b) Upon the filing of such report, the clerk shall fix a time, date, and place for hearing thereon and for filing objections or protests thereto. The clerk shall publish notice of such hearing as provided in Section 6066, prior to the date set for hearing, in a newspaper of general circulation printed and published in the county.

(c) At the time, date, and place stated in the notice, the board of supervisors shall hear and consider all objections or protests, if any, to the report and may continue the hearing from time to time. Upon conclusion of the hearing, the board of supervisors may adopt, revise, change, reduce, or modify any charge and shall make its determination upon each charge as described in the report and thereafter, by resolution, shall confirm the report.

(d) The charges set forth in the report, as confirmed, shall appear as a separate item on the tax bill. The charge shall be collected at the same time and in the same manner as ordinary county ad valorem property taxes are collected and shall be subject to the same penalties and the same procedure and sale in case of delinquency as provided for such taxes. All laws applicable to the levy, collection, and enforcement of county ad valorem property taxes shall be applicable to such charge; except that, if for the first year such charge is levied the real property to which such charge relates has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attaches thereon, prior to the date on which the first installment of such taxes would become delinquent, the charge confirmed pursuant to this section shall not result in a lien against such real property but instead shall be transferred to the unsecured roll for collection.

(e) Whenever a railroad, gas, water, or electric utility right-of-way or electric line right-of-way is included within such service area, or

zone thereof, the railroad, gas, water, or electric utility right-of-way or electric line right-of-way shall be subject to the charges authorized only if, and to the extent that, it is found that it will benefit from the particular extended service, and the railroad, gas, water, or electric utility right-of-way or electric line right-of-way shall be subject to the same penalties, and the same procedure and sale, in case of delinquency as other properties in such service area or zone. In determining whether or not the railroad, gas, water, or electric utility right-of-way or electric line right-of-way benefits from the extended service, its use as a right-of-way for a railroad, gas, water, or electric utility shall be presumed to be permanent.

SEC. 1.5. Chapter 10 (commencing with Section 60400) is added to Division 2 of Title 6 of the Government Code, to read:

CHAPTER 10. FLOOD CONTROL DISTRICT BENEFIT ASSESSMENTS

60400. As used in this chapter, "district" means any flood control district or any maintenance area formed pursuant to Chapter 4.5 (commencing with Section 12878) of Part 6 of Division 6 of the Water Code, which district or area is authorized under the principal act of the district to levy or to have levied on its behalf an ad valorem assessment or ad valorem tax within the district, or any zone thereof, and Levee District No. 1 of Sutter County formed pursuant to Chapter 349 of the Statutes of 1873–74.

60401. In addition to levying an ad valorem tax or ad valorem assessment for flood control services, the board of supervisors may, by ordinance, and an independent board of directors of a flood control district may, by resolution, levy an assessment on each parcel of real property within the district, or any zone thereof, on the basis of estimated benefit sufficient to cover the cost not otherwise offset by other available revenue of providing flood control services within the district, or any zone thereof, except that the board of supervisors shall not impose an assessment upon a federal or state governmental agency or another local agency. Benefits received may be determined on the basis of the proportionate storm water runoff from each parcel.

60402. Whenever the board of supervisors levies an assessment, the board of supervisors shall first have a written report, containing a description of each parcel and the amount of the assessment for each parcel, prepared and filed with the clerk of the board of supervisors and the clerk shall fix a time, date, and place for a hearing upon the report. Prior to the date of the hearing, a notice of the hearing shall be published pursuant to Section 6066 of the Government Code and at least three notices shall be posted in public places within the district.

At the hearing, the board of supervisors shall hear and consider all protests. At the conclusion of the hearing, the board of supervisors may adopt, revise, change, reduce, or modify any assessment and shall make its determination upon each assessment described in the

report and thereafter, by resolution, shall confirm the assessments.

60403. The confirmed assessment shall be levied and collected at the same time and in the same manner as the general tax levy for county purposes, except that, if for the first year such assessment is levied the real property on which the assessment is levied has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attaches thereon, prior to the date on which the first installment of county taxes would become delinquent, the confirmed assessment shall not result in a lien against the real property but shall be transferred to the unsecured roll.

60404. Whenever a railroad right-of-way is included within the district, the railroad right-of-way shall be assessed only if, and to the extent that, it is found that it will be benefited, and the railroad right-of-way shall be subject to the same penalties, and the same procedure and sale, in the event of delinquency as are other parcels in the district. In determining whether or not the railroad right-of-way benefits, its use as a right-of-way for a railroad shall be presumed to be permanent.

60405. The board of supervisors may thereafter, in each year, prior to the time of fixing the county tax rate estimate the cost of providing flood control services within the district, or any zone thereof, during the ensuing year. The board of supervisors may, in addition to all other taxes, levy for purposes of providing flood control services an assessment each year upon the real property in the district, or any zone thereof, sufficient to pay such expense.

60406. (a) The board of supervisors shall place before the voters of the district or zone, either before the initial ordinance takes effect or within one year thereafter, the question whether the district shall be authorized to levy assessments.

If the majority of those voting disapprove of such authority, no subsequent ordinance levying assessments for any succeeding fiscal year shall be adopted by the board of supervisors without the prior approval of the voters of the district or zone.

Subsequent election or elections to secure such approval shall not be held more than once a year.

(b) The approval of the voters may be secured at a district or countywide election, or by a ballot mailed to each property owner or registered voter of the district or zone, as the case may be.

(c) The proposition is approved if a majority of those voting approve the proposition.

(d) In the case of flood control districts having countywide jurisdiction, but governed by an independent board of directors, the functions of the board of supervisors as specified in this chapter may be performed by such board of directors.

SEC. 2. Section 1550.4 is added to the Streets and Highways Code, to read:

1550.4. As an alternative to imposing the property tax for road maintenance, the board of supervisors may, by ordinance, levy an

assessment on each parcel of real property within the district on the basis of estimated benefit sufficient to cover the cost, not otherwise offset by other available revenue, of installing, operating, and maintaining street lights within the district, except that the board of supervisors shall not impose an assessment upon a federal or state governmental agency or another local agency.

SEC. 3. Section 1550.5 is added to the Streets and Highways Code, to read:

1550.5. Whenever the board of supervisors levies an assessment, the board of supervisors shall first have a written report, containing a description of each parcel and the amount of the assessment for each parcel, prepared and filed with the clerk of the board of supervisors and the clerk shall fix a time, date, and place for a hearing upon the report. Prior to the date of the hearing, a notice of the hearing shall be published pursuant to Section 6066 of the Government Code and, in addition, at least three notices shall be posted in public places within the district.

At the hearing, the board of supervisors shall hear and consider all protests. At the conclusion of the hearing, the board of supervisors may adopt, revise, change, reduce, or modify any assessment and shall make its determination upon each assessment described in the report and thereafter, by resolution, shall confirm the assessments.

SEC. 4. Section 1550.6 is added to the Streets and Highways Code, to read:

1550.6. The confirmed assessment shall be levied and collected at the same time and in the same manner as the general tax levy for county purposes; except that, if for the first year such assessment is levied the real property on which the assessment is levied has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attaches thereon, prior to the date on which the first installment of county taxes would become delinquent, the confirmed assessment shall not result in a lien against the real property but shall be transferred to the unsecured roll.

SEC. 4.5. Section 1550.7 is added to the Streets and Highways Code, to read:

1550.7. Whenever a railroad, gas, water, or electric utility right-of-way or electric line right-of-way is included within the district, the railroad, gas, water, or electric utility right-of-way or electric line right-of-way shall be assessed only if, and to the extent that, it is found that it will benefit, and the railroad, gas, water, or electric utility right-of-way or electric line right-of-way shall be subject to the same penalties, and the same procedure and sale, in the event of delinquency as other parcels in the district. In determining whether or not the railroad, gas, water, or electric utility right-of-way or electric line right-of-way benefits, its use as a right-of-way for a railroad, gas, water, or electric utility shall be presumed to be permanent.

SEC. 4.7. Section 1550.8 is added to the Streets and Highways

Code, to read:

1550.8. (a) The board of supervisors shall place before the voters of the district, either before the initial ordinance takes effect or within one year thereafter, the question whether the district shall be authorized to levy assessments.

If the majority of those voting disapprove of such authority, no subsequent ordinance levying assessments for any succeeding fiscal year shall be adopted by the board of supervisors without the prior approval of the voters of the district.

Subsequent election or elections to secure such approval shall not be held more than once a year.

(b) The approval of the district voters may be secured at a district or countywide election, or by a ballot mailed to each property owner or registered voter of the district.

(c) The proposition is approved if a majority of those voting approve the proposition.

SEC. 5. Section 5830 of the Streets and Highways Code is amended to read:

5830. The board of supervisors shall thereafter, in each year, prior to the time of fixing the county tax rate, estimate the cost of maintaining and operating the improvements to be maintained and operated within the maintenance district during the ensuing year. The board of supervisors shall decide whether or not the cost of maintaining and operating the improvement shall be borne wholly or partially by the maintenance district and shall, in addition to all other taxes, fix a special tax rate for the real property within the maintenance district, or for lighting purposes levy an assessment on each parcel of real property within the maintenance district on the basis of the estimated benefit to the parcel, sufficient to raise an amount of money to cover the expense of maintaining the improvements during the ensuing year, or such portion of the amount as the board of supervisors shall determine shall be borne by the maintenance district, and the board of supervisors shall levy a special assessment tax or, for lighting purposes, an assessment each year upon the real property in the maintenance district sufficient to pay such expense, or the portion thereof, which shall be paid by the maintenance district.

SEC. 6. Section 5830.1 is added to the Streets and Highways Code, to read:

5830.1. Whenever the board of supervisors levies an assessment for lighting purposes, the board of supervisors shall first have a written report, containing a description of each parcel and the amount of the assessment for each parcel, prepared and filed with the clerk of the board of supervisors and the clerk shall fix a time, date, and place for a hearing upon the report. Prior to the date of the hearing, a notice of the hearing shall be published pursuant to Section 6066 of the Government Code and, in addition, at least three notices shall be posted in public places within the district.

At the hearing, the board of supervisors shall hear and consider all

protests. At the conclusion of the hearing, the board of supervisors may adopt, revise, change, reduce, or modify any assessment and shall make its determination upon each assessment described in the report and thereafter, by ordinance, shall confirm the assessments.

SEC. 6.5. Section 5830.2 is added to the Streets and Highways Code, to read:

5830.2. (a) The board of supervisors shall not levy assessments pursuant to Section 5830.1 unless it has adopted an ordinance to do so. The board of supervisors shall place before the voters of the district, either before the initial ordinance takes effect or within one year thereafter, the question whether the district shall be authorized to levy assessments.

If the majority of those voting disapprove of such authority, no subsequent ordinance levying assessments for any succeeding fiscal year shall be adopted by the board of supervisors without the prior approval of the voters of the district.

Subsequent election or elections to secure such approval shall not be held more than once a year.

(b) The approval of the voters may be secured at a district or countywide election, or by a ballot mailed to each property owner or registered voter of the district.

(c) The proposition is approved if a majority of those voting approve the proposition.

SEC. 7. Section 5831 of the Streets and Highways Code is amended to read:

5831. (a) The special assessment tax or the assessment, as the case may be, shall be levied and collected at the same time and in the same manner as the general tax levy for county purposes and when collected shall be paid into the county treasury to the credit of the fund of the maintenance district and be used for the payment of the expenses of the district. The board of supervisors may control and order the expenditure thereof for such purposes.

(b) With respect to the assessment, if for the first year such assessment is levied the real property on which the assessment is levied has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attaches thereon, prior to the date on which the first installment of county taxes would become delinquent, the confirmed assessment shall not result in a lien against the real property but shall be transferred to the unsecured roll.

SEC. 8. Section 5832.6 of the Streets and Highways Code is amended to read:

5832.6. If a maintenance district is organized in any year too late for the levy of a special assessment tax or an assessment, as the case may be, in that year or in the next ensuing year, the board of supervisors is hereby authorized to transfer funds of the county not immediately needed for county purposes to the maintenance district fund of the district to be used for the payment of the expenses of the district until such time as special assessment tax or assessment, as the

case may be, receipts are available therefor. The board of supervisors shall include in the levy of special assessment taxes or assessments for the district for the first fiscal year in which a tax or an assessment may be levied, a sum sufficient to repay to the county the amounts so transferred to the district for the portion or portions of the preceding fiscal year or years for which no levy of taxes or assessments was made for that purpose and the amounts so transferred shall be retransferred to the county treasury from the maintenance district fund of the district out of the first available receipts from the tax or assessment levy.

SEC. 9. Section 5832.7 of the Streets and Highways Code is amended to read:

5832.7. Any area of a maintenance district, or of a temporary zone formed pursuant to Section 5855 in a district, which is included in a city by annexation or incorporation after a loan has been made shall continue to be taxed or assessed for the repayment of its proportionate share of the unpaid balance of the loan.

SEC. 10. Section 5835.5 of the Streets and Highways Code is amended to read:

5835.5. Pursuant to a resolution adopted by its board of supervisors, a county may lend any available county funds to a county maintenance district for the replacement of obsolete equipment, or to defray unusual maintenance costs. Any such loan may be restricted for use in a temporary zone formed under the provisions of Section 5855 in a district. The loan shall bear interest at a rate to be fixed by the board of supervisors, and shall be repaid in approximately equal installments over a period not to exceed 10 years. Any funds lent to the district, or zone, are appropriated for the purposes for which the loan was made. Any area of a district, or of a temporary zone in a district, which is included in a city by annexation or incorporation after a loan has been made shall continue to be taxed or assessed for the repayment of its proportionate part of the unpaid balance of the loan.

If a zone is formed to be responsible for the loan, the board of supervisors shall, in the first fiscal year in which a special tax or assessment may be levied in the zone, and in each succeeding year of the duration of the zone, levy a special tax or assessment upon the taxable property in the zone for the purpose of repaying with interest the amount lent to the district by the county. When the loan has been repaid, the zone shall terminate.

In case of emergency, the board of supervisors may also borrow funds from another maintenance district and the board of supervisors may lend available district funds to another maintenance district. Such loans shall be subject to the same terms and conditions as loans made from county funds.

SEC. 11. Section 5839 of the Streets and Highways Code is amended to read:

5839. At the time fixed for the hearing or to which it may be continued, the board of supervisors shall hear and pass upon the

proposal and any objections which may be filed to the inclusion of any property within the proposed annexation.

The board of supervisors may, by order entered upon its minutes, determine that such territory or any part thereof may be annexed to the district and may order that the boundaries of the district be altered to include such territory if one or more of the following facts exist:

(a) The territory to be annexed will be benefited by annexation.

(b) The annexation will allow economies and efficiencies in the administration or operation of an existing lighting system in the territory to be annexed.

SEC. 12. Section 5840 of the Streets and Highways Code is amended to read:

5840. If any portion of the territory annexed to a maintenance district comprises a portion of another maintenance district formed under the provisions of this chapter, a highway lighting district organized pursuant to Part 4 (commencing with Section 19000) of Division 14, or a sewer maintenance district formed under the provisions of Chapter 4 (commencing with Section 4860), Part 3, Division 5 of the Health and Safety Code, the annexation of such territory shall not become complete unless and until any outstanding contract of the other district of which such territory is a part has expired or such contract, with the consent of the parties thereto, has been modified or canceled so as to relieve the other district of further obligation to pay for future contract obligations within the portion of the territory so withdrawn, and the funds of such other district remaining on hand upon the completion of such annexation shall have been apportioned between the maintenance district to which the territory was annexed and the other district from which it was withdrawn. The division of such funds shall be prorated in the proportion that the assessed value of the real property of the territory so withdrawn bore to the total assessed value of the real property within the district prior to such withdrawal.

SEC. 13. Section 5841 of the Streets and Highways Code is amended to read:

5841. If the territory annexed to a maintenance district includes within its boundaries all of another maintenance district formed under the provisions of this chapter, a highway lighting district organized pursuant to Part 4 (commencing with Section 19000) of Division 14, or a sewer maintenance district formed under the provisions of Chapter 4 (commencing with Section 4860), Part 3, Division 5 of the Health and Safety Code, upon such annexation becoming complete by the adoption of the order of the board of supervisors, the prior existing district so annexed shall thereupon be dissolved. Any funds of the district remaining on hand at the time of the annexation shall be transferred to the maintenance district to which such territory is annexed and any contracts or obligations of the previously existing district shall become the obligations of the maintenance district to which it is annexed.

SEC. 14. Section 5841.5 is added to the Streets and Highways Code, to read:

5841.5. Notwithstanding any other provision of law, subsequent to annexation of such territory and dissolution of the annexed district, the maintenance district shall assume all of the assets and liabilities of the dissolved district and shall be entitled to all of the property tax revenues to which the territory annexed would have been entitled had the territory not been so annexed.

SEC. 15. Section 19161 of the Streets and Highways Code is amended to read:

19161. Upon institution of proceedings pursuant to Section 19160, if the governing body determines that it will be just and equitable and in the public interest for the additional cost, if any, of installation and maintenance of additional lights to be paid by the district as a whole, it shall immediately estimate the cost of installing and maintaining the additional lights, and shall use such reserve funds as may have been accumulated for such purposes to the extent necessary. In the regular tax levy for the first fiscal year in which it is possible to do so, the governing body shall include a tax upon the taxable property within the district at the equalized value thereof, or an assessment on each parcel of real property within the district on the basis of the estimated benefit to the parcel, sufficient to pay the cost of installing and maintaining for one year the additional lights. If sufficient reserve funds are available or will be available from the tax or assessment levy already made, or after the tax or assessment levy has been made, the governing body shall proceed with the installation of the additional lights.

SEC. 15.5. Section 19161.1 is added to the Streets and Highways Code, to read:

19161.1. (a) The board of supervisors shall not levy assessments pursuant to Section 19161 unless it has adopted an ordinance to do so. The board of supervisors shall place before the voters of the district, either before the initial ordinance takes effect or within one year thereafter, the question whether the district shall be authorized to levy assessments.

If the majority of those voting disapprove of such authority, no subsequent ordinance levying assessments for any succeeding fiscal year shall be adopted by the board of supervisors without the prior approval of the voters of the district.

Subsequent election or elections to secure such approval shall not be held more than once a year.

(b) The approval of the voters may be secured at a district or countywide election, or by a ballot mailed to each property owner or registered voter of the district.

(c) The proposition is approved if a majority of those voting approve the proposition.

SEC. 16. Section 19170 of the Streets and Highways Code is amended to read:

19170. If the board of supervisors determines with respect to a

petition for the replacement of lights filed in conformity with this chapter, that

(a) It is just and equitable, and in the public interest, that the obsolete lighting system be replaced as provided in this chapter and that the proposed temporary zone be formed, and

(b) The petition was signed by resident taxpayers representing 60 percent or more of the total assessed valuation of all taxable property within the territory proposed to be formed into a zone, the board shall by resolution, entered in its minutes, fix and describe the boundaries of the proposed zone in such manner that any territory which will not be benefited by inclusion therein, or which is not contiguous thereto, or which is not described in the petition, shall not be included therein; shall declare the zone established, designating it by an identifying name or number; and shall specify the purposes and duration thereof, not to exceed 10 years from the beginning of the next ensuing fiscal year in which a special tax or assessment levy may be made in the zone.

SEC. 17. Section 19171 of the Streets and Highways Code is amended to read:

19171. With respect to a petition for the replacement of lights which includes no request for the establishment of a temporary zone, if the board of supervisors determines that it will be just and equitable and in the public interest for the additional cost, if any, of removing the obsolete lighting system and its replacement with a modern county- or utility-owned lighting system to be paid by the district as a whole, the board of supervisors shall immediately estimate the cost of replacement of the obsolete system and installation and maintenance of the modern system, and shall include in the regular tax levy for the first fiscal year in which it is possible to do so, a tax upon the taxable property within the district at the equalized value thereof, or an assessment on each parcel of real property within the district on the basis of the estimated benefit to the parcel, sufficient to pay such cost of replacement, installation and maintenance. After the tax or assessment levy has been made, the governing body shall proceed with the replacement of the obsolete system and the installation and maintenance of the modern system.

SEC. 18. Section 19175 of the Streets and Highways Code is amended to read:

19175. The board of supervisors may, from time to time, transfer moneys to the district, for the benefit of the zone, from any available funds of the county. Any moneys so transferred are hereby appropriated, and shall be used, for the payment of any currently payable expenses incurred by reason of the removal of the obsolete system and the installation of the modern system proposed for the zone, and for the cost of maintenance thereof prior to December 1st of the first fiscal year in which a special tax or assessment may be levied in and on behalf of the zone. All costs of maintenance of the modern system, subsequent to that date, shall be budgeted and included in the general levy of taxes or assessments, as the case may

be, in and on behalf of the district as a whole.

SEC. 19. Section 19176 of the Streets and Highways Code is amended to read:

19176. The board of supervisors shall, in the first fiscal year in which a special tax or assessment, as the case may be, may be levied in and on behalf of the zone, levy a special tax or assessment upon the taxable property therein for the purposes of the zone, and shall include in the levy a sum sufficient to repay to the county the amounts transferred to the district pursuant to Section 19175. The amounts so transferred shall be retransferred to the county treasury from the first available receipts from the special levy in the zone.

Thereafter, in the succeeding fiscal year or years during which the temporary zone remains in existence, the board of supervisors shall levy a special tax or assessment therein sufficient to pay any additional costs or charges incurred by reason of the removal of the obsolete system and the installation of the modern system therein, which may by contract be made payable in such year or years.

All special taxes or assessments levied in and on behalf of a zone, pursuant to this section, are in addition to any taxes or assessments levied therein for and on behalf of the district as a whole.

SEC. 19.5. Section 19176.1 is added to the Streets and Highways Code, to read:

19176.1. (a) The board of supervisors shall not levy assessments pursuant to Section 19176 unless it has adopted an ordinance to do so. The board of supervisors shall place before the voters of the zone, either before the initial ordinance takes effect or within one year thereafter, the question whether the district shall be authorized to levy assessments.

If the majority of those voting disapprove of such authority, no subsequent ordinance levying assessments for any succeeding fiscal year shall be adopted by the board of supervisors without the prior approval of the voters of the zone.

Subsequent election or elections to secure such approval shall not be held more than once a year.

(b) The approval of the voters may be secured at a district or countywide election, or by a ballot mailed to each property owner or registered voter of the zone.

(c) The proposition is approved if a majority of those voting approve the proposition.

SEC. 20. Section 19177 of the Streets and Highways Code is amended to read:

19177. A zone shall remain in existence for the period of time specified in the resolution of the board of supervisors which established it, and shall thereafter automatically terminate; provided, there are then no outstanding obligations payable from special taxes or assessments to be levied in the zone.

SEC. 21. Section 19180 of the Streets and Highways Code is amended to read:

19180. On or before the first day of September of each year, the

governing body shall make an estimate of the cost, not otherwise offset by other available revenue, of conducting and maintaining the district for the ensuing fiscal year, and shall include therein the cost of installing and maintaining such additional lights as may have been petitioned for by the residents of the district as well as the cost of any other things which may be necessary or proper for carrying out the purposes of this part, including a levy of tax or assessment not to exceed 10 percent of the total levy for other purposes for the purpose of accumulating reserve for installation of additional lights which, in the opinion of the governing board, may be petitioned for before the proceeds of another tax or assessment levy will be available for use for such purposes.

SEC. 22. Section 19180.1 is added to the Streets and Highways Code, to read:

19180.1. Whenever the board of supervisors levies an assessment, the board of supervisors shall first have a written report, containing a description of each parcel and the amount of the assessment for each parcel, prepared and filed with the clerk of the board of supervisors and the clerk shall fix a time, date, and place for a hearing upon the report. Prior to the date of the hearing, a notice of the hearing shall be published pursuant to Section 6066 of the Government Code and, in addition, at least three notices shall be posted in public places within the district.

At the hearing, the board of supervisors shall hear and consider all protests. At the conclusion of the hearing, the board of supervisors may adopt, revise, change, reduce, or modify any assessment and shall make its determination upon each assessment described in the report and thereafter, by ordinance, shall confirm the assessments, except that the board of supervisors shall not impose an assessment upon a federal or state governmental agency or another local agency.

SEC. 22.5. Section 19180.2 is added to the Streets and Highways Code, to read:

19180.2. (a) The board of supervisors shall not levy assessments pursuant to Section 19180.1 unless it has adopted an ordinance to do so. The board of supervisors shall place before the voters of the district, either before the initial ordinance takes effect or within one year thereafter, the question whether the district shall be authorized to levy assessments.

If the majority of those voting disapprove of such authority, no subsequent ordinance levying assessments for any succeeding fiscal year shall be adopted by the board of supervisors without the prior approval of the voters of the district.

Subsequent election or elections to secure such approval shall not be held more than once a year.

(b) The approval of the voters may be secured at a district or countywide election, or by a ballot mailed to each property owner or registered voter of the district.

(c) The proposition is approved if a majority of those voting approve the proposition.

SEC. 23. Section 19181 of the Streets and Highways Code is amended to read:

19181. (a) When the estimate has been made or the assessment has been confirmed, the board of supervisors of the county shall, at the time of levying county taxes, levy a special tax upon all of the taxable property within the district at the equalized value thereof, or an assessment on each parcel of real property within the district on the basis of the estimated benefit to the parcel in accordance with the confirmed assessment, sufficient to raise the amount of the estimate.

(b) The confirmed assessment shall be collected at the same time and in the same manner as a general tax levy for county purposes; except that, if for the first year such assessment is levied the real property on which the assessment is levied has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attaches thereon, prior to the date on which the first installment of county taxes would become delinquent, the confirmed assessment shall not result in a lien against the real property but shall be transferred to the unsecured roll.

(c) Whenever a railroad, gas, water, or electric utility right-of-way or electric line right-of-way is included within the district, the railroad, gas, water, or electric utility right-of-way or electric line right-of-way shall be subject to the special tax or assessment only if, and to the extent that, it is found that it will benefit from the installation and maintenance of such lights, and the railroad, gas, water, or electric utility right-of-way or electric line right-of-way shall be subject to the same penalties, and the same procedure and sale, in the event of delinquency as other parcels in the district. In determining whether or not the railroad, gas, water, or electric utility right-of-way or electric line right-of-way benefits, its use as a right-of-way for a railroad, gas, water, or electric utility shall be presumed to be permanent.

SEC. 24. Section 19182 of the Streets and Highways Code is amended to read:

19182. If a district is organized in any year too late for the levy of a tax or assessment in that year or in the next ensuing year, the board of supervisors is hereby authorized to transfer funds of the county not immediately needed for county purposes to the funds of the district to be used for the payment of the expenses of the district until such time as tax or assessment receipts are available therefor. The governing body may authorize the immediate installation of the lighting system in the district, and shall include in the levy of taxes or assessments for the district for the first fiscal year in which a tax or assessment may be levied, a sum sufficient to repay to the county the amounts so transferred to the district for the portion or portions of the preceding fiscal year or years for which no levy of taxes or assessments was made for that purpose, and the amounts shall be retransferred to the county treasury out of the first available receipts

from the tax or assessment levy.

SEC. 25. Section 19184 of the Streets and Highways Code is amended to read:

19184. The special tax or assessment, as the case may be, shall be levied, computed, entered, collected, and enforced at the same time, in the same manner, by the same persons and with the same penalties and priority of lien as other taxes for county purposes and when collected shall be paid into the county treasury to the credit of the fund of the district and shall be used only for the payment of the expenses of the district.

SEC. 26. Section 19185 of the Streets and Highways Code is amended to read:

19185. Pursuant to a resolution adopted by the board of supervisors, a county may lend any available county funds to a district for the replacement of obsolete lighting system equipment. Any such loan may be restricted for use in a temporary zone in a district. The loan shall bear interest at a rate to be fixed by the board of supervisors and shall be repaid in approximately equal installments over a period not to exceed 10 years. Any funds lent to the district are appropriated for the purposes for which the loan was made. Any area of a district, or of a temporary zone in a district, which is included in a city by annexation or incorporation after a loan has been made shall continue to be taxed or assessed for the repayment of its proportionate part of the unpaid balance of the loan.

If a zone is formed, the board of supervisors shall, in the first fiscal year in which a special tax or assessment may be levied in the zone, and in each succeeding year of the duration of the zone, levy a special tax upon the taxable property or assessment in the zone for the purpose of repaying the amount lent to the district by the county. When the loan has been repaid, the zone shall terminate.

SEC. 27. Section 19230 of the Streets and Highways Code is amended to read:

19230. Any portion of the territory of a highway lighting district may be withdrawn therefrom. Proceedings for the withdrawal of territory may be instituted by the board of supervisors upon its own motion, or by filing with the board of supervisors a petition signed by 50 or more freeholders or by a majority thereof if there are less than 100, within the territory desired to be withdrawn from the district requesting the withdrawal of the territory and describing the exterior boundaries of the territory so sought to be withdrawn.

SEC. 28. Section 19231 of the Streets and Highways Code is amended to read:

19231. The board of supervisors shall fix a time and place for the hearing on the motion or the petition and for hearing protests against the continuance of the remaining territory as a highway lighting district. The time fixed for the hearings shall not be less than 15 nor more than 30 days after the motion or receipt of the petition.

SEC. 29. Section 19233 of the Streets and Highways Code is amended to read:

19233. Any person interested may appear at the hearing and object to the withdrawal of territory from the district or may object to the continuance of the remaining territory as a highway lighting district. The board of supervisors shall consider and pass upon all objections, and the board of supervisors may order the withdrawal or may grant the petition for withdrawal either in whole or in part, and by resolution declare the district reestablished excluding from the district the territory withdrawn if it finds that one or more of the following facts exist:

(a) The territory to be withdrawn will be benefited by withdrawal.

(b) The withdrawal will allow economies and efficiencies in administration or operation of an existing lighting system in the territory to be withdrawn.

The decision of the board of supervisors on all objections and protests which are made shall be final and conclusive.

SEC. 30. Section 19253 of the Streets and Highways Code is amended to read:

19253. If at the time of the election to dissolve the district there is any indebtedness of the district outstanding, the vote to dissolve shall dissolve the district for all purposes except the levy and collection of taxes or assessments, as the case may be, for the payment of such outstanding indebtedness. From the time the district is thus dissolved until the indebtedness is fully paid, the legislative body of the city which is entitled to the property of the district as provided for in Section 19252 or, if there is no such city, the board of supervisors of the county wherein the district is located shall be the ex officio governing body of the district. That body shall levy such taxes or assessments and perform such other acts as may be necessary to pay the outstanding indebtedness of the district.

SEC. 31. Section 19270 of the Streets and Highways Code is amended to read:

19270. Upon the inclusion of all of the territory embraced in any highway lighting district within one or more incorporated cities, either by annexation proceedings or by the incorporation of the cities, the district may be dissolved. Such dissolution shall be effective upon the filing with the State Board of Equalization, the governing body of the district, and the county assessor of a copy of a resolution of the legislative body of the city, or of a joint resolution of the legislative bodies of all the cities, declaring the district dissolved. The remaining unencumbered funds of the district shall be distributed and administered as provided in this chapter. No tax or assessment shall be levied after dissolution.

Any one city may withdraw its territory from the district in the manner provided by Section 19290.

SEC. 32. Section 19280 of the Streets and Highways Code is amended to read:

19280. A district organized under this part may be dissolved by resolution of the board of supervisors if all of the territory in the

district has been annexed to a maintenance district for street lighting organized pursuant to Chapter 26 (commencing with Section 5820), Part 3, Division 7 and which shall provide service to the area and shall assume all of the assets and liabilities of the dissolved district.

Subsequent to annexation into a maintenance district for street lighting, and the dissolution of the highway lighting district formed pursuant to this part, all of the property tax revenues that would have accrued to the highway lighting district formed pursuant to this part, if it had remained a highway lighting district, shall accrue to the annexing maintenance district.

SEC. 33. Section 19305 of the Streets and Highways Code is amended to read:

19305. If the board of supervisors determines, with respect to a petition for additional lights filed in conformity with this chapter, that

(a) It is just and equitable, and in the public interest, that the proposed temporary zone be formed, and

(b) The petition was signed by resident taxpayers representing 60 percent or more of the total assessed valuation of all taxable property within the territory proposed to be formed into a zone,

the board shall by resolution, entered in its minutes, fix and describe the boundaries of the proposed zone in such manner that any territory which will not be benefited by inclusion therein, or which is not contiguous thereto, or which is not described in the petition, shall not be included therein; shall declare the zone established, designating it by an identifying name or number; and shall specify the purposes and duration thereof, not to exceed three years from the beginning of the next ensuing fiscal year in which a special tax levy or assessment may be made in the zone.

SEC. 34. Section 19306 of the Streets and Highways Code is amended to read:

19306. If the board of supervisors determines, with respect to a petition for annexation filed in conformity with this chapter, that

(a) The petition for annexation should be granted in whole or in part, pursuant to Chapter 12 (commencing with Section 19210), and

(b) It is just and equitable, and in the public interest, that the proposed temporary zone be formed, and

(c) That the petition was signed by resident taxpayers representing 60 percent or more of the total assessed valuation of all taxable property within the area therein proposed to be annexed,

the board, in addition to those proceedings required by Chapter 12, shall by resolution entered in its minutes, declare the annexed territory established as a temporary zone with boundaries coterminous with the boundaries of the territory annexed, designating the zone by an identifying name or number; and shall specify the purposes and duration thereof, not to exceed three years from the beginning of the next ensuing fiscal year in which a special

tax or assessment levy may be made therein.

SEC. 35. Section 19310 of the Streets and Highways Code is amended to read:

19310. The board of supervisors may, from time to time, transfer moneys to the district, for the benefit of the zone, from any available funds of the county. Any moneys so transferred shall bear interest at a rate to be fixed by the board of supervisors and are hereby appropriated, and shall be used, for the payment of any currently payable expenses incurred by reason of the installation of the lights proposed for the zone, and for the cost of maintenance thereof prior to December 1st of the first fiscal year in which a special tax or assessment may be levied in and on behalf of the zone. All costs of maintenance of the lights, subsequent to that date, shall be budgeted and included in the general levy of taxes or assessments, as the case may be, in and on behalf of the district as a whole.

SEC. 36. Section 19310.5 of the Streets and Highways Code is amended to read:

19310.5. Any area of the district, or of a zone in the district, which is included in a city by annexation or incorporation after a loan has been made shall continue to be taxed or assessed for the repayment of its proportionate share of the unpaid balance of the loan.

SEC. 37. Section 19311 of the Streets and Highways Code is amended to read:

19311. The board of supervisors shall, in the first fiscal year in which a special tax or assessment, as the case may be, may be levied in and on behalf of the zone, levy a special tax or assessment upon the taxable property therein for the purposes of the zone, and shall include in the levy a sum sufficient to repay to the county the amounts transferred to the district pursuant to Section 19310. The amounts so transferred shall be retransferred to the county treasury from the first available receipts from the special levy in the zone.

Thereafter, in the succeeding fiscal year or years during which the temporary zone remains in existence, the board of supervisors shall levy a special tax or assessment therein sufficient to pay any additional costs or charges incurred by reason of the installation of the lights therein, which may by contract be made payable in such year or years.

All special taxes or assessments levied in and on behalf of a zone, pursuant to this section, are in addition to any taxes or assessments levied therein for and on behalf of the district as a whole.

SEC. 37.5. Section 19311.1 is added to the Streets and Highways Code, to read:

19311.1. (a) The board of supervisors shall not levy assessments pursuant to Section 19311 unless it has adopted an ordinance to do so. The board of supervisors shall place before the voters of the zone, either before the initial ordinance takes effect or within one year thereafter, the question whether the district shall be authorized to levy assessments.

If the majority of those voting disapprove of such authority, no

subsequent ordinance levying assessments for any succeeding fiscal year shall be adopted by the board of supervisors without the prior approval of the voters of the zone.

Subsequent election or elections to secure such approval shall not be held more than once a year.

(b) The approval of the voters may be secured at a district or countywide election, or by a ballot mailed to each property owner or registered voter of the zone.

(c) The proposition is approved if a majority of those voting approve the proposition.

SEC. 38. Section 19312 of the Streets and Highways Code is amended to read:

19312. A zone shall remain in existence for the period of time specified in the resolution of the board of supervisors which established it, and shall thereafter automatically terminate; provided, there are then no outstanding obligations payable from special taxes or assessments to be levied in the zone.

SEC. 39. Section 19328 is added to the Streets and Highways Code, to read:

19328. Notwithstanding any other provision of law, the district resulting from the consolidation of two or more districts shall assume all of the assets of the separate districts so consolidated and shall be entitled to all of the property tax revenues to which each of the separate districts so consolidated would have been entitled had the districts not been consolidated.

SEC. 40. Section 22557 of the Streets and Highways Code is repealed.

SEC. 41. Section 22552.1 is added to the Streets and Highways Code, to read:

22552.1. Notwithstanding Section 22555, a mailed notice of hearing shall not be required upon formation of a new district, or annexation, detachment, dissolution, or consolidation of an existing district, as provided in this part if the clerk publishes a notice in accordance with Section 6066 of the Government Code.

SEC. 42. Section 22555 of the Streets and Highways Code is amended to read:

22555. (a) Posted notices of hearings for the formation or consolidation of an assessment district or for the annexation of territory to an existing district shall be headed "Notice of Improvement" in letters at least one inch in height. The notices, not less than three in all, shall be posted at intervals of not more than 300 feet along all streets within the proposed assessment district or within the territory proposed to be annexed to or consolidated with an existing district, as the case may be. Posting of notice of those hearings shall be completed at least 10 days prior to the date of hearing specified therein.

(b) Notwithstanding subdivision (a), notices of hearings for the formation or consolidation of an assessment district, or for the annexation of territory to an existing district, need not be posted

when such notices are mailed to all property owners, whether resident or nonresident, within the territory to be annexed, consolidated, or formed as provided in Section 22556.

SEC. 42.5. Section 22595 is added to the Streets and Highways Code, to read:

22595. Whenever a railroad, gas, water, or electric utility right-of-way or electric line right-of-way is included within an assessment district, the railroad, gas, water, or electric utility right-of-way or electric line right-of-way shall be included in the initiating resolution, the engineer's report, and the resolution of intention. The railroad, gas, water, or electric utility right-of-way or electric line right-of-way shall be assessed only if, and to the extent that, it is found that it will benefit from the installation and maintenance of the proposed improvement, and the railroad, gas, water, or electric utility right-of-way or electric line right-of-way shall be subject to the same penalties, and the same procedure and sale, in the event of delinquency as other parcels in the assessment district. In determining whether or not the railroad, gas, water, or electric utility right-of-way or electric line right-of-way benefits, its use as a right-of-way for a railroad, gas, water, or electric utility shall be presumed to be permanent.

SEC. 43. Section 22605 of the Streets and Highways Code is amended to read:

22605. The legislative body, either in a single proceeding or by separate proceedings, may order one or any combination of the following changes of organization:

(a) The annexation of territory to an existing assessment district formed under this part.

(b) The detachment of territory from an existing assessment district formed under this part.

(c) The dissolution of an existing assessment district formed under this part.

(d) The consolidation into a single assessment district formed under this part of any combination of two or more of any of the following:

(1) An existing assessment district formed pursuant to this part.

(2) An existing lighting, street lighting, maintenance, or tree planting district formed pursuant to Chapter 26 (commencing with Section 5820) of Part 3 of Division 7, Part 1 (commencing with Section 18000), Part 2 (commencing with Section 18300), Part 3 (commencing with Section 18600), or Part 4 (commencing with Section 19000) of Division 14, or Part 1 (commencing with Section 22000) of this division, or pursuant to any procedural ordinance adopted by a charter city.

SEC. 44. Section 22608.1 is added to the Streets and Highways Code, to read:

22608.1. If all of the owners of property within the territory proposed to be formed into an assessment district, or proposed to be annexed to an existing assessment district, have given written

consent to the proposed formation, consolidation, or annexation, the territory may be formed into an assessment district, or annexed to or consolidated with an existing assessment district, as the case may be, without notice and hearing or filing of an engineers report, or both.

SEC. 45. Section 22608.2 is added to the Streets and Highways Code, to read:

22608.2. In the event that an ordinance requires the installation of any improvements described in this part by a subdivider, the resolution of intention may state that the territory owned by the subdivider comes under the terms of such ordinance and order that such territory be formed into an assessment district, or annexed to an existing assessment district, without notice and hearing or filing of an engineers report, or both.

SEC. 46. Section 22611 is added to the Streets and Highways Code, to read:

22611. Notwithstanding any other provision of law, the single assessment district resulting from a consolidation under this article shall assume all assets and liabilities of the districts consolidated and shall be entitled to all of the property tax revenues to which each of the separate districts involved in the consolidation would have been entitled had such districts not been so consolidated.

SEC. 47. Section 22627 of the Streets and Highways Code is repealed.

SEC. 47.5. Section 22624 of the Streets and Highways Code is amended to read:

22624. After approval of the report, either as filed or as modified, the legislative body shall adopt a resolution of intention. The resolution shall:

(a) Declare the intention of the legislative body to levy and collect assessments within the assessment district for the fiscal year stated therein, except that it shall not impose an assessment upon a federal or state governmental agency or another local agency.

(b) Generally describe the existing and proposed improvements and any substantial changes proposed to be made in existing improvements.

(c) Refer to the assessment district by its distinctive designation and indicate the general location of the district.

(d) Refer to the report of the engineer, on file with the clerk, for a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the district.

(e) Give notice of the time, as fixed by Section 22625, and the place for hearing by the legislative body on the levy of the proposed assessment.

SEC. 48. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act is in accordance with the request of a local governmental entity or entities which desired legislative

authority to carry out the program specified in this act. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 49. 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:

(a) The approval of Proposition 13 (Article XIII A of the California Constitution) by the voters of California has substantially reduced the tax revenues available to lighting districts. Annexations and consolidations of districts for street lighting will allow economies and efficiencies in the operation of street lighting systems and thus mitigate the effect of reduced revenues.

(b) The Landscaping and Lighting Act of 1972 requires that notices of hearings on the formation or consolidation of an assessment district, or annexation of territory thereto, be posted at not more than 300 feet intervals as well as published and mailed. Completion of posting in large proposed districts may not be financially feasible and should be dispensed with if notices are mailed to all property owners.

Due to the foregoing, it is necessary that this act go into immediate effect.

CHAPTER 262

An act to amend Section 35028 of the Water Code, relating to water districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 19, 1979 Filed with Secretary of State July 19, 1979]

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

SECTION 1. Section 35028 of the Water Code is amended to read:

35028. After the entry of the order establishing divisions within a district, one director shall be elected from each division and shall be a holder of title to land therein.

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:

California water districts are landowner voting districts subject to the Uniform District Election Law. Directors are elected in such districts at large unless the board of directors petitions for the

creation of divisions whereupon directors are elected by division. Directors elected at large must be holders of title to land within the district but need not be residents of the district. Directors elected by division under current law must be holders of title to land within the district and must be a resident of the division. There is no reason for this distinction and its continuance will effectively prevent otherwise qualified and competent individuals from seeking election to the board of directors when the district has petitioned for elections by division. Since the next general district election will take place in November, 1979, to insure the preservation of the public peace, health, and safety it is necessary that this act take immediate effect.

CHAPTER 263

An act to amend Section 954.5 of the Streets and Highways Code, and to repeal Section 2 of Chapter 259 of the Statutes of 1978, relating to transportation.

[Approved by Governor July 19, 1979 Filed with Secretary of State July 19, 1979]

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

SECTION 1. Section 954.5 of the Streets and Highways Code is amended to read:

954.5. (a) The board of supervisors may, by resolution, terminate the maintenance of any county highway if it finds that the highway is unnecessary for the public convenience.

(b) Evidence that a county highway is unnecessary for the public convenience shall be taken at a public hearing set in accordance with the procedures for the abandonment of a county highway in Sections 955 and 956. Notice of such hearing shall be mailed to the owner of any property served by that portion of a county highway subject to the termination of maintenance. A county highway may be deemed unnecessary for the public convenience on the basis of any of the following:

(1) The county highway does not provide the primary access to occupied properties.

(2) Traffic on the county highway is intermittent and of low volume.

(3) The county highway is impassable for more than six months and there is no demand that it be reopened.

(c) A certified copy of the order terminating maintenance shall be recorded as provided in Section 956.

(d) If the board of supervisors resumes maintenance of a county highway on which maintenance was terminated under this section, a notice of maintenance shall be recorded in the office of the county recorder.

(e) If a determination is made that maintenance is no longer necessary, the county shall post signs clearly visible from the traveled highway at the beginning and end of the highway and at any intersection on the highway indicating that the county no longer maintains the highway. The sign shall read as follows: "This road is not maintained. _____ County is not responsible for any loss or injury suffered by reason of its use." The county shall provide adequate maintenance to ensure that the signs remain posted in the appropriate places and the message is legible. Once such action is taken and duly recorded and the required signs are posted, the county shall not be held liable for the death of or injury to a vehicle owner, operator, or passenger, or for damage to a vehicle or its contents, resulting from a dangerous condition on such highway.

SEC. 2. Section 2 of Chapter 259 of the Statutes of 1978 is repealed.

CHAPTER 264

An act to amend Sections 29142.2, 29142.4, and 29142.8 of, and to add Section 29142.5 to, the Public Utilities Code, relating to transportation, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 19, 1979 Filed with Secretary of State July 19, 1979]

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

SECTION 1. It is the intent of the Legislature that the Alameda-Contra Costa Transit District, the San Francisco Bay Area Rapid Transit District, and the San Francisco municipal railway system continue vital transit services and that there be developed a financial management plan to adjust to property tax revenues lost to these operators as a result of Article XIII A of the California Constitution.

SEC. 2. Section 29142.2 of the Public Utilities Code is amended to read:

29142.2. Except as otherwise provided in Section 29142.4 and notwithstanding Section 7271 of the Revenue and Taxation Code, after deduction for the cost of the State Board of Equalization in administering the transactions and use tax, the amounts available for distribution on or before March 31, 1978, with respect to the tax imposed prior to January 1, 1978, shall be allocated to the San Francisco Bay Area Rapid Transit District. All other amounts collected under the ordinance adopted pursuant to Section 29140 and available for distribution shall be allocated as follows:

(a) Seventy-five percent to the San Francisco Bay Area Rapid Transit District.

(b) Twenty-five percent shall be allocated by the Metropolitan Transportation Commission to the San Francisco Bay Area Rapid Transit District, the City and County of San Francisco for its municipal railway system, and the Alameda-Contra Costa Transit District for transit services on the basis of regional priorities established by the commission. On and after July 1, 1980, the allocations by the commission to these transit operators for transit services shall be in accordance with the criteria in the financial management plan submitted to the Legislature pursuant to Section 29142.5.

SEC. 3. Section 29142.4 of the Public Utilities Code is amended to read:

29142.4. No funds shall be allocated to an entity pursuant to Section 29142.2, after January 1, 1978, unless, as determined by the Metropolitan Transportation Commission, the transit operator:

(a) Is a participating member of a transit operator coordinating council which the commission shall establish to better coordinate routes, schedules, fares, and transfers among the San Francisco Bay area transit operators and to explore potential advantages of joint ventures in areas such as marketing, maintenance, and purchasing. The commission shall be a member of the council.

(b) Establishes, for the period for which the funds are allocated, fare levels such that fare revenues equal at least 33 percent of its operating cost, which shall be all of its costs in the expense object classes, exclusive of the costs of the depreciation and amortization expense object classes, of the uniform system of accounts and records adopted by the State Controller pursuant to Section 99243. The allocation period shall not be less than one calendar quarter nor longer than one fiscal year, as determined by the commission. For purposes of this subdivision, the two special transit service districts of the Alameda-Contra Costa Transit District shall be considered separate transit districts. On and after July 1, 1981, the commission may grant, any operator which was in compliance with the 33 percent requirement prior to that date, a credit not to exceed 5 percent to meet that requirement on the basis of special operating characteristics of its transit system, including, but not limited to, its transfer and special fare policies. In no event shall the combined fare revenues of the three operators, excluding any credit granted by the commission, be less than 33 percent of their combined operating cost.

(c) Has complied with standards established by the commission pursuant to Section 66517.5 of the Government Code.

SEC. 4. Section 29142.5 is added to the Public Utilities Code, to read:

29142.5. The Metropolitan Transportation Commission, in coordination with the Alameda-Contra Costa Transit District, the San Francisco Bay Area Rapid Transit District, and the City and County of San Francisco, shall develop and submit to the Legislature, not later than February 11, 1980, a financial management plan to

continue the vital transit services of these transit operators. The financial management plan shall include recommendations on the need for, and sources of, any additional revenues and shall propose criteria upon which revenues are to be allocated. These criteria shall include, but not be limited to, consideration of local tax contributions and fare levels, coordination of services, and other measures designed to encourage the provision of efficient and effective transit services.

SEC. 5. Section 29142.8 of the Public Utilities Code is amended to read:

29142.8. (a) Any portion of the transactions and use tax revenues available for allocation and not allocated by the Metropolitan Transportation Commission shall be invested through the Surplus Money Investment Fund. The amount invested and the accrued interest therefrom shall be available for allocation by the commission.

(b) Any funds which accumulated during a period an operator is not in compliance with Section 29142.4 may be allocated to any operator in compliance with that section at the time of allocation.

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 the Metropolitan Transportation Commission, in cooperation with the Alameda-Contra Costa Transit District, the San Francisco Bay Area Rapid Transit District, and the City and County of San Francisco, have the maximum amount of time possible to prepare a financial management plan for transit services provided by the three operators, it is necessary that this act take effect immediately.

CHAPTER 265

An act to add Section 31706 to the Government Code, relating to the County Employees Retirement Law of 1937.

[Approved by Governor July 19, 1979 Filed with Secretary of State July 19, 1979]

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

SECTION 1. Section 31706 is added to the Government Code, to read:

31706. Any member who has left county service and has elected to leave accumulated contributions in the retirement fund and has attained age 70 but has not yet applied for a deferred retirement allowance and who is not a reciprocal member of a retirement system established pursuant to this chapter or the Public Employees'

Retirement Law shall be notified in writing by the county treasurer that the member is eligible to apply for and begin receiving a deferred retirement allowance. The notification shall be made at the time the deferred member attains age 70 and shall be sent by certified mail to the member's last known address, or to the member's last known employer, as shown by the records of the retirement system. If the member does not make proper application for a deferred retirement allowance within five years after such written notification has been mailed by the treasurer, all of the member's accumulated contributions and interest thereon shall be deposited in and become a part of the current pension reserve fund of the retirement system. The board may at any time after transfer of proceeds to the reserve fund upon receipt of proper information satisfactory to it, redeposit such proceeds to the credit of the claimant, to be administered in the manner provided under this law. The provisions of this section shall not apply to a member while such member is actively employed past mandatory retirement age in a retirement system established under the provisions of this chapter or the Public Employees' Retirement Law.

CHAPTER 266

An act to amend Section 76009 of the Government Code, relating to compensation of jurors.

[Approved by Governor July 19, 1979 Filed with Secretary of State July 19, 1979]

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

SECTION 1. Section 76009 of the Government Code is amended to read:

76009. In a county of the ninth class, grand jurors and trial jurors shall receive five dollars ($5) a day and mileage for each attendance at the rate of fifteen cents ($0.15) for each mile actually traveled, in going only. Grand jurors shall also receive as compensation five dollars ($5) for each day's attendance as a member of any committee of the grand jury called by the secretary or committee of the grand jury or committee chairman and mileage at fifteen cents ($0.15) for each mile actually traveled, in going only, in attending such committee meeting.

CHAPTER 267

An act to amend Section 13162 of the Health and Safety Code, relating to fire extinguishers.

[Approved by Governor July 19, 1979. Filed with Secretary of State July 19, 1979]

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

SECTION 1. Section 13162 of the Health and Safety Code is amended to read:

13162. No person shall market, distribute, or sell any portable fire extinguisher in this state unless it meets the following requirements:

(a) It complies with regulations and standards adopted by the State Fire Marshal pursuant to Section 13160.

(b) It has been examined by and bears the label of Underwriters' Laboratories Inc. or another testing laboratory which is approved by the State Fire Marshal as qualified to test portable fire extinguishers. Any testing laboratory approved by the State Fire Marshal shall have facilities, personnel, and operating procedures equivalent to those of the Underwriters' Laboratories Inc.

(c) It does not use as an extinguishing agent any carbon tetrachloride, chlorbromomethane, or methyl bromide.

The State Fire Marshal may grant reasonable exceptions to this subdivision when the extinguisher is intended for industrial use in places to which the public is not invited or admitted. The provisions of this section apply to the state and any political subdivision thereof.

CHAPTER 268

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

[Approved by Governor July 19, 1979 Filed with Secretary of State July 19, 1979]

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

SECTION 1. The sum of nine hundred sixty-nine thousand five hundred fifty-five dollars ($969,555) is hereby appropriated from the California Environmental Protection Program Fund to the Department of Motor Vehicles in augmentation of Item 164 of the Budget Act of 1978 (Ch. 359, Stats. 1978) in order to carry out the provisions of Article 8.5 (commencing with Section 5100) of Division 3 of the Vehicle Code for the remainder of the 1978–79 fiscal year.

SEC. 2. Notwithstanding the provisos to Item 426.1 of the Budget Act of 1978, the sum of forty-two thousand seven hundred thirty-two

dollars ($42,732), or so much thereof as may be necessary, is hereby appropriated from the unencumbered balance of the Vocational Nurse and Psychiatric Technician Examiners Fund to the Board of Vocational Nurse and Psychiatric Technician Examiners for expenditure in accordance with the provisions of Chapter 10 (commencing with Section 4500) of Division 2 of the Business and Professions Code to meet contingencies and emergencies during the 1978–79 fiscal year.

SEC. 3. This act makes an appropriation for the usual current expenses of the state within the meaning of Article IV of the Constitution and shall go into immediate effect.

CHAPTER 269

An act to add Section 35903.5 to the Water Code, relating to California water districts.

[Approved by Governor July 19, 1979. Filed with Secretary of State July 19, 1979.]

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

SECTION 1. Section 35903.5 is added to the Water Code, to read:

35903.5. (a) Notwithstanding the provisions of Section 35903, any amount in the general obligation bond fund in excess of the amount needed to pay principal and interest on bonds during the then current fiscal year and the succeeding fiscal year may be transferred by the treasurer to the general fund.

(b) This section shall apply only to the Fern Valley Water District.

SEC. 2. Because the Fern Valley Water District has a significant reserve in its general obligation bond fund which the district needs to finance other improvements of the district and this problem is not common to other districts formed under the California Water District Law, the Legislature finds and declares that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution and that the enactment of this act as a special law is necessary to enable the district to use the excess reserve in its general obligation bond fund for purposes other than the payment of bonds and of the interest thereon.

CHAPTER 270

An act to amend Sections 18010, 18191, 18212, 18300, 18629 and 18705 of, to add Section 18213 to, to add Article 5 (commencing with Section 18634) to Chapter 8 of Division 7 of, and to repeal Sections 18213 and 18232, and Article 4 (commencing with Section 18245) of

Chapter 3 of Division 7 of, the Financial Code, relating to loans.

[Approved by Governor July 19, 1979 Filed with Secretary of State July 19, 1979]

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

SECTION 1. Section 18010 of the Financial Code is amended to read:

18010. "Principal balance", and "face amount" as used in this division, means the unpaid balance of a loan or other obligation.

SEC. 2. Section 18191 of the Financial Code is amended to read.

18191. Sections 18008, 18009, 18010, 18212, 18214, 18219, 18220, 18222, 18230 through 18234, 18290 through 18295, and 18439 do not apply to:

(a) Any bona fide loan of a principal amount of ten thousand dollars ($10,000) or more or to an industrial loan company in connection with any such loan if the provisions of the section are not used for the purpose of evading this division.

(b) An amount due from a contingent guarantor on his obligations purchased under the provisions of this division.

(c) A loan to a primary borrower who has pledged accounts receivable or installment accounts to secure loans which taken in the aggregate amount to ten thousand dollars ($10,000) or more.

SEC. 3. Section 18212 of the Financial Code is amended to read:

18212. (a) The charges by an industrial loan company, broker, and all other persons on any loan, forbearance of money, credit, goods, or things in action under this division, shall not exceed in the aggregate:

(1) Two percent per month on that part of the unpaid principal balance of any loan up to, including, but not in excess of, one thousand dollars ($1,000).

(2) One percent per month on any remainder of such unpaid principal balance in excess of one thousand dollars ($1,000).

(b) As an alternative to the charges authorized by subdivision (a), a company may contract for and receive charges at a rate not exceeding 1.6 percent per month on the unpaid principal balance.

SEC. 4. Section 18213 of the Financial Code is repealed.

SEC. 4.5. Section 18213 is added to the Financial Code, to read:

18213. Notwithstanding any other provision of law not within this division, industrial loan companies making loans pursuant to this division may not precompute interest on such loans.

SEC. 5. Section 18232 of the Financial Code is repealed.

SEC. 6. Article 4 (commencing with Section 18245) of Chapter 3 of Division 7 of the Financial Code is repealed.

SEC. 7. Section 18300 of the Financial Code is amended to read·

18300. (a) As used in this article, "open-end loan" means a loan or loans made by an industrial loan company pursuant to a loan agreement which expressly states that it is made pursuant to this

section and pursuant to which:

(1) The industrial loan company may permit the borrower to obtain advances of money from the industrial loan company from time to time or the industrial loan company may advance money on behalf of the borrower from time to time as directed by the borrower.

(2) The amount of each advance and the charges and other permitted costs are debited to an account.

(3) The charges are computed from time to time on the unpaid balances of the borrower's account, excluding from the computation any unpaid charges other than permitted fees, costs and expenses.

(4) The borrower has the privilege of paying the account in full at any time or in monthly installments.

(b) Subject to the written approval of the commissioner of the industrial loan company's plan of business for making open-end loans as not being misleading or deceptive and subject to regulations the commissioner may promulgate with respect to open-end loans under Section 18347, an industrial loan company may make open-end loans pursuant to this section and may contract for and receive thereon charges as set forth in Section 18212. Such charges may be calculated on an amount not exceeding the greater of:

(1) The actual daily unpaid balances of the open-end account in the billing cycle for which the charge is made, in which case one-thirtieth of the monthly rate may be charged for each day the unpaid balance is outstanding.

(2) The average daily unpaid balance of the open-end account in the billing cycle for which the charge is made, which is the sum of the amount unpaid each day during that cycle divided by the number of days in that cycle. The amount unpaid on a day is determined by adding to the balance unpaid as of the beginning of that day all advances and other debits and deducting all payments and other credits made or received as of that day.

The billing cycle shall be monthly. A billing cycle is monthly if the closing date of that cycle is the same date each month or does not vary by more than four days from the regular date.

(c) No industrial loan company shall enter into any agreement for an open-end loan that provides for a minimum payment that would result in the full repayment of principal over more than the maximum periods set forth below opposite the respective size of loans.

Principal amount of loan	*Maximum period*
Less than $1,500	24 months and 15 days
$1,500 but less than $2,500	36 months and 15 days
$2,500 but less than $4,000	48 months and 15 days
$4,000 but less than $6,000	60 months and 15 days
$6,000 but less than $10,000	84 months and 15 days

The minimum payment shall be determined by the amount of the

initial loan advance and shall continue at that amount until a subsequent loan advance is made, at which time the minimum payment shall be determined by the amount of the unpaid balance of the loan after the advance and including the advance. Minimum payments after each advance shall be determined in the same manner.

(d) On open-end loans the industrial loan company may contract for and receive the fees, costs and expenses permitted on other loans, including those permitted by Sections 18215, 18218, 18290, 18294, and 18412, subject to all of the conditions and restrictions set forth in those sections with the following variations:

(1) The charge for credit life insurance shall be on a monthly basis. No credit life insurance written in connection with an open-end loan shall be cancelled by the lender because of delinquency of the borrower in the making of the minimum payments thereon unless one or more of such payments is past due for a period of 90 days or more, and the lender shall advance to the insurer the amounts required to keep the insurance in force during such period, which amounts may be debited to the borrower's account.

(e) An industrial loan company shall not make an open-end loan in excesss of ten thousand dollars ($10,000) principal amount.

(f) The loan contract shall provide for payment of minimum payments complying with subdivision (c). All loans made pursuant to this section shall be repayable by equal or substantially equal monthly payments during the term of the loan.

(g) In lieu of applying the provisions of Section 18290, the provisions contained herein shall apply to open-end loans.

An industrial loan company may provide insurance on the life of one or more borrowers with the borrower's consent. The form of the insurance shall be approved by the Commissioner of Insurance and shall be in an amount not in excess of the indebtedness. The amount charged to the borrower for such insurance shall not exceed the amount provided in paragraph (1) or (2) following, whichever is less:

(1) The premium rate filed with the Commissioner of Insurance for the coverage provided pursuant to Article 5.9 (commencing with Section 799.1) of Chapter 1 of Part 2 of Division 1 of the Insurance Code and which has not been disapproved by him.

(2) Fifty cents ($0.50) per year per one hundred dollars ($100) of indebtedness (and in the same proportion for longer or shorter maturities and larger or smaller amounts) or such different maximum as is fixed by the Commissioner of Insurance by a valid and effective regulation hereafter adopted.

Notwithstanding Section 18291, any such life insurance shall be in force as soon as the loan is made or coverage is agreed upon, whichever is later.

(h) The open-end loan agreement shall contain the name and address of the industrial loan company and shall disclose the nature

of the security taken, if any, the method of determining the minimum payments which will be required to repay the initial advance, and any subsequent advances on the loan, and the agreed rate of charge.

(i) At the time the open-end loan agreement is made the industrial loan company shall obtain from the borrower a signed statement as to whether any person has performed any act as a broker in connection with the making of the loan. If such statement discloses a broker or other person has participated, the company shall obtain a full statement of all sums paid or payable to the broker or other person. The open-end loan agreement and the statement required by this subdivision shall be kept for a period of two years after the date the loan has been paid in full, or has matured according to its terms, or has been charged off.

(j) Except in the case of an account which the industrial loan company deems to be uncollectible, or with respect to which delinquency collection procedures have been instituted, the company shall deliver or cause to be delivered to the borrower, or any one thereof, for each billing cycle at the end of which there is an outstanding balance in the account or with respect to which a finance charge is imposed, a statement setting forth the outstanding balance in the account at the beginning of the billing cycle, the date and amount of any subsequent loan advance during the period, the amounts and dates of crediting to the account during the billing cycle for payments, the amount of any finance charge debited to the account during the billing cycle, the annual percentage rate of finance charged determined under Regulation Z promulgated by the Board of Governors of the Federal Reserve System under the Federal Consumer Credit Protection Act, the balance on which the finance charge was computed, the closing date of the billing cycle, the outstanding balance on that date, and the minimum monthly payment required in the absence of any additional advance. If there has been any change in the nature of the security for the loan since the next preceding advance, the statement shall contain or be accompanied by a statement of the nature of the security for the loan after such change.

(k) An industrial loan company shall not take any instrument in connection with an open-end loan in which blanks are left to be filled in after execution.

(*l*) Subdivision (a) of Section 18205, and Sections 18206, 18214, 18222, 18231, and 18235 shall not apply to open-end loans.

(m) An industrial loan company shall not make an open-end loan secured by real property in whole or in part.

(n) An industrial loan company shall not charge for, offer or provide credit disability insurance in connection with an open-end loan.

(o) This section shall not apply to loans other than open-end loans.

SEC. 8. Section 18629 of the Financial Code is amended to read:

18629. Notwithstanding the provisions of any premium finance

agreement to the contrary, any insured may pay the obligation in full at any time before maturity of the final installment. If he does so, he shall receive a refund credit of the unearned finance charge computed in accordance with Section 18635 or 18637, except where the amount of the refund credit is less than one dollar ($1) no refund need be made, and except that where the earned finance charge amounts to less than the minimum finance charge permitted by Section 18627, the company may retain as an earned finance charge a sum equal to the minimum permitted by Section 18627 or the maximum prescribed by Section 18627, whichever is applicable.

SEC. 9. Article 5 (commencing with Section 18634) is added to Chapter 8 of Division 7 of the Financial Code, to read:

Article 5. Charges on Scheduled Balances

18634. This article is applicable only to premium finance agencies.

18635. Whenever the interest or charges, or interest and charges deducted in advance exceed the maximum provided by this division, by reason of subsequent repayment of the loan, a new loan, refinancing, or otherwise, or any portion thereof prior to maturity, such excess shall be rebated to the borrower or credited on any balance owing by the borrower to the company. The rebate shall be the difference between the total of the precomputed charge, any charge for extending the first due date, plus any default or deferment charges and the charges at the contract rate computed on unpaid principal balances for the number of days actually elapsed by applying each payment first to charges and the remainder to principal. The tender, by the borrower or at his request, of an amount equal to the unpaid balance less the required rebate must be accepted by the company in full payment of the loan contract.

18636. (a) As an alternative to the provisions of Section 18635, if a loan is repayable in substantially equal and consecutive monthly installments of principal and charges combined, the first of which is due not less than 15 days nor more than one month and 15 days from the date the loan is made, a company may precompute charges and apply payments as provided in this article.

(b) The total charges which would be earned if the loan contract were repaid exactly according to its terms, at the monthly rate stated in the loan contract, may be precomputed when the loan is made and added to the principal of the loan. Every payment may be applied to the combined total of principal and precomputed charges until the loan contract is fully paid.

(c) The portion of the precomputed charge applicable to any particular monthly installment period shall bear the same ratio to the total precomputed charge, excluding any adjustment made for a first period of more or less than one month, as the balance scheduled to be outstanding during that monthly period bears to the sum of all monthly balances scheduled originally by the loan contract.

18637. If a loan contract made under Section 18636 is prepaid in full by cash, a new loan, refinancing or otherwise before the final installment date, the borrower shall receive a rebate of the portion of the precomputed charge applicable to the full installment periods following the installment date nearest the date of such prepayment; provided, however, that if prepayment in full occurs on or before the third installment date the rebate shall be the difference between the total precomputed charge and the charges at the contract rate computed on unpaid principal balances by applying each payment first to charges and the remainder to principal. After the third installment date, any prepayment made on or before the 15th day following an installment date shall be deemed to have been made on the installment date preceding such prepayment. The tender, by the borrower or at his request, of an amount equal to the unpaid balance less the required rebate must be accepted by the company in full payment of the loan contract.

18638. A special rebate of precomputed charges shall be made if three or more, but not all, installments are prepaid in full at any one time either in one transaction or over a period of time on a loan made under Section 18636. The special rebate shall be equal to the portion of precomputed charge applicable to the last installment period multiplied by the total number of full installment periods such installments and any subsequent installments are prepaid. Such special rebate shall be computed and made at the termination of the loan contract and shall be an addition to any required rebate for prepayment in full.

18640. A deferment charge may be charged and collected on a loan made under Section 18636 if the payment date of all wholly unpaid installments on which no default charge has been collected is deferred one or more full months and the loan contract so provides. Such deferment charge shall not exceed the portion of precomputed charge applicable, prior to deferment, to the first deferred monthly installment period multiplied by the number of months the maturity of the contract is deferred. Such number of months shall not exceed the number of full installments which are in default on the date of deferment or which may become due within 15 days of such date. When a deferment charge is made, no portion of the precomputed charge shall apply to the installment periods in which no installment payment is required by reason of the deferment. In computing any default charge or required rebate, the portion of the precomputed charge applicable to each deferred balance and installment period following the deferment period and prior to the deferred maturity shall remain the same as that applicable to such balances and periods under the original contract of loan. Such charge may be collected at the time of deferment or at any time thereafter. Any payment received at the time of deferment may be applied first to the deferment charge and the remainder, if any, applied to the unpaid balance of the loan contract; provided, however, if such payment is sufficient to pay, in addition

to the appropriate deferment charge, any installment which is in default and the applicable default charge, it shall be first so applied and any such installment shall not be deferred nor subject to the deferment charge.

18642. If the maturity of a loan made under Section 18636 is accelerated for any reason, the company shall make the same refund or credit as would be required if the loan contract was paid in full on the date of acceleration and the unpaid balance shall be treated as the unpaid principal balance and thereafter the unpaid balance of the loan contract shall bear charges at the agreed rate of charge if the loan contract so provides.

18643. Notwithstanding any other provision of law not within this article, with respect to precomputed loans, premium finance agencies derive authority only from this article.

SEC. 10. Section 18705 of the Financial Code is amended to read:

18705. The provisions of subdivisions (b) and (c) of Section 18116, subdivision (a) of Section 18117, and subdivision (a) of Section 18147, and of Sections 18006, 18008, 18009, 18010, 18022, 18023, 18024, 18040, 18041, 18120, 18130, 18131, 18132, 18134, 18136, 18137, 18139, 18165, 18205, 18206, 18207, 18208, 18210, 18211, 18212, 18214, 18216, 18217, 18219, 18220, 18222, 18230, 18231, 18233, 18234, 18266, 18268, 18269, 18270, 18271, 18272, 18273, 18274, 18346, 18357 (b), 18436, 18437, 18439, 18441, 18442, and 18455 shall not apply to a mortgage banker or to any loan made by a mortgage banker.

SEC. 11. This act shall become operative on April 1, 1980, and shall apply only to loan contracts entered into on and after such date.

CHAPTER 271

An act to add Section 50308 to the Government Code, relating to property of local agencies.

[Approved by Governor July 19, 1979 Filed with Secretary of State July 19, 1979.]

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

SECTION 1. Section 50308 is added to the Government Code, to read:

50308. Notwithstanding any of the provisions of Sections 50300 to 50307, inclusive, a local agency may sell leased property, being used for nonagricultural purposes, at public auction under appropriate laws, rules, and charter provisions applying to that local agency, provided that the person or lessee having rights under Section 50305 has submitted to the local public agency, at least 30 days prior to the date of the public auction, a written request that the leased property be sold at such public auction.

CHAPTER 272

An act to repeal Chapter 4 (commencing with Section 30910) of Division 17 of the Streets and Highways Code, relating to toll bridges.

[Approved by Governor July 19, 1979 Filed with Secretary of State July 19, 1979]

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

SECTION 1. Chapter 4 (commencing with Section 30910) of Division 17 of the Streets and Highways Code is repealed.

CHAPTER 273

An act to amend Section 4455.5 of the Government Code, relating to access to public facilities by handicapped persons.

[Approved by Governor July 19, 1979. Filed with Secretary of State July 19, 1979]

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

SECTION 1. Section 4455.5 of the Government Code is amended to read:

4455.5. All new elevators in public buildings or facilities after the operative date of the act that amended this section during the first year of the 1979–80 Regular Session shall have braille symbols and marked arabic numerals corresponding to the numerals on the elevator buttons embossed immediately to the left thereof.

All new door casings on all elevator floors after the operative date of this section shall have the number of the floor on which the casing is located embossed in braille symbols and marked arabic numerals on both sides at a height of approximately 60 inches from the floor.

CHAPTER 274

An act to amend Section 4016.5 of the Penal Code, relating to county jails, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 19, 1979. Filed with Secretary of State July 19, 1979]

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

SECTION 1. Section 4016.5 of the Penal Code is amended to read:

4016.5. When an alleged parole violator is detained in a county jail pursuant to an order of the Community Release Board under the authority granted by Section 3060 of the Penal Code, or pursuant to an order of the Governor under the authority granted by Section 3062, or pursuant to a valid exercise of a state parole officer's peace officer powers as specified in Section 830.5 of the Penal Code when such detention relates to violation of the conditions of parole and not a new criminal charge, the county shall be reimbursed for the costs of such detention by the Department of Corrections. Such reimbursement shall be expended for maintenance, upkeep, and improvement of jail conditions, facilities, and services. Before the county is reimbursed by the department, the total amount of all charges against that county authorized by law for services rendered by the department shall be first deducted from the gross amount of reimbursement authorized by this section. Such net reimbursement shall be calculated and paid monthly by the department. The department shall withhold all or part of such net reimbursement to a county whose jail facility or facilities do not conform to minimum standards for local detention facilities as authorized by Section 6030 only if the county is failing to make reasonable efforts to correct differences, with consideration given to the resources available for such purposes.

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:

The adoption of Article XIII A of the California Constitution (Proposition 13) by the voters of California at the June 6, 1978, primary election may cause the curtailment or elimination of county revenues available to meet unreimbursed expenses arising from the detention of parole violators in nonconforming facilities. In order that such services may continue without interruption, it is necessary that this act take effect immediately.

CHAPTER 275

An act to amend Sections 16429.1, 53601 and 53635 of the Government Code, relating to local agency funds.

[Approved by Governor July 19, 1979. Filed with Secretary of State July 19, 1979]

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

SECTION 1. Section 16429.1 of the Government Code is amended to read:

16429.1. There is in the State Treasury the Local Agency Investment Fund, which fund is hereby created. All money in the fund is hereby appropriated without regard to fiscal years to carry out the purpose of this section. The State Controller shall maintain a separate account for each governmental unit having deposits in this fund.

Notwithstanding any other provisions of law, a local government official, with consent of the governing body of that agency, having money in its treasury not required for immediate needs, may remit such money to the State Treasurer for deposit in the Local Agency Investment Fund for the purpose of investment.

The local governmental unit has the exclusive determination of the length of time its money will be on deposit with the State Treasurer.

The State Treasurer may refuse to accept deposits into the fund if, in the judgment of the State Treasurer, such deposit would adversely affect the state's portfolio.

The State Treasurer may invest the money of the fund in securities prescribed in Section 16430. The State Treasurer may elect to have the money of the fund invested through the Surplus Money Investment Fund as provided in Article 4 (commencing with Section 16470) of Chapter 3 of Part 2 of Division 4 of Title 2.

Money in the fund shall be invested to achieve the objective of the fund which is to realize the maximum return consistent with safe and prudent treasury management.

All instruments of title of all investments of the fund shall remain in the State Treasurer's vault or be held in safekeeping under control of the State Treasurer in any Federal Reserve bank, or any branch thereof, or the Federal Home Loan Bank of San Francisco, with any trust company, or the trust department of any state or national bank.

Immediately at the conclusion of each calendar quarter, all interest earned and other increment derived from investments shall be distributed by the State Controller to the contributing governmental units directly proportionate to the respective amounts deposited in the Local Agency Investment Fund and the length of time such amounts remained therein. An amount equal to the reasonable costs incurred in carrying out the provisions of this section, not to exceed a maximum of one-quarter of 1 percent of the earnings of this fund, shall be deducted from the earnings prior to distribution and shall be deposited in the General Fund.

The State Treasurer shall prepare for distribution a monthly report of investments made during the preceding month.

SEC. 2. Section 53601 of the Government Code is amended to read:

53601. The legislative body of a local agency having money in a sinking fund of, or surplus money in, its treasury not required for the immediate necessities of the local agency may invest such portion of

the money as it deems wise or expedient in:

(a) Bonds issued by it, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by it or by a department, board, agency, or authority thereof.

(b) United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

(c) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority thereof.

(d) Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority thereof.

(e) Obligations issued by banks for cooperatives, federal land banks, federal intermediate credit banks, federal home loan banks, the Federal Home Loan Bank Board, the Tennessee Valley Authority, or in obligations, participations, or other instruments of or issued by, or fully guaranteed as to principal and interest by, the Federal National Mortgage Association; or in obligations, participations, or other instruments of or issued by a federal agency or a United States government-sponsored enterprise.

(f) Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers acceptances, which are eligible for purchase by the Federal Reserve System. Purchases of bankers acceptances may not exceed 270 days maturity or 30 percent of the agency's surplus money which may be invested pursuant to this section.

The provisions of this subdivision shall not preclude a municipal utility district from investing any surplus money in its treasury in any manner authorized by the Municipal Utility District Act.

(g) Commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation. Eligible paper is further limited to issuing corporations that are organized and operating within the United States and having total assets in excess of five hundred million dollars ($500,000,000) and having an "A" or higher rating for the issuer's debentures, other than commercial paper, as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation. Purchases of eligible commercial paper may not exceed 180 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed 15 percent of the agency's surplus money which may be invested pursuant to this section.

No investment in securities described in this subdivision shall be

made by a local agency having a population of less than 250,000.

(h) Negotiable certificates of deposits purchased from a nationally or state-chartered bank or a state or federal savings and loan association. Purchases of negotiable certificates of deposit may not exceed 15 percent of the agency's surplus money which may be invested pursuant to this section. For purposes of this section, negotiable certificates of deposits do not come within the provisions of Article 2 (commencing with Section 53630) of Chapter 4 of Part 1 of Division 2 of Title 5.

No investment in securities described in this subdivision shall be made by a local agency having a population of less than 250,000.

(i) Investments in repurchase agreements or reverse repurchase agreements of any securities authorized by this section. For purposes of this section, the term "repurchase agreement" means a purchase of securities by the local agency pursuant to an agreement by which the seller will repurchase such securities on or before a specified date and for a specified amount.

For purposes of this section, the term "reverse repurchase agreement" means a sale of securities by the local agency pursuant to an agreement by which the local agency will repurchase such securities on or before a specified date and for a specified amount.

SEC. 2.5. Section 53601 of the Government Code is amended to read:

53601. The legislative body of a local agency having money in a sinking fund of, or surplus money in, its treasury not required for the immediate necessities of the local agency may invest such portion of the money as it deems wise or expedient in:

(a) Bonds issued by it, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by it or by a department, board, agency, or authority thereof.

(b) United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

(c) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority thereof.

(d) Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority thereof.

(e) Obligations issued by banks for cooperatives, federal land banks, federal intermediate credit banks, federal home loan banks, the Federal Home Loan Bank Board, the Tennessee Valley Authority, or in obligations, participations, or other instruments of or issued by, or fully guaranteed as to principal and interest by, the Federal National Mortgage Association; or in obligations,

participations, or other instruments of or issued by a federal agency or a United States government-sponsored enterprise.

(f) Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers acceptances, which are eligible for purchase by the Federal Reserve System. Purchases of bankers acceptances may not exceed 270 days maturity or 30 percent of the agency's surplus money which may be invested pursuant to this section.

The provisions of this subdivision shall not preclude a municipal utility district from investing any surplus money in its treasury in any manner authorized by the Municipal Utility District Act.

(g) Commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation. Eligible paper is further limited to issuing corporations that are organized and operating within the United States and having total assets in excess of five hundred million dollars ($500,000,000) and having an "A" or higher rating for the issuer's debentures, other than commercial paper, as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation. Purchases of eligible commercial paper may not exceed 180 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed 15 percent of the agency's surplus money which may be invested pursuant to this section.

No investment in securities described in this subdivision shall be made by a local agency having a population of less than 100,000.

(h) Negotiable certificates of deposits issued by a nationally or state-chartered bank or a state or federal savings and loan association. Purchases of negotiable certificates of deposit may not exceed 15 percent of the agency's surplus money which may be invested pursuant to this section. For purposes of this section, negotiable certificates of deposits do not come within the provisions of Article 2 (commencing with Section 53630) of Chapter 4 of Part 1 of Division 2 of Title 5.

No investment in securities described in this subdivision shall be made by a local agency having a population of less than 100,000.

(i) Investments in repurchase agreements or reverse repurchase agreements of any securities authorized by this section. For purposes of this section, the term "repurchase agreement" means a purchase of securities by the local agency pursuant to an agreement by which the seller will repurchase such securities on or before a specified date and for a specified amount.

For purposes of this section, the term "reverse repurchase agreement" means a sale of securities by the local agency pursuant to an agreement by which the local agency will repurchase such securities on or before a specified date and for a specified amount.

SEC. 3. Section 53635 of the Government Code is amended to read:

53635. As far as possible, all money belonging to, or in the custody of, a local agency, including money paid to the treasurer or other official to pay the principal, interest, or penalties of bonds, shall be deposited for safekeeping in state or national banks or state or federal savings and loan associations in the state selected by the treasurer or other official having the legal custody of the money, or may be invested in the following unless otherwise directed by the legislative body pursuant to Section 53601:

(a) Bonds issued by it, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by it or by a department, board, agency, or authority thereof.

(b) United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

(c) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority thereof.

(d) Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority thereof.

(e) Obligations issued by banks for cooperatives, federal land banks, federal intermediate credit banks, federal home loan banks, the Federal Home Loan Bank, the Tennessee Valley Authority, or in obligations, participations, or other instruments of or issued by, or fully guaranteed as to principal and interest by, the Federal National Mortgage Association; or in obligations, participations, or other instruments of or issued by a federal agency or a United States government-sponsored enterprise.

(f) Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers acceptances, which are eligible for purchase by the Federal Reserve System. Purchases of bankers acceptances may not exceed 270 days maturity or 30 percent of the agency's surplus funds which may be invested pursuant to this section.

The provisions of this subdivision shall not preclude a municipal utility district from investing any surplus money in its treasury in any manner authorized by the Municipal Utility District Act.

(g) Commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation. Eligible paper is further limited to issuing corporations that are organized and operating within the United States and having total assets in excess of five hundred million dollars ($500,000,000) and having an "A" or higher rating for the issuer's debentures, other than commercial paper, as provided for by Moody's Investors Service,

Inc., or Standard and Poor's Corporation. Purchases of eligible commercial paper may not exceed 180 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed 15 percent of the agency's surplus money which may be invested pursuant to this section.

No investment in securities described in this subdivision shall be made by a local agency having a population of less than 250,000.

(h) Negotiable certificates of deposits purchased from a nationally or state-chartered bank or a state or federal savings and loan association. Purchases of negotiable certificates of deposit may not exceed 15 percent of the agency's surplus money which may be invested pursuant to this section. For purposes of this section, negotiable certificates of deposits do not come within the provisions of Article 2 (commencing with Section 53630) of Chapter 4 of Part 1 of Division 2 of Title 5.

No investment in securities described in this subdivision shall be made by a local agency having a population of less than 250,000.

(i) Investments in repurchase agreements or reverse repurchase agreements of any securities authorized by this section. For purposes of this section, the term "repurchase agreement" means a purchase of securities by the local agency pursuant to an agreement by which the seller will repurchase such securities on or before a specified date and for a specified amount.

For purposes of this section, the term "reverse repurchase agreement" means a sale of securities by the local agency pursuant to an agreement by which the local agency will repurchase such securities on or before a specified date and for a specified amount.

Investment in a reverse repurchase agreement shall be made only upon prior approval of the legislative body of the local agency.

SEC. 3.5. Section 53635 of the Government Code is amended to read:

53635. As far as possible, all money belonging to, or in the custody of, a local agency, including money paid to the treasurer or other official to pay the principal, interest, or penalties of bonds, shall be deposited for safekeeping in state or national banks or state or federal savings and loan associations in the state selected by the treasurer or other official having the legal custody of the money, or may be invested in the following unless otherwise directed by the legislative body pursuant to Section 53601:

(a) Bonds issued by it, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by it or by a department, board, agency, or authority thereof.

(b) United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

(c) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a

revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority thereof.

(d) Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority thereof.

(e) Obligations issued by banks for cooperatives, federal land banks, federal intermediate credit banks, federal home loan banks, the Federal Home Loan Bank, the Tennessee Valley Authority, or in obligations, participations, or other instruments of or issued by, or fully guaranteed as to principal and interest by, the Federal National Mortgage Association; or in obligations, participations, or other instruments of or issued by a federal agency or a United States government-sponsored enterprise.

(f) Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers acceptances, which are eligible for purchase by the Federal Reserve System. Purchases of bankers acceptances may not exceed 270 days maturity or 30 percent of the agency's surplus funds which may be invested pursuant to this section.

The provisions of this subdivision shall not preclude a municipal utility district from investing any surplus money in its treasury in any manner authorized by the Municipal Utility District Act.

(g) Commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation. Eligible paper is further limited to issuing corporations that are organized and operating within the United States and having total assets in excess of five hundred million dollars ($500,000,000) and having an "A" or higher rating for the issuer's debentures, other than commercial paper, as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation. Purchases of eligible commercial paper may not exceed 180 days maturity nor represent more than 10 percent of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed 15 percent of the agency's surplus money which may be invested pursuant to this section.

No investment in securities described in this subdivision shall be made by a local agency having a population of less than 100,000.

(h) Negotiable certificates of deposits issued by a nationally or state-chartered bank or a state or federal savings and loan association. Purchases of negotiable certificates of deposit may not exceed 15 percent of the agency's surplus money which may be invested pursuant to this section. For purposes of this section, negotiable certificates of deposits do not come within the provisions of Article 2 (commencing with Section 53630) of Chapter 4 of Part 1 of Division 2 of Title 5.

No investment in securities described in this subdivision shall be

made by a local agency having a population of less than 100,000.

(i) Investments in repurchase agreements or reverse repurchase agreements of any securities authorized by this section. For purposes of this section, the term "repurchase agreement" means a purchase of securities by the local agency pursuant to an agreement by which the seller will repurchase such securities on or before a specified date and for a specified amount.

For purposes of this section, the term "reverse repurchase agreement" means a sale of securities by the local agency pursuant to an agreement by which the local agency will repurchase such securities on or before a specified date and for a specified amount.

Investment in a reverse purchase agreement shall be made only upon prior approval of the legislative body of the local agency.

SEC. 4. It is the intent of the Legislature, if this bill and Senate Bill 285 are both chaptered and become effective January 1, 1980, both bills amend Section 53601 of the Government Code, and this bill is chaptered after Senate Bill 285, that the amendments to Section 53601 proposed by both bills be given effect and incorporated in Section 53601 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 Senate Bill 285 are both chaptered and become effective January 1, 1980, both amend Section 53601, and this bill is chaptered after Senate Bill 285, in which case Section 2 of this act shall not become operative.

SEC. 5. It is the intent of the Legislature, if this bill and Senate Bill 285 are both chaptered and become effective January 1, 1980, both bills amend Section 53635 of the Government Code, and this bill is chaptered after Senate Bill 285, that the amendments to Section 53635 proposed by both bills be given effect and incorporated in Section 53635 in the form set forth in Section 3.5 of this act. Therefore, Section 3.5 of this act shall become operative only if this bill and Senate Bill 285 are both chaptered and become effective January 1, 1980, both amend Section 53635, and this bill is chaptered after Senate Bill 285, in which case Section 3 of this act shall not become operative.

CHAPTER 276

An act to add Section 6505.6 to the Government Code, relating to joint exercise of powers.

[Approved by Governor July 19, 1979 Filed with Secretary of State July 19, 1979]

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

SECTION 1. Section 6505.6 is added to the Government Code, to read:

6505.6. In lieu of the designation of a treasurer and auditor as set forth in Section 6505.5, the agency or entity may appoint one of its officers or employees to either or both of such positions. Such offices may be held by separate officers or employees or combined and held by one officer or employee. Such person or persons shall comply with the duties and responsibilities of the office or offices as set forth in subdivisions (a) to (d), inclusive, of Section 6505.5.

In the event the agency or entity designates its officers or employees to fill the functions of treasurer or auditor, or both, pursuant to this section, such officers or employees shall cause an independent audit to be made by a certified public accountant, or public accountant, in compliance with Section 6505.

CHAPTER 277

An act to amend Sections 33753, 33760, 33762, 33763, 33775, 33780, and 33790 of the Health and Safety Code, relating to community redevelopment, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 19, 1979 Filed with Secretary of State July 19, 1979]

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

SECTION 1. Section 33753 of the Health and Safety Code is amended to read:

33753. The definitions set forth in Article 1 (commencing with Section 33000) of Chapter 1 of this part shall govern the construction of this chapter. Additionally, as used in this chapter:

(a) "Construction loan" means a loan to finance residential construction under this chapter, whether such loan is insured or uninsured.

(b) "Financing" means the lending of moneys or any other thing of value for the purpose of facilitating residential construction pursuant to this chapter, including the making of construction loans and mortgage loans to purchasers of newly constructed and newly rehabilitated residences.

(c) "Local codes" means applicable local, state and federal standards for residential construction or rehabilitation, including any higher standards adopted by the agency for a redevelopment project area or as part of its redevelopment program.

(d) "Mortgage loan" means a long-term loan which is secured by a mortgage and is made for permanent financing of residences, pursuant to this chapter.

(e) "Participating party" means any person, corporation,

partnership, firm, or other entity or group of entities requiring financing for residential construction pursuant to the provisions of this chapter. No elective officer of the state or any of its political subdivisions or employee of any redevelopment agency shall be eligible to be a participating party under the provisions of this chapter.

(f) "Qualified mortgage lender" means a mortgage lender authorized by a redevelopment agency to do business with the agency and to aid in financing pursuant to this chapter on behalf of the agency, for which service the qualified mortgage lender will be reasonably compensated. Such a mortgage lender shall be a state or national bank, federal or state-chartered savings and loan association, or trust company or mortgage banker which is capable of providing service or otherwise aiding in the financing of mortgages on residential construction within the jurisdiction of the agency. Nothing in any other provision of state law shall prevent such a lender from serving as a qualified mortgage lender pursuant to this chapter.

(g) "Redevelopment project area" means a project area, as defined in Section 33320.1, for which a final redevelopment plan has been adopted pursuant to Section 33365.

(h) "Rehabilitation" means repairs and improvements to a substandard residence necessary to make it meet local codes. As used in this section, "substandard residence" has the same meaning as the term "substandard building," as defined in subdivision (f) of Section 17920.

(i) "Residential construction" means the construction of new residences or the rehabilitation and improvement of substandard residences to meet requirements of local codes and the redevelopment plan.

(j) "Residence" means real property improved with a residential structure, and within a redevelopment project area also includes real property improved with a commercial structure, or a mixed residential and commercial structure which the redevelopment agency determines to be an integral part of a residential neighborhood. "Residence" includes condominium and cooperative dwelling units, and includes both real property improved with single-family residential structures and real property improved with multiple-family residential structures.

(k) "Revenue bonds" means any bonds, notes, interim certificates, debentures, or other obligations issued by an agency pursuant to this chapter and which are payable exclusively from revenues and from any other funds specified in this chapter upon which the revenue bonds may be made a charge and from which they are payable.

(*l*) "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 redevelopment agency from the financing of residential construction, including moneys deposited in

a sinking, redemption, or reserve fund or other fund to secure the revenue bonds or to provide for the payment of the principal of, or interest on, the revenue bonds.

SEC. 2. Section 33760 of the Health and Safety Code is amended to read:

33760. Within its territorial jurisdiction, an agency may determine the location and character of any residential construction to be financed under the provisions of this chapter and may make mortgage or construction loans to participating parties through qualified mortgage lenders, or purchase mortgage or construction loans without premium made by qualified mortgage lenders to participating parties, for financing (1) residential construction within a redevelopment project area or (2) residential construction of residences in which the dwelling units are committed, for the period during which the loan is outstanding, for occupancy by persons or families who are eligible for financial assistance specifically provided by a governmental agency for the benefit of occupants of the residence.

SEC. 3. Section 33762 of the Health and Safety Code is amended to read:

33762. An agency may establish limitations respecting fees, charges, and interest rates to be used by qualified mortgage lenders for financing residential construction pursuant to this chapter and may from time to time revise such fees, charges, and interest rates to reflect changes in interest rates on the agency's revenue bonds, losses due to defaults, changes in loan-servicing charges, or other expenses related to administration of the residential construction 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 redevelopment agency after hearing preceded by public notice to affected parties, and shall reflect changes in interest rates on the agency's bonds, and bona fide changes in loan servicing charges related to the administration of a program under the provisions of this chapter. An agency may purchase mortgage or construction loans made by a qualified mortgage lender without premium or may itself pay such fees and charges incurred in lending money for the purpose of residential construction and may collect and disburse, or may contract to pay any person, partnership, association, corporation, or public agency for, collection and disbursal of payments of principal, interest, taxes, insurance, and mortgage insurance. An agency may hold deeds of trust or mortgages, including mortgages insured under Title II of the National Housing Act, as security for financing residential construction and may pledge or assign the same as security for repayment of revenue bonds. Such deeds of trust or mortgages may be assigned to, and held on behalf of the agency by, any bank or trust company appointed to act as trustee or fiscal agent by the agency in

any indenture or resolution providing for issuance of bonds pursuant to this chapter. An agency may establish the terms and conditions of financing, which shall be consistent with the provisions of any applicable federal or state law under which the financing is to be insured.

SEC. 4. Section 33763 of the Health and Safety Code is amended to read:

33763. (a) No loan shall be made for financing except through a qualified mortgage lender.

(b) All mortgage loans made for financing pursuant to this chapter shall be insured or guaranteed, in whole or in part, by any instrumentality of the United States, or the State of California, or by any person licensed to insure mortgages in this state.

SEC. 5. Section 33775 of the Health and Safety Code is amended to read:

33775. (a) An agency may, from time to time, issue its negotiable revenue bonds for the purpose of making or purchasing mortgage or construction loans to finance residential construction. In anticipation of the sale of bonds, the 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 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 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 revenue bonds shall be a special obligation of the redevelopment agency payable from all or any part of the revenues specified in this chapter. The revenue bonds shall be negotiable instruments for all purposes, subject only to the provisions of such bonds for registration.

SEC. 6. Section 33780 of the Health and Safety Code is amended to read:

33780. In the discretion of the agency, any revenue bonds issued under the provisions of this chapter may be secured by a trust agreement by and between the 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 a trust agreement or the resolution providing for the issuance of revenue 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 construction of which is to be financed out of the proceeds of such revenue bonds. Such trust agreement or the resolution providing for the issuance of bonds may provide for the assignment to such corporate trustee or trustees of mortgage or construction loans, to be held by such trustee or trustees on behalf

of the agency for the benefit of the bondholders. Such trust agreement or resolution providing for the issuance of revenue 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 agency authorizing the issuance of the revenue bonds. Any bank or trust company doing business under the laws of this state which may act as depositary of the proceeds of revenue bonds or of revenues or other moneys may furnish such indemnity bonds or pledge such securities as may be required by the 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 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 construction.

SEC. 7. Section 33790 of the Health and Safety Code is amended to read:

33790. An agency may not finance mortgage or construction loans which have not been authorized by prior written agreement between the agency and the participating party. All agreements for such loans shall provide that the architectural and engineering design of the residential construction shall be subject to such standards as may be established by the agency and that the work of such residential construction shall be subject to such supervision as the agency deems necessary.

SEC. 8. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

Existing law requires certain community redevelopment agency construction and mortgage loans to be insured. Provisions in the Insurance Code, however, prohibit the insuring of construction loans. In order to make the provisions of existing law workable and to permit redevelopment construction loans for housing, including housing for persons of low and moderate income, and to implement certain housing construction programs as soon as possible, it is necessary for this act to take effect immediately.

CHAPTER 278

An act to amend Section 2982 of the Civil Code and to amend Section 11713.1 of the Vehicle Code, relating to mobilehomes, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 19, 1979 Filed with Secretary of State July 19, 1979]

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

SECTION 1. Section 2982 of the Civil Code is amended to read:

2982. (a) Every conditional sale contract for the sale of a motor vehicle, with or without accessories, shall be in writing and, if printed, shall be printed in type no smaller than 6 point, and shall contain in a single document all of the agreements of the buyer and seller with respect to the total cost and the terms of payment for the motor vehicle, including any promissory notes or any other evidences of indebtedness. The conditional sale contract or a purchase order shall be signed by the buyer or his authorized representative and by the seller or its authorized representative, and an exact copy thereof shall be furnished the buyer by the seller at the time the buyer and the seller have signed the contract or purchase order. No motor vehicle shall be delivered under this chapter until the seller delivers to the buyer a fully executed copy of the conditional sale contract or purchase order and any vehicle purchase proposal and any credit statement which the seller has required or requested the buyer to sign, and which he has signed, during the contract negotiations. The seller shall not obtain the signature of the buyer to a contract when it contains blank spaces to be filled in after it has been signed. Every conditional sale contract shall contain, although not necessarily in the sequence or order set forth below, the following separate items:

1. The cash price of the motor vehicle described in the conditional sale contract.

2. The amount of the buyer's downpayment, and whether made in cash or represented by the net agreed value of described property traded in, or both, together with a statement of the respective amounts credited for cash and for such property.

3. The unpaid balance of cash price, which is the difference between items 1 and 2.

4. The cost to the buyer of any insurance, the premium for which is included in the contract balance. Any such cost for credit life or disability insurance may be included in the finance charge if the amount thereof is separately stated on the face of the contract.

5. The amounts, if any, paid or to be paid to any public officer in connection with the transaction and for license, certificate of title, and registration fees imposed by law.

6. The amount of any city, county, or city and county imposed fee

or tax for a mobilehome.

7. The amount of any mobilehome escrow fee.

8. The amount of the state fee for issuance of a certificate of compliance or certificate of waiver pursuant to Section 9889.56 of the Business and Professions Code.

9. The amount, if any, charged by the dealer for documentary preparation. If a dealer charges a buyer a documentary preparation charge, then the contract shall contain a notice advising the buyer that such charge is not a governmental fee.

10. The amount of the unpaid balance, which is the sum of items 3, 4, 5, 6, 7, 8, and 9.

11. The amount of the finance charge, and the annual percentage rate as defined in the Federal Truth-In-Lending Act (15 U.S.C. 1601 et seq.).

12. The total of payments, which is the sum of items 6 and 7, payable by the buyer to the seller, the number of installments required, the amount of each installment, and the date for payment of the installments.

13. The names and addresses of all persons to whom the notice required under Section 2983.2 and permitted under Sections 2983.5 and 2984 of this code is to be sent.

14. A notice, in at least 8 point bold type if the contract is printed, reading as follows: "Notice to the buyer: (1) Do not sign this agreement before you read it or if it contains any blank spaces to be filled in. (2) You are entitled to a completely filled-in copy of this agreement. (3) Under the law, you have the right to pay off in advance the full amount due and under certain conditions to obtain a partial refund of the finance charge. (4) If you default in the performance of your obligations under this agreement, the vehicle may be repossessed and you may be subject to suit and liability for the unpaid indebtedness evidenced by this agreement."

15. A notice to the buyer, in writing, and, if printed, in type no smaller than 8 point, that complaints concerning unfair or deceptive practices or methods by the seller shall be referred to the seller and, if the complaint is not resolved, may be referred to the Department of Motor Vehicles, Division of Compliance, 2570 24th Street, Sacramento, 95818.

(b) If any charge for insurance (other than for credit life or disability) is included in the contract balance and disbursement of any part thereof be made more than one year after the date of the conditional sale contract, any finance charge on the amount to be disbursed after one year shall be computed from the month the disbursement is to be made to the due date of the last installment under the conditional sale contract.

(c) The amount of the finance charge in any conditional sale contract for the sale of a motor vehicle, with or without accessories, shall not exceed 1 percent of the unpaid balance multiplied by the number of months (computed on the basis of a full month for any fractional month period in excess of 15 days) elapsing between the

date of the contract and the due date of the last installment, or twenty-five dollars ($25), whichever is greater. The contract may provide for a delinquency charge or charges on any installment in default for a period of not less than 10 days in an amount not to exceed in the aggregate 5 percent of the installment, which amount may be collected only once on any installment regardless of the period during which it remains in default. The contract may provide for reasonable collection costs and fees in the event of delinquency.

(d) Any provision in any conditional sale contract for the sale of a motor vehicle to the contrary notwithstanding, the buyer shall have the privilege of paying at any time in full the indebtedness evidenced by the contract. Whenever an indebtedness is liquidated prior to maturity by prepayment or refinancing, or upon surrender or repossession and disposition of the motor vehicle, the holder shall thereupon refund to the buyer the unearned portion of the finance charge. The refund may be made in cash or credited to the amount due on the obligation of the buyer. The amount of the refund shall represent at least as great a proportion of the finance charge as the sum of the periodic time balances payable more than 15 days after the date of prepaying (or other event entitling the buyer to the refund) bears to the sum of all of the periodic time balances under the schedule of installments in the contract. The provisions of this subdivision shall not impair the right of the seller or his assignee to receive delinquency charges on delinquent installments and reasonable costs and fees as provided in subdivision (c) of this section. Where the amount of such refund is less than one dollar ($1), no refund need be made. Where the finance charge, after computing the refund, amounts to less than twenty-five dollars ($25), there may be retained an amount equal to twenty-five dollars ($25).

(e) Notwithstanding any other provision of this chapter to the contrary, in the event any required downpayment on which no finance charge is imposed is to be made by the buyer to the seller on a conditional sale contract after the date of such contract but prior to the date of the second payment otherwise scheduled, the amount of such payment may be shown in such contract as a deferred portion of the cash downpayment or as a deduction from the amount of the unpaid balance, and shall be included in the total of payments.

(f) Notwithstanding any other provision of this chapter to the contrary, in any instance in which vendor's single-interest insurance is to be written in connection with a conditional sale contract, a conditional sale contract complying with the applicable disclosure requirements of Regulation Z, as in effect on the date of such contract, shall be deemed to comply with the requirements of paragraphs 1 to 9, inclusive, of subdivision (a), irrespective of any difference between the provisions of that regulation and this chapter with respect to any information to be disclosed, the terminology, form or content of such disclosures, the amounts to be included in or manner of determining the unpaid balance, the finance charge or any other item of information to be disclosed, or otherwise. This

subdivision shall have no application to the determination of the amount of the unpaid balance, the finance charge, or any other amount for the purpose of computing the maximum permissible finance charge or the refund of any unearned portion of the finance charge under subdivisions (c) and (d), respectively, or for the purpose of computing any penalty under Section 2983.1.

(g) Notwithstanding any other provision of this chapter to the contrary, any information required to be disclosed in a conditional sale contract under this chapter may be set forth in terminology required or permitted under Regulation Z, as in effect at the time such disclosure is made. Nothing contained in this chapter shall be deemed to prohibit the disclosure in such contract of additional information required or permitted under Regulation Z, as in effect at the time such disclosure is made.

(h) If the requirements of this section are otherwise met, the preparation and use of a separate document for escrow instructions under Section 11950 of the Vehicle Code, relating to the sale of mobilehomes, shall not violate the single-document requirement of subdivision (a).

SEC. 2. Section 11713.1 of the Vehicle Code, as amended by Section 13.5 of Chapter 1162 of the Statutes of 1978, is amended to read:

11713.1. It shall be unlawful and a violation of this code for the holder of any dealer's license issued under this article to do any of the following:

(a) To advertise any specific vehicle for sale without identifying such vehicle by either its vehicle identification number or license number.

(b) To advertise the total price of a vehicle without including all costs to the purchaser at time of sale, except sales tax, vehicle registration fees, the fee charged by the state for the issuance of the certificate of compliance or certificate of waiver pursuant to Section 9889.56 of the Business and Professions Code, finance charges, mobilehome escrow fees, the amount of any city, county, or city and county imposed fee or tax for a mobilehome, and any dealer documentary preparation charge. The dealer documentary preparation charge shall not exceed twenty dollars ($20).

(c) To exclude from the advertisement of a vehicle for sale that there will be added to the advertised total price at the time of sale, charges for sales tax, vehicle registration fees, the fee charged by the state for the issuance of the certificate of compliance or certificate of waiver pursuant to Section 9889.56 of the Business and Professions Code, finance charges, mobilehome escrow fees, the amount of any city, county, or city and county imposed fee or tax for a mobilehome, and any dealer documentary preparation charge.

(d) To represent the dealer documentary preparation charge as a governmental fee.

(e) To refuse to sell a vehicle to any person at the advertised total price, exclusive of sales tax, vehicle registration fees, the fee charged

by the state for the issuance of the certificate of compliance or certificate of waiver pursuant to Section 9889.56 of the Business and Professions Code, finance charges, mobilehome escrow fees, the amount of any city, county, or city and county imposed fee or tax for a mobilehome, and dealer documentary preparation charge, which charges shall not exceed twenty dollars ($20) while such vehicle remains unsold, unless the advertisement states the advertised total price is good only for a specified time and such time has elapsed.

SEC. 3. Section 1 of this act shall become operative on January 1, 1980.

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 act is intended to clarify the law regarding the sale of mobilehomes by a vehicle dealer and to prevent undue hardship with respect to such dealers.

In order that this may be accomplished at the earliest possible time, it is necessary that this act take immediate effect.

CHAPTER 279

An act to amend Section 29802 of the Government Code, relating to counties.

[Approved by Governor July 20, 1979 Filed with Secretary of State July 20, 1979]

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

SECTION 1. Section 29802 of the Government Code is amended to read:

29802. (a) Unless otherwise provided by ordinance, any warrant issued is void if not presented to the county treasurer for payment within six months after its date.

Whenever, under the provisions of this section, warrants drawn on trust funds became void, the moneys in the county treasury represented by such warrants may be transferred to the general fund of the county by the county auditor unless disposition is otherwise provided by law.

(b) Any time within two years from the date on which the original warrant became void, the payee or assignee of any warrant which is void as provided in this section may present such warrant to the governing body of the agency on which the warrant was drawn, or declare by affidavit that such warrant has been lost or destroyed, and the governing body of such agency may adopt an order instructing the county auditor to draw a new warrant in favor of the payee in the same amount as the original warrant, or the governing body may

by resolution authorize the auditor to draw new warrants within the limitations prescribed by the resolution without prior individual order of the governing body, provided the limitations prescribed by this section have been complied with. Any such new warrant shall be subject to the same limitations as the original warrant which it replaces.

(c) If, at any time after a period of two years from the date on which the original warrant became void, or during such other period of time as specified by ordinance, the payee or assignee presents such warrant to the governing body of the agency on which the warrant was drawn, the governing body may adopt an order instructing the county auditor to draw a new warrant in favor of the payee or assignee in the same amount as the original warrant, if the governing body determines that it would be inequitable or unreasonable under the facts of the individual case not to do so, and money is available in the county treasury to make payment on the indebtedness. Any such new warrant shall be subject to the same limitations as the original warrant which it replaces.

CHAPTER 280

An act to amend Section 23672 of the Business and Professions Code, relating to alcoholic beverages.

[Became law without Governor's signature July 22, 1979 Filed with Secretary of State July 22, 1979.]

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

SECTION 1. Section 23672 of the Business and Professions Code is amended to read:

23672. A licensed importer shall not purchase or accept delivery of any brand of distilled spirits unless he is designated as an authorized importer of such brand by the brand owner or his authorized agent. Such distilled spirits imported into California shall come to rest at the warehouse of the licensed importer or an authorized warehouse for the account of such licensed importer, before sale and delivery to a retail licensee.

SEC. 2. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 281

An act to amend Section 71631.5 of, and to add Section 71631.6 to, the Water Code, relating to municipal water districts.

[Approved by Governor July 21, 1979 Filed with Secretary of State July 22, 1979.]

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

SECTION 1. Section 71631.5 of the Water Code is amended to read:

71631.5. Notwithstanding the provisions of Section 71631, in any improvement district situated within the Eastern Municipal Water District or within the Western Municipal Water District of Riverside County the standby assessment or availability charge shall not exceed twenty dollars ($20) per acre per year for land on which the charge is levied or twenty dollars ($20) per year for a parcel less than one acre. In any such improvement district the proceeds from any standby assessment or availability charge in excess of ten dollars ($10) per acre per year or ten dollars ($10) per year for a parcel less than one acre shall only be used for the purposes of such improvement district.

This section, applicable only to the Eastern Municipal Water District and the Western Municipal Water District of Riverside County, is necessary because of the unique and special water management problems of those areas included within such districts.

SEC. 2. Section 71631.6 is added to the Water Code, to read:

71631.6. Notwithstanding the provisions of Section 71631, in any improvement district situated within the Otay Municipal Water District in San Diego County, the standby assessment or availability charge shall not exceed thirty dollars ($30) per acre per year for land on which the charge is levied or ten dollars ($10) per year for a parcel less than one acre. In any such improvement district the proceeds from any standby assessment or availability charge in excess of ten dollars ($10) per acre per year shall only be used for the purposes of such improvement district.

This section, applicable only to the Otay Municipal Water District of San Diego County is necessary because of the unique and special water management problems of the area included within such district.

CHAPTER 282

An act to amend Section 19632 of the Business and Professions Code, to amend Sections 16250, 39246, 39247, 39363, 41300, 41301, 41403, 41604, 42103.5, 52171, 60200, 60265, 84370, 84897, 84904, and 85003.5 of, to add Sections 16096.5, 39618, 39619, 39620, 39621, 41601.5,

41886.5, 45452, 54057, and 56364 to, to add Article 3 (commencing with Section 2550) to Chapter 12 of Part 2 of, Article 1 (commencing with Section 14000) to Chapter 1 of Part 9 of, Chapter 24 (commencing with Section 17780) and Chapter 25 (commencing with Section 17785) to Part 10 of, Chapter 15 (commencing with Section 23400) to Part 13 of, Article 2.5 (commencing with Section 39327) to Chapter 3 of Part 23 of, Chapter 5.3 (commencing with Section 41975) to Part 24 of, Article 2 (commencing with Section 42237) to Chapter 7 of Part 24 of, Part 34 (commencing with Section 62000) to, and Chapter 5 (commencing with Section 84700) to Part 50 of, to repeal Sections 24105, 39453, 41716, 41716.5, 52045, 54057, and 56364 of, to repeal Article 1 (commencing with Section 14000) of Chapter 1 of Part 9 of, Article 6.5 (commencing with Section 16255) of Chapter 8 of Part 10 of, Chapter 15 (commencing with Section 23400) of Part 13, Article 2 (commencing with Section 42230) of Chapter 7 of Part 24 of, and Chapter 5 (commencing with Section 84700) of Part 50 of, the Education Code, to amend Sections 10500, 10527, 10528, 16115, 16250, 16260, 16496.5, 16497.5, 16498, 16499, 16499.5, 54775, and 65974 of, and to add Sections 16117, 26912.3, 26912.7, 53898, 54790.3, 65979, 65980, 65981, and 66434.1 to, the Government Code, to amend, repeal, and add Section 11836 of the Health and Safety Code, to add Part 0.5 (commencing with Section 95) to Division 1 of the Revenue and Taxation Code, to amend Sections 11450, 11451.5, 11454, 15200.1, 15200.2, 15204.2, 16120, and 18917 of, to amend, repeal, and add Sections 5705 and 15200 of, to add Sections 11406, 11407, 14154, 15200.3, 15200.4, 15204.5, 18905, 18906, and 18906.5 to, to add Chapter 4.1 (commencing with Section 10815) to Part 2 of Division 9 of, and Part 4.5 (commencing with Section 16700) to Division 9 of, to repeal Sections 11403, 11450.2, 14150, 14150.3, 14150.5, and 18906 of, and to repeal Article 9 (commencing with Section 12400) of Chapter 3 of Part 3 of Division 9 of, the Welfare and Institutions Code, to amend Section 5 of Chapter 292 of the Statutes of 1978, and to add Section 29.6 to Chapter 977 of the Statutes of 1976, relating to public finance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 24, 1979. Filed with Secretary of State July 24, 1979.]

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

SECTION 1. Section 19632 of the Business and Professions Code is amended to read:

19632. All license fees for conducting horseracing meetings, other than those attributable to breakage, not payable into the Fair and Exposition Fund shall be paid as follows:

(a) During each fiscal year there shall be paid into the Wildlife Restoration Fund, which fund is hereby continued in existence, to

carry out the provisions of the Wildlife Conservation Act of 1947, the sum of seven hundred fifty thousand dollars ($750,000).

(b) During each fiscal year there is appropriated to the Department of Education the sum of five hundred thousand dollars ($500,000), or so much thereof as may be requested by the Superintendent of Public Instruction, to maintain and strengthen statewide secondary vocational student organizations authorized and sponsored by the Department of Education in agriculture, business, home economics, and industrial education. The Superintendent of Public Instruction shall develop a budget procedure for the disbursement of funds appropriated under this section to ensure equal treatment of participating students and to further ensure that such funds do not supplant existing money currently provided from other public sources. The appropriated money shall be used for the following purposes:

(1) Improving the ability of the Department of Education to equip vocational education students with competencies necessary to enter the labor market and to assume successful roles in society by conducting leadership development programs for student officers; preparing instructional materials for teacher advisors; maintaining student membership and financial records; giving in-service training to the vocational teachers who advise the student organizations; maintaining affiliation with national vocational student organizations; and supplying support services necessary to carry out these activities.

(2) Training and preparing new and future vocational education teachers to organize, manage, and conduct vocational education student organization activities as an instructional strategy in the vocational curriculum by providing an opportunity for their involvement in actual participatory experiences in vocational student organization activities and by conducting college and university workshops to accomplish this purpose.

(3) Training and preparing vocational students to take an active part in developing and participating in vocational fairs and other activities related to fairs for the purpose specified in Section 51004 of the Education Code by cooperating with the Department of Food and Agriculture to conduct annually a statewide workshop for this purpose.

The Department of Education shall include within the report required pursuant to subdivision (a) of Section 8007.5 of the Education Code, a report on the activities funded pursuant to this subdivision.

(c) Except as otherwise provided by this article, the remainder shall be paid into the General Fund in the State Treasury.

SEC. 2. Article 3 (commencing with Section 2550) is added to Chapter 12 of Part 2 of the Education Code, to read:

Article 3. Computation of Revenue Limits

2550. The Superintendent of Public Instruction shall perform the computations prescribed in this section for each county superintendent of schools.

(a) The Superintendent of Public Instruction shall make the following computations to determine the revenue limits for special education programs operated by county superintendents of schools:

(1) For the 1979–80 fiscal year, the Superintendent of Public Instruction shall determine the 1978–79 revenue limits for each of the programs specified in subdivisions (b), (c), and (d) of Section 2500, as computed pursuant to Section 6 of Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978. The Superintendent of Public Instruction shall increase each of such revenue limits by a percentage equal to the inflation allowance calculated in Section 2557.

(2) For special education tuition charges for which county superintendents of schools were authorized to levy a tax pursuant to Section 2505, the Superintendent of Public Instruction shall calculate a revenue limit by dividing the total tuition actually paid for the 1977–78 fiscal year by the total average daily attendance of pupils educated for the county superintendent by the districts in the county for the 1977–78 fiscal year. For the 1979–80 fiscal year, the Superintendent of Public Instruction shall increase such revenue limit by a percentage equal to the inflation allowance calculated in Section 2557.

(3) For programs operated pursuant to Section 56604 for which county superintendents were previously reimbursed pursuant to Section 42902, the Superintendent of Public Instruction shall calculate a revenue limit equal to each county superintendent's expenditures per unit of average daily attendance in such programs in the 1977–78 fiscal year. For the 1979–80 fiscal year, the Superintendent of Public Instruction shall increase such revenue limit by a percentage equal to the inflation allowance calculated in Section 2557.

(4) For programs operated pursuant to Section 56818, the Superintendent of Public Instruction shall calculate a revenue limit equal to each county superintendent's expenditures per instructional hour in such programs in the 1977–78 fiscal year. For the 1979–80 fiscal year, the Superintendent of Public Instruction shall increase such revenue limit by a percentage equal to the inflation allowance calculated in Section 2557.

(5) For duties established pursuant to subdivisions (a), (b), (c), and (d) of Section 56314, the Superintendent of Public Instruction shall determine an amount equal to five dollars ($5) for a county of the first class, six dollars ($6) for a county of the second class, seven dollars ($7) for a county of the third class, eight dollars ($8) for a county of the fourth class, and ten dollars ($10) for each county in any other class, multiplied by the number of pupils in the county

receiving special education services. County class shall be determined pursuant to Section 1205.

(6) The Superintendent of Public Instruction shall multiply the amounts calculated in paragraphs (1) to (5), inclusive, by the estimated number of classes, units of average daily attendance, instructional hours or pupils receiving special education services, as appropriate, for the 1979–80 fiscal year, with the exception of the amount in paragraph (3), which shall be multiplied by the units of average daily attendance for the 1978–79 fiscal year or the estimated units of average daily attendance for the 1979–80 fiscal year, as appropriate in each county.

(7) The total amount determined in paragraph (6) may be used for any of the programs specified in this subdivision.

(b) The Superintendent of Public Instruction shall make the following computations to determine the revenue limits for special schools and classes operated by county superintendents of schools:

(1) For the 1979–80 fiscal year, the Superintendent of Public Instruction shall determine the 1978–79 revenue limits for the programs specified in subdivision (e) of Section 2500, as computed pursuant to Section 6 of Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978. The Superintendent of Public Instruction shall increase such revenue limits by a percentage equal to the inflation allowance calculated in Section 2557.

(2) For the 1979–80 fiscal year, the Superintendent of Public Instruction shall determine the allowances which county superintendents receive per unit of average daily attendance in programs operated pursuant to Section 1980 or 48633.

(3) The Superintendent of Public Instruction shall multiply the amounts calculated in paragraphs (1) and (2) by the estimated number of units of average daily attendance for such programs for the 1979–80 fiscal year.

(4) The total amount calculated in paragraph (3) may be used for any of the programs specified in this subdivision.

(c) The Superintendent of Public Instruction shall make the following computations to determine the amount to be allocated for vocational/technical schools and classes operated by county superintendents of schools:

(1) For the 1979–80 fiscal year, for programs operated pursuant to Section 52301, the Superintendent of Public Instruction shall determine the 1978–79 revenue limits specified in Section 52317, as computed pursuant to Section 6 of Chapter 292, Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978. The Superintendent of Public Instruction shall increase such revenue limit by a percentage equal to the inflation allowance calculated in Section 2557. The Superintendent of Public Instruction shall then multiply this adjusted revenue limit by the estimated number of units of average daily attendance for such programs for the 1979–80 fiscal year. For purposes of this paragraph, such estimate shall include only

average daily attendance earned by students concurrently enrolled in regular high school programs and by adults enrolled in short term vocational programs.

(2) For the 1979–80 fiscal year, the Superintendent of Public Instruction shall determine the revenue limits for programs operated pursuant to Sections 1791 and 2520, as computed pursuant to Section 6 of Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978. The Superintendent of Public Instruction shall increase such revenue limits by a percentage equal to the inflation allowance calculated in Section 2557.

(3) The total amount calculated in paragraphs (1) and (2) may be used for any of the programs specified in this subdivision.

2551. The Superintendent of Public Instruction shall perform the computations prescribed in this section to determine each county superintendent's revenue limit for county superintendent responsibilities and district services:

(a) For the 1979–80 fiscal year, the Superintendent of Public Instruction shall calculate the revenue limit for programs operated pursuant to Sections 1510 and 2506, as computed pursuant to Section 6 of Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978. The Superintendent of Public Instruction shall increase such revenue limit by a percentage equal to the inflation allowance calculated in Section 2557.

(b) For the 1979–80 fiscal year and for each fiscal year thereafter, the Superintendent of Public Instruction shall increase the amount calculated in subdivision (a) by the amounts computed according to Sections 2507.5 and 2510, and the amount of increased cost pursuant to Section 2507.7 for the 1978–79 fiscal year.

(c) The total amounts for each program calculated pursuant to subdivision (a) may be used for any of the services or programs specified in this section.

2552. The Superintendent of Public Instruction shall make the following computations to determine each county superintendent's revenue limit for expenditures of county superintendents of schools previously authorized and funded by a tax levied and collected pursuant to Section 2504:

(a) For the 1979–80 fiscal year, the Superintendent of Public Instruction shall determine the greater of the amount levied and collected pursuant to Section 2504, or expended for the purposes specified in Section 2504, in fiscal year 1976–77 or 1977–78, not to exceed the maximum amount that could have been levied and collected pursuant to Section 2504 in the year selected. The Superintendent of Public Instruction shall increase this amount by a percentage equal to the inflation allowance calculated in Section 2557.

(b) The total amount determined in subdivision (a) shall be restricted to expenditures specified in Section 2504, to be used in any of the programs specified in Sections 2550 and 2551, except those programs specified in paragraph (2) of subdivision (c) of Section

2550.

2553. For major capital outlay projects which cannot be funded by other revenue sources, county superintendents of schools shall be eligible for capital outlay funds in the same manner as specified by law for school districts. Any funds apportioned to the county superintendent pursuant to this section shall be restricted to the purposes of this section.

2554. In each fiscal year, beginning with fiscal year 1979–80, for tuition for students attending schools in adjoining states, the Superintendent of Public Instruction shall apportion an amount to each county superintendent sufficient to pay the amounts required or allowed to be paid pursuant to Sections 2002 to 2006, inclusive.

2555. Beginning July 1, 1979, the Superintendent of Public Instruction shall apportion an amount to each county superintendent sufficient for payments required pursuant to any school building aid law previously funded by a tax levied pursuant to Section 2503.

2556. For the purposes of the allocation of property tax revenues for the 1979–80 fiscal year and each fiscal year thereafter pursuant to Part 0.5 (commencing with Section 95) of Division 1 of the Revenue and Taxation Code, property tax revenues received for the 1977–78 fiscal year pursuant to Sections 41203 and 84203 of the Education Code, or for the 1978–79 fiscal year pursuant to Section 2 of Chapter 51, Statutes of 1979, shall be deemed to be property tax revenues received by the county superintendent of schools.

2557. (a) For the 1979–80 fiscal year, the inflation allowance shall be the same as the percentage increase applied to the revenue limits of school districts for the 1979–80 fiscal year pursuant to paragraph (1) of subdivision (b) of Section 42237.

(b) For the 1980–81 fiscal year and each fiscal year thereafter, the prior year revenue limits per average daily attendance, class, or instructional hour, determined in Section 2550, and the prior year total revenue limits determined in Sections 2551 and 2552, except those specified in paragraph (5) of subdivision (a) of Section 2550, shall be increased by a percentage equal to the percentage increase applied to the statewide average revenue limit for unified school districts for the then current fiscal year. The resulting amounts shall then be multiplied by the estimated number of classes, units of average daily attendance, instructional hour or pupils receiving special education services, as appropriate for the then current fiscal year.

2558. Notwithstanding any other provision of law, for the 1979–80 fiscal year and each fiscal year thereafter, the Superintendent of Public Instruction shall apportion state aid to county superintendents of schools pursuant to the provisions of this section.

(a) The Superintendent of Public Instruction shall total the amounts computed for the fiscal year pursuant to Sections 2550, 2551, 2552, 2554, 2555, and 2557. For the 1979–80 fiscal year only, the amount in this subdivision shall be multiplied by a factor of 0.994.

(b) The Superintendent of Public Instruction shall subtract from

the amount determined in subdivision (a) the sum of: (1) local property tax revenues received in the then current fiscal year, and tax revenues received pursuant to Section 2556 in the then current fiscal year, (2) state and federal categorical aid for the fiscal year, (3) district contributions pursuant to Sections 1705 and 52321 for the fiscal year, and other applicable local contributions and revenues, (4) unsecured and prior year taxes for the fiscal year, and the amounts, if any, to be received pursuant to Part 18.5 (commencing with Section 38101) of the Revenue and Taxation Code and Chapter 3 (commencing with Section 16140) of Part 1 of Division 4 of Title 2 of the Government Code, and (5) any amounts that the county superintendent of schools was required to maintain as restricted and not available for expenditure in the 1978–79 fiscal year as specified in the second paragraph of subdivision (c) of Section 6 of Chapter 292, Statutes of 1978, as amended by Chapter 51, Statutes of 1979.

(c) The remainder computed in subdivision (b) shall be distributed in the same manner as state aid to school districts from funds appropriated to Section A of the State School Fund.

(d) If the remainder determined pursuant to subdivision (b) is a negative amount, no state aid shall be distributed to that county superintendent of schools pursuant to subdivision (c), and an amount of funds of that county superintendent equal to such negative amount shall be deemed restricted and not available for expenditure during the current fiscal year. In the next fiscal year, such amount shall be considered local property tax revenue for purposes of the operation of paragraph (1) of subdivision (b) of this section.

SEC. 3. Article 1 (commencing with Section 14000) of Chapter 1 of Part 9 of the Education Code is repealed.

SEC. 4. Article 1 (commencing with Section 14000) is added to Chapter 1 of Part 9 of the Education Code, to read:

Article 1. Sources, Conditions of Apportionments, Amounts of Support Per Average Daily Attendance

14000. It is the intent of the Legislature that the administration of the laws governing the financial support of the public school system in this state be conducted within the purview of the following principles and policies:

The system of public school support should be designed to strengthen and encourage local responsibility for control of public education. Local school districts and community college districts should be so organized that they can facilitate the provision of full educational opportunities for all who attend the public schools. Local control is best accomplished by the development of strong, vigorous, and properly organized local school administrative units. It is the state's responsibility to create or facilitate the creation of local districts of sufficient size to properly discharge local responsibilities and to spend the tax dollar effectively.

The system of public school support should assure that state, local, and other funds are adequate for the support of a realistic funding level. It is unrealistic and unfair to the less wealthy districts to provide for only a part of the financing necessary for an adequate educational program.

The system of public school support should permit and encourage local school districts and community college districts to provide and support improved district organization and educational programs. The system of public school support should prohibit the introduction of undesirable organization and educational practices, and should discourage any such practices now in effect. Improvement of programs in particular districts is in the interests of the state as a whole as well as of the people in individual districts, since the excellence of the programs in some districts will tend to bring about program improvement in other districts.

The system of public school support should make provision for the apportionment of state funds to local districts on a strictly objective basis that can be computed as well by the local districts as by the state. The principle of local responsibility requires that the granting of discretionary powers to state officials over the distribution of state aid and the granting to these officials of the power to impose undue restriction on the use of funds and the conduct of educational programs at the local level be avoided.

The system of public school support should effect a partnership between the state, the county, and school and community college districts, with each participating equitably in accordance with its relative ability. The respective abilities should be combined to provide a financial plan between the state and the local agencies for public school support. Toward this support program, each county and district, through a uniform method, should contribute in accordance with its true financial ability.

The system of public school support should provide for essential educational opportunities for all who attend the public schools. Provision should be made in the financial plan for adequate financing of all educational services.

The broader based taxing power of the state should be utilized to raise the level of financial support in the properly organized but financially weak districts of the state, thus contributing greatly to the equalization of educational opportunity for the students residing therein. It should also be used to provide a minimum amount of guaranteed support to all districts, for such state assistance serves to develop among all districts a sense of responsibility to the entire system of public education in the state.

14002. (a) The Controller shall during each fiscal year commencing with the 1980–81 fiscal year, transfer from the General Fund of the state to that portion of the State School Fund restricted for elementary and high school purposes, hereinafter called Section A of the State School Fund such sums, in addition to the sums accruing from other sources, as shall provide in Section A of the State

School Fund for apportionment during the fiscal year a total amount per pupil in average daily attendance during the preceding fiscal year credited to all elementary, high, and unified school districts and to all county superintendents of schools in the state, as certified by the Superintendent of Public Instruction, of one hundred eighty dollars ($180).

(b) The Controller shall also transfer, as needed during each fiscal year commencing with the 1980–81 fiscal year, such additional amounts from the General Fund to Section A of the State School Fund as are certified from time to time by the Superintendent of Public Instruction to be necessary to meet actual computed apportionments from Section A of the State School Fund for the purposes set forth in Section 41301; provided that the total of such additional amounts transferred in a fiscal year shall not exceed, except pursuant to subdivision (c) of this section, one thousand two hundred sixty-eight dollars ($1,268) for the 1980–81 fiscal year and fiscal years thereafter, per pupil in average daily attendance during the preceding fiscal year credited to all elementary, high, and unified school districts and to all county superintendents of schools in the state, as certified by the Superintendent of Public Instruction.

(c) In addition to the amounts authorized to be transferred to Section A of the State School Fund under subdivisions (a) and (b), the Controller shall transfer from the General Fund to Section A of the State School Fund during the fiscal year, upon certification of the Superintendent of Public Instruction, if necessary to meet actual computed apportionments for the fiscal year for the purposes set forth in Sections 41300 and 41301, an amount not to exceed the lesser of: (1) 1 percent of the total apportionment from Section A of the State School Fund in the preceding fiscal year for the purposes set forth in Sections 41300 and 41301, or (2) the net amount, if any, by which the total amounts authorized to be transferred from the General Fund to Section A of the State School Fund under subdivisions (a) and (b) in prior fiscal years have exceeded the total amounts actually apportioned in prior fiscal years for the purposes set forth in Sections 41300 and 41301.

(d) The Controller shall also transfer to Section A of the State School Fund any additional amounts appropriated thereto by the Legislature in augmentation of any of the amounts for any of the purposes set forth in Sections 41300 and 41301 and such additional amounts shall be allowed and apportioned by the Superintendent of Public Instruction and warrants therefor drawn by the Controller in the manner provided in Sections 41050, 46304, and 84503 and in this article, Article 2 (commencing with Section 14040), Article 3 (commencing with Section 41330) of Chapter 3, and Article 1 (commencing with Section 41600) of Chapter 4 of Part 24.

(e) The amounts transferred under subdivisions (a) and (b) of this section shall be cumulatively increased by the following amounts:

(1) In the 1981–82 fiscal year, by 7 percent.

(2) In the 1982–83 fiscal year and each fiscal year thereafter, by 6 percent.

14002.5. In making the computation prescribed by subdivision (b) of Section 14002, the Controller shall cumulatively increase the seventy-nine cents ($0.79) amount prescribed by that subdivision by 6 percent annually, and shall cumulatively increase the twenty-one dollar and fifty cents ($21.50) amount prescribed by that subdivision by 6 percent annually.

14004. In addition to all other funds appropriated and transferred to Section A of the State School Fund, the Controller shall annually transfer from the General Fund to Section A of this State School Fund for apportionment during the fiscal year a total amount per pupil in average daily attendance during the preceding fiscal year credited to all elementary, high, and unified school districts and to all county superintendents of schools in the state as certified by the Superintendent of Public Instruction of fourteen cents ($0.14).

14004.5. (a) In addition to all other funds appropriated and transferred to Section A of the State School Fund, the Controller shall annually transfer from the General Fund to Section A of the State School Fund for apportionment during the fiscal year a total amount per pupil in average daily attendance during the preceding fiscal year credited to all elementary, high, and unified school districts and to all the county superintendents of schools in the state as certified by the Superintendent of Public Instruction, of twenty-one dollars and eighty cents ($21.80) for fiscal year 1978–79 and thirty-four dollars and fifty-one cents ($34.51) for fiscal year 1979–80, for apportionments allowed pursuant to Article 5 (commencing with Section 56300) of Chapter 2 of Part 30.

(b) Funds appropriated pursuant to this section and funds available pursuant to Section 41301 shall be used for Part 30 (commencing wth Section 56000) including the Master Plan for Special Education (Chapter 2 (commencing with Section 56300) of Part 30). For the 1977–78 fiscal year, the superintendent shall adjust all special education allowances not previously adjusted pursuant to Chapter 219 of the Statutes of 1977 by 6 percent.

It is the intent of the Legislature that pursuant to the provisions of Chapter 1247 of the Statutes of 1977, and subject to future budget acts, the funds provided in subdivision (a) for the purpose of providing special education services pursuant to Section 56300 shall be sixty-three dollars and fifty-six cents ($63.56) for the 1980–81 fiscal year and one hundred thirteen dollars and eighty-two cents ($113.82) for the 1981–82 fiscal year.

14005. (a) The amount to be transferred to Section A of the State School Fund under Section 14002 shall in each fiscal year be adjusted for errors of average daily attendance reported in prior fiscal years. Adjustment of such errors will be subject to the time limitations as provided in Section 41341. Such adjustments with regard to the amount to be transferred to Section A of the State School Fund shall be at the state's rate of contribution under Section 14002 in effect in

the fiscal year to which the error applied, and shall be applied in accordance with the purposes set forth under Section 41300. The amount of any adjustment shall not, however, cause the amount to be transferred to Section A of the State School Fund during any fiscal year under Section 14002 to be less than one hundred eighty dollars ($180) per pupil in average daily attendance during the preceding fiscal year credited to all elementary, high, and unified school districts and to all county superintendents of schools in the state.

(b) If in any fiscal year the amount transferred to Section A of the State School Fund under Section 41304 is reported to be in error, the Superintendent of Public Instruction shall notify the Controller of such error, and he shall add to or withhold from the next apportionment moneys due the district by transfers from or returns to the General Fund of such erroneous amounts.

14007. In addition to all other funds appropriated and transferred to Section A of the State School Fund, the Controller shall annually transfer from the General Fund to Section A of the State School Fund for apportionment during the fiscal year a total amount of nine cents ($0.09) per pupil in average daily attendance during the preceding fiscal year credited to all elementary, high, and unified school districts and to all county superintendents of schools in the state, as certified by the Superintendent of Public Instruction, for the purposes of Section 41301.5.

14020. (a) The Controller shall during each fiscal year transfer from the General Fund of the state to that portion of the State School Fund restricted for community college purposes, hereinafter called Section B of the State School Fund, such sums, in addition to the sums accruing from other sources, as shall provide in Section B of the State School Fund for apportionment during the fiscal year a total amount per pupil in average daily attendance during the preceding fiscal year credited to all community colleges and adult schools maintained in conjunction with community colleges in the state, as certified by the Chancellor of the California Community Colleges, of one hundred eighty dollars ($180).

(b) The Controller shall also transfer, as needed during each fiscal year, such additional amounts from the General Fund to Section B of the State School Fund as are certified from time to time by the Chancellor of the California Community Colleges to be necessary to meet actual computed apportionments from the State School Fund for the purposes set forth in Section 84300; provided that the total of such additional amounts transferred in a fiscal year shall not exceed, except pursuant to subdivision (c) of this section, four hundred thirty-four dollars and four cents ($434.04) for the 1979–80 fiscal year and fiscal years thereafter, per pupil in average daily attendance during the preceding fiscal year credited to all community colleges in the state, as certified by the Chancellor of the California Community Colleges. Beginning in fiscal year 1979–80, the dollar amount in this subdivision shall be increased annually by 8 percent in fiscal year 1980–81, 7 percent in fiscal year 1981–82, and 6 percent

in fiscal year 1982–83 and each fiscal year thereafter, over the amount applicable for the preceding fiscal year.

(c) In addition to the amounts authorized to be transferred to Section B of the State School Fund from the General Fund under subdivisions (a) and (b), the Controller shall transfer from the General Fund to Section B of the State School Fund during the fiscal year, upon certification of the Chancellor of the California Community Colleges, if necessary to meet actual computed apportionments for the fiscal year for the purposes set forth in Section 84300, an amount not to exceed 1 percent of the total apportionment from Section B of the State School Fund in the preceding fiscal year for the purposes set forth in Section 84300.

(d) The Controller shall also transfer to Section B of the State School Fund any additional amounts appropriated thereto by the Legislature in augmentation of any of the amounts prescribed for any of the purposes set forth in Section 84300, and such additional amounts shall be allowed and apportioned by the Chancellor of the California Community Colleges and warrants therefor drawn by the Controller in the manner provided in this article and Article 2 (commencing with Section 14040) of this chapter.

14021. (a) The amount to be transferred to Section B of the State School Fund under Section 14020 shall in each fiscal year be adjusted for errors of average daily attendance reported in prior fiscal years. Adjustment of such errors are subject to the time limitations as provided in Section 84330. Such adjustments with regard to the amount to be transferred to Section B of the State School Fund shall be at the state's rate of contribution under Section 14020 in effect in the fiscal year to which the error applied, and shall be applied in accordance with the purposes set forth under Section 84300. The amount of any adjustment shall not, however, cause the amount to be transferred to Section B of the State School Fund during any fiscal year under Section 14020 to be less than one hundred eighty dollars ($180) per pupil in average daily attendance during the preceding fiscal year credited to all community colleges and adult schools maintained in conjunction with community colleges in the state.

14035. The county school service fund contingency account is hereby established in the General Fund. In each fiscal year the amount credited to the account shall be one hundred thousand dollars ($100,000). Notwithstanding any provision of Section 14002 to the contrary, the amount to be credited to the county school service fund contingency account each fiscal year shall not be transferred from the General Fund as required or authorized to be transferred by Section 14002 but the amounts required or authorized to be transferred by Section 14002 shall be reduced by the amount to be credited to the contingency account and shall remain in the General Fund to the credit of the contingency account.

The money in the General Fund to the credit of the contingency account shall be transferred by the Controller to the State School Fund in amounts as are certified from time to time by the

Superintendent of Public Instruction to be necessary to meet actual costs to reimburse county superintendents of schools for expenses incurred in providing emergency education to pupils and making financial grants to school districts pursuant to Section 1602 and to reimburse county superintendents of schools for the actual and necessary travel expenses incurred in connection with cooperative county publication projects by the county superintendent of schools or members of his staff, and to reimburse county superintendents of schools for expenses incurred in making emergency financial grants to school districts pursuant to Section 1886.

The amount credited, pursuant to this section, in each fiscal year to the county school service fund contingency account in the General Fund shall be reduced by the amount of the balance remaining to the account on June 30 of the preceding fiscal year and an equal reduction shall be made in the amount of the reduction in the amounts required or authorized to be transferred under Section 14002 in accordance with this section.

SEC. 5. Section 16096.5 is added to the Education Code, to read:

16096.5. From any moneys in the State School Building Aid Fund available for the purposes of this chapter, the board shall make available to the Director of General Services such amounts as it determines necessary to provide the assistance, pursuant to this chapter, required by Section 15504 of the Government Code.

SEC. 6. Section 16250 of the Education Code is amended to read:

16250. Not to exceed two million four hundred twelve thousand two hundred thirty-three dollars and forty-nine cents ($2,412,233.49) of the amount of the proceeds of bonds issued under the State School Building Aid Law of 1966 may be expended pursuant to this article. The funds shall be allocated by the State Allocation Board to a joint powers board of education for the construction of a permanent campus for a newly created regional occupation center school to be located in the south bay area of Los Angeles County, having a population in excess of 1,070,000, and a potential average daily attendance in excess of 10,000 persons. Not to exceed four hundred thousand dollars ($400,000) of such sum shall be allocated and expended for architectural and engineering services in connection with the construction.

Sections 16000 to 16006, inclusive, Sections 16009, 16018 and 16021, inclusive, shall be applicable to the administration of this article, unless the context of this article, as determined by the board requires otherwise.

SEC. 7. Article 6.5 (commencing with Section 16255) of Chapter 8 of Part 10 of the Education Code is repealed.

SEC. 8. Chapter 24 (commencing with Section 17780) is added to Part 10 of the Education Code, to read:

CHAPTER 24. TRANSFER OF EXCESS FUNDS

17780. Notwithstanding any other provision of law, whenever moneys transferred to the General Fund each year from (1) moneys deposited in the Public School Building Loan Fund pursuant to Section 15735, and (2) moneys deposited in the State School Building Aid Fund pursuant to Section 16080, are in excess of the amounts required to reimburse the General Fund on account of principal and interest due and payable for that fiscal year on all school building aid bonds outstanding against the state, an amount equal to such excess is appropriated from the General Fund for purposes of the Leroy F. Greene State School Building Lease-Purchase Law of 1976 (Chapter 22 (commencing with Section 17700) of this part) and Section 39619. The Controller shall transfer, as directed by the State Allocation Board, such appropriated amount to the State School Building Lease-Purchase Fund and to the State School Deferred Maintenance Fund, which is hereby established.

SEC. 9. Chapter 25 (commencing with Section 17785) is added to Part 10 of the Education Code, to read:

CHAPTER 25. EMERGENCY SCHOOL CLASSROOM LAW OF 1979

Article 1. General Provisions

17785. This chapter may be cited as the Emergency School Classroom Law of 1979.

17786. In adopting this chapter, the Legislature recognizes that the ad valorem tax is no longer available as a source of revenue for the construction of necessary school facilities. The Legislature considers that the greatest need in school construction is for classrooms for the education of public school pupils. It is the intent of the Legislature to satisfy this primary need to the greatest extent possible before providing any additional educational facilities, regardless of how desirable such additional facilities may be.

17787. As used in this chapter:

(a) "Board" means the State Allocation Board.

(b) "State School Building Aid Fund" means that fund established pursuant to Section 16096.

(c) "Lessee" means a school district or county superintendent of schools to whom the board has leased a portable classroom pursuant to this chapter.

17788. In addition to such other powers and duties as are granted the board by this chapter, other statutes, or the State Constitution, the board shall have the power to do each of the following:

(a) Establish such qualifications not in conflict with other provisions of this chapter, as it deems will best serve the purposes of this chapter, for determining the eligibility of school districts and county superintendents of schools to lease portable classrooms under this chapter.

(b) Establish such procedures and policies in connection with the administration of this chapter as it deems necessary.

(c) Adopt such rules and regulations for the administration of this chapter requiring such procedure, forms, and information, as it may deem necessary.

(d) Have constructed, furnished, equipped, or otherwise require whatever work is necessary to place, portable classrooms on school sites where needed.

(e) Own, have maintained, and lease portable classrooms to qualifying school districts and county superintendents of schools.

(f) From any moneys in the State School Building Aid Fund available for purposes of this chapter, the board shall make available to the Director of General Services such amounts as it determines necessary to provide the assistance, pursuant to this chapter, required by Section 15504 of the Government Code.

17789. The board shall lease portable classrooms to qualifying school districts and county superintendents of schools for not less than one dollar ($1) per year, nor more than two thousand dollars ($2,000) per year, for each portable classroom, and shall require the lessees to undertake all necessary maintenance, repairs, renewal, and replacement to ensure that a project is at all times kept in good repair, working order, and condition. All costs incurred for this purpose shall be borne by the lessee.

17790. The board shall require lessees to insure at their own expense for the benefit of the state, any leased portable classroom which is the property of the state, against such risks, including liability from the use thereof, in such amounts as the board may deem necessary to protect the interest of the state. All payments resulting from claims made against such insurance shall be made payable to and retained by the board for deposit in the State School Building Aid Fund.

17791. The board shall have authority to adopt rules establishing priorities for the acquisition and leasing of classrooms to those school districts and county superintendents of schools the pupils of which will benefit most. The board may make exceptions from established priorities when it determines that to do so will benefit the pupils affected.

17792. No portable classrooms shall be made available to any school district unless such district furnishes evidence, satisfactory to the board, that the district has no available bond proceeds which could be used for the purchase of classroom facilities.

17793. The board shall have prepared for its use, performance specifications for portable classrooms complying with Sections 39140 to 39156, inclusive, which are capable of being economically moved, and bids for the construction of which can be solicited from more than one responsible bidder. The board shall from time to time solicit bids from, and award to, the lowest responsible competitive bidder, contracts for the construction or purchase of only such numbers of portable classrooms as have been approved for lease to eligible school

districts and county superintendents of schools.

17794. If at any time the board determines that a lessee's need for particular portable classrooms which were made available to the lessee pursuant to this chapter has ceased, the board may take possession of such portable classrooms and may lease them to other eligible districts or county superintendents of schools, or if there is no longer a need for such portable classrooms, the board may dispose of them to public or private parties in such manner as it deems to be in the best interests of the state.

Any revenue which is derived from a lease or other disposition of such portable classrooms pursuant to this section shall be deposited in the State School Building Aid Fund.

17795. The State Board of Education may waive application of the penalty provisions of Section 41376 for school districts which during the school year used portable classrooms leased pursuant to this chapter.

SEC. 10. Chapter 15 (commencing with Section 23400) of Part 13 of the Education Code is repealed.

SEC. 11. Chapter 15 (commencing with Section 23400) is added to Part 13 of the Education Code, to read:

CHAPTER 15. PUBLIC CONTRIBUTIONS

23400. The school districts and other agencies employing members of the State Teachers' Retirement System shall contribute monthly to the Teachers' Retirement Fund 8 percent of the total of the salaries upon which members' contributions are based.

23401. There is hereby appropriated each fiscal year from the General Fund to the State Teachers' Retirement Fund, beginning July 1, 1980, the sum of one hundred forty-four million three hundred thousand dollars ($144,300,000) cumulatively increased or decreased beginning July 1, 1980, by an amount which reflects the change in the California Consumer Price Index in the preceding fiscal year. This index is defined as the average of the composite annual Consumer Price Indexes for the Los Angeles-Long Beach area and the San Francisco-Oakland area, published by the Bureau of Labor Statistics of the United States Department of Labor.

23402. In addition to the appropriation provided by Section 23401, there is hereby appropriated annually from the General Fund to the Teachers' Retirement Fund, the amounts specified below:

	(Millions)
(a) For the fiscal year ending June 30, 1981	$ 10
(b) For the fiscal year ending June 30, 1982	20
(c) For the fiscal year ending June 30, 1983	40
(d) For the fiscal year ending June 30, 1984	60
(e) For the fiscal year ending June 30, 1985	80
(f) For the fiscal year ending June 30, 1986	100
(g) For the fiscal year ending June 30, 1987	120

(h) For the fiscal year ending June 30, 1988	140
(i) For the fiscal year ending June 30, 1989	160
(j) For the fiscal year ending June 30, 1990	180
(k) For the fiscal year ending June 30, 1991	200
(*l*) For the fiscal year ending June 30, 1992	220
(m) For the fiscal year ending June 30, 1993	240
(n) For the fiscal year ending June 30, 1994	260
(o) For the fiscal year ending June 30, 1995	280

For the fiscal year 1994–95 and each fiscal year thereafter, the amount appropriated pursuant to (o) above, shall be increased or decreased by an amount which reflects the change in the preceding fiscal year in the California Consumer Price Index as defined by Section 23401.

24303. The State Controller shall transfer, in equal monthly payments, from the General Fund to the Teachers' Retirement Fund, the amounts specified in Sections 23401 and 23402.

23404. Employer and state contributions made to the system are to finance the employer obligation for all of the members of the system and, therefore, shall not be credited to the individual accounts of the members of the system. Such contributions shall be held in the reserves of the system to finance the employers' share of the cost of all benefits payable by the system. Under no circumstances shall employer contributions be allocated or awarded to individual members, retirants, their spouses or beneficiaries.

23405. Any employer, other than the state, on behalf of any group of members or any member, may elect to make tax-sheltered annuity contributions for the purpose of providing additional benefits. An election by an employer to make such contributions does not require any member to make contributions and such contributions shall continue in effect for such period as shall be specified in the election filed with the board and a member shall acquire no right by reason of his employment while such election is in effect to a continuation of such contributions beyond the period specified in the election.

Whenever in this part provision is made with respect to accumulated tax-sheltered annuity contributions of a member, such term shall include contributions made by an employer pursuant to this section.

Contributions made by an employer under this section are excluded from "compensation" and "salary" as provided in Section 22114.

SEC. 12. Section 24105 of the Education Code is repealed.

SEC. 13. Section 39246 of the Education Code is amended to read:

39246. (a) The governing board of any school district may lease relocatable structures or permanent school buildings for a term extending to the expected duration of use by the school district, but not to exceed 10 years.

(b) Any lease agreement or contract entered into pursuant to this section shall be initiated by resolution authorizing such action and

prescribing the terms thereof adopted by vote of a majority of the members of the governing board.

SEC. 14. Section 39247 of the Education Code is amended to read:

39247. In any lease made pursuant to Section 39246, it shall be competent to provide that the school district lessee may purchase the leased facility at an agreed purchase price and that rental paid for the use of such structure or building shall be applied in whole or in part upon the purchase price.

SEC. 15. Article 2.5 (commencing with Section 39327) is added to Chapter 3 of Part 23 of the Education Code, to read:

Article 2.5. Leasing Facilities

39327. Notwithstanding any other provision of law, the governing board of any school district may enter into a lease or agreement for any school facilities pursuant to this article with a nonprofit corporation organized under Division 2 (commencing with Section 5000) of Title 1 of the Corporations Code if the articles of incorporation or bylaws of the nonprofit corporation provide: (a) that no person shall be eligible to serve as a member or director of the nonprofit corporation, except a person initially approved by resolution of the governing board of the school district, and (b) that no part of the net earnings of the nonprofit corporation shall inure to the benefit of any member, private shareholder, individual, person, firm, or corporation, excepting only the school district.

Any facilities constructed by a nonprofit corporation pursuant to a lease or agreement entered into pursuant to this article shall be constructed under a contract awarded to the lowest responsible bidder pursuant to Chapter 3.5 (commencing with Section 4220) of Division 5 of Title 1 of the Government Code.

39327.1. Notwithstanding any other provision of law, an owner's development lien created pursuant to this article is a covenant for the benefit of the school district or districts expressly described therein which shall, upon recordation with the county recorder of the county in which such real property is located, run with the land described in the document by which the lien is placed of record. The owner's development lien shall be binding upon successors in interest, during their ownership, of any portion of such land affected thereby and each person having an interest therein derived through any owner of the land owned by the covenantor.

The covenant running with the land created by the owner's development lien as provided in this section constitutes a valid covenant notwithstanding the fact that it is created in connection with only one estate and is imposed upon a single parcel and is intended to be for the benefit of a school district or districts who are not a landowner or owners.

39327.2. The sale of bonds for the accomplishment of a school facilities plan shall be subject to the approval of the State Treasurer. Prior to the sale of any such bonds, the State Allocation Board shall

determine concurrently that the proposed facilities are consistent with its building area and costs standards. The State Treasurer and the State Allocation Board may impose a charge and collect a fee for reimbursement of actual costs incurred in accomplishing such approval and determination.

39327.3. Any rental payments required by any lease or agreement entered into pursuant to this article may be paid in annual installments or may be prepaid from state funds or other funds of the school district permissible by law to be used for such purposes at any time during the period of the lease or agreement.

39327.4. Whenever the governing board is of the opinion that a lease or agreement should be entered into with a nonprofit corporation, the board shall adopt a resolution of intention which shall state the following:

(a) The intention of the board to formulate a school facilities plan for the school district or a portion thereof.

(b) A description of the facilities to be included within such school facilities plan.

(c) The estimated expense of carrying out such school facilities plan.

(d) That a map depicting the exterior boundaries of the territory to be benefited by the school facilities plan, as well as schematic drawings depicting the facilities included within such plan, are on file with the secretary of the school district and are available for inspection by any person or persons interested.

(e) A metes and bounds legal description of the area to which an owner's development lien is to be imposed and recorded with the county recorder of the county or counties in which such real property is located.

(f) The intention of the board to cause the formation of a nonprofit corporation the purpose of which is to issue bonds to finance the construction of the facilities included within the school facilities plan and to lease such facilities to the school district.

(g) That the costs to be financed by the nonprofit corporation include, but are not limited to, the costs of land, construction, engineering, capitalized interest not to exceed the period of construction plus two years, architects, State Treasurer and State Allocation Board services, legal and financial consulting fees, bond issuance costs, including a discount not to exceed 10 percent, and reserve funds.

(h) That in the event the nonprofit corporation issues bonds in increments, that bond proceeds may be pooled as shall lease payments for school facilities.

(i) That pursuant to Section 39327.8, an owner's development lien shall be imposed to the benefit of the school district on all real property described in the map on file with the secretary of the school district, exclusive of that real property which is subject to or becomes subject to restrictions that preclude development thereon, for the total amount of the nonprofit corporation's bonded indebtedness,

together with an amount not to exceed 8 percent per year thereon.

(j) That the school district may enforce such lien, as to any amount or amounts in default, by judicial foreclosure proceedings as provided for in Section 39328.4.

(k) That the owner's development lien provided for in this article shall be imposed with the consent of all owners within the final map of the boundaries in equal amounts on each acre or portion thereof within the territory to be benefited by the school facilities plan.

(*l*) That the proposed facilities may or may not be constructed within the boundaries of the territory to be benefited by the school facilities plan as depicted on the map described in subdivision (d).

(m) That the benefited property may include noncontiguous territory and that additional area may subsequently be included by the governing board, subject to assuming a pro rata share of all obligations incurred or to be incurred, plus an amount not less than all costs actually paid.

39327.5. Subsequent to the adoption of the resolution pursuant to Section 39327.4, the secretary of the school district shall mail a copy of such resolution to each owner of property within the territory to be benefited from the school facilities plan as shown on the last equalized assessment roll, as well as the persons that the secretary can reasonably determine may have an interest in such property, except for those persons who have filed written waivers to receive copies of the resolution with the secretary of the district. A copy of the resolution shall be published pursuant to Section 6066 of the Government Code. The school district also shall give such notice to any persons who have in writing requested notice of such proceedings. The secretary of the district also shall mail copies of the resolution to any beneficiary under any deeds of trust on property within the territory to be benefited by the school facilities plan unless written waivers to receive such copies have been filed with the secretary of the school district.

Any owner of real property or owner of an interest in real property, such as a trustee or beneficiary under a deed of trust or similar secured interest, may file written objections to the implementation of the school facilities plan with the secretary of the district, which written objections shall be filed with the secretary no later than 30 days from the date of the mailing of a copy of the resolution.

39327.6. No sooner than 30 days from the date mailing occurs pursuant to Section 39327.5, the governing board of the school district may consider all written objections filed with the secretary of the school district and may, at its discretion, discontinue proceedings pursuant to this article or may adopt, after consideration of written objections, a resolution ordering the implementation of the school facilities plan for the purpose and for the benefit of that territory described in the resolution of intention, provided the owners described in Section 39327.5 have consented in writing to the owner's development lien.

39327.7. The resolution ordering implementation of the school facilities plan shall state the following:

(a) A metes and bounds legal description of the real property to which an owner's development lien is be to imposed;

(b) The names of all owners of record of the real property to which an owner's development lien is to be imposed;

(c) The total amount of the nonprofit corporation's bonded indebtedness secured by the owner's development lien to benefit the school district as described in subdivision (i) of Section 39327.4;

(d) The real property described in the resolution shall be subject to an owner's development lien for a pro rata share on each acre or portion thereof pursuant to the provisions of this article;

(e) That all owners of the real property described in the resolution have consented to the implementation of the owner's development lien; and

(f) That a lease or agreement will be entered into with a nonprofit corporation.

39327.8. After adoption of the resolution ordering implementation of the school facilities plan, such resolution shall be recorded with the county recorder of the county or counties in which such real property subject to the owner's development lien is located.

Upon recordation of the resolution, an owner's development lien is hereby created and attaches to the real property described therein for the cost of implementing the school facilities plan.

39327.9. No sooner than 90 days from the date a resolution is recorded pursuant to Section 39327.8, a nonprofit corporation which has entered into a lease or agreement with the school district pursuant to this article may issue bonds for the purpose of financing all or a portion of the school facilities plan approved pursuant to procedures of this article.

39328. Except as provided in Section 2192.1 of the Revenue and Taxation Code, an owner's development lien imposed for the purposes of this article shall have priority over all fixed special assessment liens, tax liens, or other liens which may thereafter be created against the property. From and after the date of the recording of the owner's development lien, all persons shall be deemed to have notice of the contents thereof.

39328.1. Additional territory may be added to the area described as being benefited by the school facilities plan in the discretion of the governing board, provided the owners consent to the imposition of a lien for all present and future obligations as set forth in the school facilities plan and agree to pay to the district an amount at least equal to all costs incurred from the adoption of the school facilities plan, including its preparation, through the effective date of such modification of the boundary.

Any additional territory added to the area benefited by the school facilities plan pursuant to this section shall be the subject of a resolution described in Section 39327.7 and recorded pursuant to

Section 39327.8.

39328.2. The school district may annually levy any owner's development lien imposed for its benefit against all property benefited by the school facilities plan in amounts sufficient for the district to meet its lease or rental obligations under any lease or agreement entered into pursuant to this article. Such owner's development liens shall be levied in equal amounts on each acre or portion thereof within the territory. Any payment made from state or other district funds shall be used to adjust any levy to be made in the year following such payment.

A school district electing to utilize the provisions of this article may enter into an agreement with the county tax collector for the collection of the annual amounts levied pursuant to this section. The county tax collector shall be entitled to a fee for the reasonable value of such services.

39328.3. An owner's development lien may be released by the board, provided funds are deposited with such board to pay the pro rata amount on each acre or portion thereof, plus any costs of redemption of present and future, if any, debt for the implementation of the adopted school facilities plan.

Upon release of any owner's development lien pursuant to this section, the board shall adopt a resolution specifically providing a legal description of the real property and the record title owners thereof subject to such release. The resolution shall be recorded with the county recorder of the county or counties in which such real property is located.

39328.4. Upon default in any payment of an indebtedness secured by an owner's development lien created pursuant to this article, the school district may bring suit to foreclose against the real property subject to such lien in the manner and subject to the provisions, rights and remedies relating to the foreclosure of a mortgage provided in Chapter 1 (commencing with Section 725a) of Title 10 of Part 2 of the Code of Civil Procedure.

39328.5. The provisions of the Special Assessment Investigation, Limitation amd Majority Protest Act of 1931 (Division 4 (commencing with Section 2800) of the Streets and Highways Code) shall not apply to this article.

39328.6. Any action to contest the validity of this article may be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure, except that an appeal from any judgment rendered in such action shall be made directly to the Supreme Court of the State of California.

SEC. 16. Section 39363 of the Education Code is amended to read:

39363. The funds derived from the sale or from a lease with an option to purchase may be deposited in the general funds of the district if, prior to such sale or lease, the school district governing board and the State Allocation Board have determined that the district has no anticipated need for additional sites or building construction for the five-year period following such sale or lease, and

the district has no major deferred maintenance requirements.

SEC. 17. Section 39453 of the Education Code is repealed.

SEC. 18. Section 39618 is added to the Education Code, to read:

39618. (a) The governing board of each school district may establish an account to be known as the "district deferred maintenance account" in the general fund of the district for the purpose of major repair or replacement of plumbing, heating, air conditioning, electrical, roofing, and floor systems and the exterior and interior painting of school buildings or such other items of maintenance as may be approved by the State Allocation Board. Funds deposited in the district deferred maintenance account may be received from any source whatsoever, and shall be accounted for separately from all other funds and accounts and retained in the district deferred maintenance account for purposes of this section.

(b) Funds deposited in the district deferred maintenance account shall only be expended for maintenance purposes as provided pursuant to subdivision (a).

(c) The governing board of each school district shall have complete control over the funds and earnings of funds once deposited in the district deferred maintenance account, provided that no funds deposited in the district deferred maintenance account pursuant to subdivision (a) or (b) of Section 39619 may be expended by the governing board for any purpose except those specified in subdivision (a) of this section.

SEC. 19. Section 39619 is added to the Education Code, to read:

39619. (a) Whenever a school district has deposited in its deferred maintenance account established pursuant to Section 39618 an amount equal to or greater than that prescribed by this section, and such district's total expenditures and accounts payable for maintenance, repair, or modernization of existing school buildings, as specified in Section 39618, are at least as great as in the previous fiscal year, adjusted in conformance with the percentage change in the Consumer Price Index—All Items, of the Bureau of Labor Statistics of the United States Department of Labor, for that fiscal year, the Superintendent of Public Instruction shall so certify to the State Allocation Board.

(b) The State Allocation Board shall apportion, from the State School Deferred Maintenance Fund, to school districts an amount equal to one dollar ($1) for each one dollar ($1) of local funds up to a maximum of ½ percent of the total general funds budgeted by the district for the fiscal year, exclusive of any amounts budgeted for capital outlay or debt service, to the extent of funds available pursuant to Chapter 24 (commencing with Section 17780) in accordance with the greatest need as reflected in the maintenance plans required by Section 39620.

SEC. 20. Section 39620 is added to the Education Code, to read:

39620. Each district desiring an apportionment pursuant to Section 39619 shall file with the State Allocation Board and receive approval of a five year plan of the maintenance needs of the district

over such period. This plan may be amended from time to time. Any expenditure of funds from the district deferred maintenance account shall conform to the plan approved by the State Allocation Board.

SEC. 21. Section 39621 is added to the Education Code, to read:

39621. From any moneys in the State School Deferred Maintenance Fund, the board shall make available to the Director of General Services such amounts as it determines necessary to provide the assistance, pursuant to this chapter, required by Section 15504 of the Government Code.

SEC. 22. Section 41300 of the Education Code is amended to read:

41300. Commencing with July 1, 1980, the amount transferred to Section A of the State School Fund pursuant to subdivision (a) of Section 14002 shall be expended for basic aid, equalization aid, allowances for adults, and allowances to the county school tuition funds to be apportioned on account of average daily attendance.

SEC. 23. Section 41301 of the Education Code is amended to read:

41301. The amount transferred to Section A of the State School Fund pursuant to Section 14002 and Section 14004 shall be expended in accordance with the following schedule:

(a) Twenty-one dollars and fifty cents ($21.50) multiplied by the total average daily attendance credited during the preceding school year to elementary school districts which during the preceding school year had less than 901 units of average daily attendance, to high school districts which during the preceding school year had less than 301 units of average daily attendance, and to unified districts which during the preceding school year had less than 1,501 units of average daily attendance, but not to exceed an amount equal to eighty-five cents ($0.85) multiplied by the average daily attendance credited during the preceding fiscal year to all elementary, high, and unified school districts and to all county superintendents of schools in the state, for allowance to county school service funds pursuant to subdivision (a) of Section 14054.

Commencing with the 1980–81 fiscal year, the amounts in this subdivision shall be increased annually by the same percentage prescribed by Section 14002.5.

(b) Fourteen dollars and thirty-five cents ($14.35) multiplied by the total average daily attendance credited to all elementary, high, and unified school districts and to all county superintendents of schools in the state, during the preceding school year for the purposes of Article 10 (commencing with Section 41850) of Chapter 5 of this part.

(c) Thirty-eight dollars and thirty cents ($38.30) multiplied by the total average daily attendance credited to all elementary, high, and unified school districts and to all county superintendents of schools in the state, during the preceding school year, for the purposes of Article 3 (commencing with Section 56030) of Chapter 1, Chapter 3 (commencing with Section 56500), Chapter 5 (commencing with Section 56700) of Part 30 of Division 4 of this title, and Sections 41863, 41866, 41892, and 41897.

(d) Four dollars and fifty cents ($4.50) multiplied by the total average daily attendance credited to all elementary, high, and unified school districts and to all county superintendents of schools in the state during the preceding school year for allowances to county school service funds pursuant to subdivision (b) of Section 14054.

Commencing with the 1980–81 fiscal year, the amount in this subdivision shall be increased by the same percentage allowed in Section 14002.5.

(e) Three dollars and sixty-nine cents ($3.69) multiplied by the average daily attendance during the preceding fiscal year credited to all elementary, high, and unified school districts and to all county superintendents of schools in the state for allowances to school districts for the purposes of Section 52205. The amount in this subdivision shall be annually increased by the percentage specified in subdivision (e) of Section 14002. In the 1980–81 fiscal year, up to two hundred twenty-five thousand dollars ($225,000) may be used for evaluation of programs pursuant to Assembly Bill No. 1040 of the 1979–80 Regular Session, if that bill is chaptered.

(f) One thousand three hundred sixty-five dollars and sixty-one cents ($1,365.61) multiplied by the average daily attendance during the preceding fiscal year credited to all elementary, high, and unified school districts and to all county superintendents of schools in the state during the preceding school year for basic aid, equalization aid, allowances for adults, and allowances to the county school tuition funds to be apportioned on account of average daily attendance. The amount expended pursuant to this subdivision shall be annually revised to reflect the adjustment prescribed by subdivision (e) of Section 14002.

(g) Twenty dollars and seventy cents ($20.70) multiplied by the average daily attendance during the preceding school year credited to all elementary, high, and unified school districts and to all county superintendents of schools in the state for purposes of Chapter 4 (commencing with Section 56600) of Part 30 of Division 4 of this title.

SEC. 24. Section 41403 of the Education Code is amended to read:

41403. The Superintendent of Public Instruction shall, for each current fiscal year, determine for each school district in the state, to two decimal points, the following:

(a) The total number of administrative employees, except those serving in positions which are completely supported by categorical grants from any source and are in programs which require specific teacher administrator ratios, or which are completely supported by federal funds.

(b) The total number of teachers except those serving in positions which are completely supported by federal funds or by categorical grants from any source and are in programs which require specific teacher administrator ratios. Substitute teachers may be counted as teachers only if the employee for whom they are substituting is not

counted. In no event shall the number of full-time equivalent teachers reported be greater than the number of full-time equivalent teaching positions in the district.

(c) The total maximum number of administrative employees which should be employed by the district based upon the application of the appropriate ratio prescribed by Section 41402 to the number of teachers determined pursuant to subdivision (b).

(d) The number of administrative employees in excess of the number allowable without penalty as determined by subtracting the number determined pursuant to subdivision (c) from the number determined pursuant to subdivision (a).

The number of employees reported pursuant to subdivisions (a), (b), (c), and (d) shall include the full-time equivalent of all fractional time of such employees.

No individual may be counted as more than one full-time equivalent employee.

SEC. 25. Section 41601.5 is added to the Education Code, to read:

41601.5. Commencing with the 1978–79 fiscal year, a school district with an increase in the number of units of average daily attendance from the second principal apportionment to the annual apportionment may request the county superintendent of schools to adjust the district's revenue limit or block grant by utilizing the units of average daily attendance for the annual apportionment in lieu of the units of average daily attendance for the second principal apportionment. To qualify for this adjustment, the increase in the units of average daily attendance between the two periods shall be equal to or greater than 2 percent and such increase shall be attributable to pupils of migrant agricultural workers.

SEC. 26. Section 41604 of the Education Code is amended to read:

41604. "Miscellaneous funds" as used in Section 41603 means the amount the county superintendent of schools has determined and reported to the Superintendent of Public Instruction in accordance with regulations the Superintendent of Public Instruction are hereby authorized to adopt that the district has received and which has been deposited to the credit of the general fund of the district for a fiscal year on account of in-lieu taxes or income from bonuses or royalties. Federal forest reserve funds received by a district shall not be considered miscellaneous funds as defined by this section. Potash and potassium royalties received pursuant to U.S. federal mineral deposits in excess of nine hundred nine thousand five hundred seventeen dollars ($909,517) shall be considered miscellaneous funds as defined in this section.

SEC. 27. Section 41716 of the Education Code is repealed.

SEC. 28. Section 41716.5 of the Education Code is repealed.

SEC. 28.3. Section 41886.5 is added to the Education Code, to read:

41886.5. The Superintendent of Public Instruction shall establish procedures to limit the minimum number of students required to start a new special class as funded in Sections 41882, 41884, 41885, and

41886 and to proportionately reduce the class allowance for classes started after the beginning of the regular school year.

SEC. 28.5. Chapter 5.3 (commencing with Section 41975) is added to Part 24 of the Education Code, to read:

CHAPTER 5.3. CONDITIONS ON APPORTIONMENTS AND ALLOWANCES

41975. In no event shall the apportionments and allowances to a school district from Section A of the State School Fund in a fiscal year be less than the product of one hundred twenty dollars ($120) multiplied by the average daily attendance of the district in the preceding fiscal year, or two thousand four hundred dollars ($2,400), whichever is the lesser.

41976. (a) Each school district or county superintendent of schools providing services in the special areas specified in subdivision (b) of this section shall maintain a proportional level of service in each service in each fiscal year. If the Superintendent of Public Instruction determines that a district or county superintendent of schools has not maintained a proportional level of service in each component of each category of program specified in subdivision (b), he or she shall reduce such districts or county superintendent entitlement from Section A of the State School Fund by an amount equal to four times the amount which he or she determines that district or county superintendent of schools would have expended to maintain the level of service which was not actually maintained.

(b) The Superintendent of Public Instruction shall adopt rules and regulations for the determination of proportional level of service in each of the following areas:

(1) Child development programs pursuant to Chapter 2 (commencing with Section 8200) of Part 6.

(2) Adult programs in parenting, including parent cooperative preschools, classes in child growth and development, and parent-child relationships, and classes in parenting.

(3) Adult programs in elementary and secondary basic skills in mathematics, history, government, language arts, science, and courses required for a high school diploma.

(4) Adult education programs in English as a second language.

(5) Adult education programs in citizenship for immigrants.

(6) Adult education programs for substantially handicapped persons.

(7) Adult short-term vocational programs with high employment potential.

(8) Adult programs for substantially handicapped persons.

(9) Summer school programs for substantially handicapped persons.

(10) Summer school programs for graduating high school seniors.

(11) Adult programs for survival skill for older adults in health, consumer resources and entitlements, and managing money for

self-maintenance.

(12) Adult education programs for apprentices.

(c) The condition imposed by this section may be waived by the Superintendent of Public Instruction upon certification from the school district or county superintendent of schools that the local demand for the program is less than the required proportional level of service.

SEC. 29. Section 42103.5 of the Education Code, as enacted by Chapter 221, Statutes of 1979, is amended to read:

42103.5. Except in elementary districts employing but one teacher, the publication budget for the ensuing school year to which it is intended to apply, showing program expenditures, cash balances, and all the appropriations from the state as required to be tabulated in Sections 42122 and 42123 for the ensuing and last preceding fiscal year, and the district tax requirement for the school year to which the publication budget is intended to apply and for the last preceding school year, including a summary of the district tax requirements for the ensuing fisal year to be derived by levies on the secured roll as shown on the budget form prescribed for this purpose by the Superintendent of Public Instruction, shall be published by the county superintendent of schools at least once in a newspaper of general circulation published within the district, or if there is no such newspaper, then in any newspaper of general circulation in the district, prior to its adoption. The cost of the publication shall be a proper and legal charge against the school district or districts for which the publication is made, and shall not exceed the rate fixed by the board of supervisors for official advertising. Publication shall be made by the 37th day following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than August 26, and shall contain a notice that a public hearing will be held before the governing board of the school district, in a schoolhouse in the district, or in some other place conveniently accessible to the residents of the district, on or before the 50th day following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than September 7, and provided that such hearing shall not occur prior to three days after the publication budget has been published, at which any taxpayer in the district may appear and object to the proposed budget or any item of the budget. The hearing may be concluded on such publication budget when there are no requests on file for further hearing. The budget shall not be finally adopted by the governing board of the district until after the public hearing has been held. In the case of a school district or districts in which the average daily attendance of all such districts combined is in excess of 200,000, governed by the same governing board, the public hearing on or before the 50th day following the chaptering of

either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than September 7, and provided that such hearing shall not occur prior to three days after the publication budget has been published need not be held if there has been at least one public meeting on the publication budget prior to that time at which public meeting any changes proposed to be made in the publication budget for the final budget shall have been presented.

This section shall remain in effect only until June 30, 1981, and as of such date is repealed, unless a later enacted statute, which is chaptered before June 30, 1981, deletes or extends such date.

SEC. 30. Article 2 (commencing with Section 42230) of Chapter 7 of Part 24 of the Education Code is repealed.

SEC. 31. Article 2 (commencing with Section 42237) is added to Chapter 7 of Part 24 of the Education Code, to read:

Article 2. Apportionments and Revenue Control

42237. (a) For the 1978–79 fiscal year, the county superintendent of schools shall, for each school district in the county:

(1) Utilizing the second principal apportionment units of average daily attendance for the 1978–79 fiscal year and the adult and summer school units of average daily attendance for the 1977–78 fiscal year, recalculate the 1978–79 funding level pursuant to Section 2 of Chapter 292 of the Statutes of 1978, as amended by Chapter 332, Statutes of 1978 and Chapter 119, Statutes of 1979, excluding the adjustments authorized pursuant to former Sections 42239, 42241.7, 42243.6, 42245, and 46605 and 50 percent of the amount of adjustment authorized by Section 42950 as it read prior to amendment by Chapter 238 of the Statutes of 1979.

(2) Deduct the following from the amount determined in paragraph (1):

(A) The amounts which the district received, but not to exceed the amount expended in the 1978–79 fiscal year, for purposes of child development, developmental centers for handicapped pupils, and meals for needy pupils programs from funds provided pursuant to Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978, and Chapter 119 of the Statutes of 1979.

(B) An amount equal to the 1978–79 school year adult average daily attendance generated in the adult education programs specified in Item 316.1 of the Budget Act of 1978 (Ch. 359, Stats. 1978) multiplied by the 1978–79 adult revenue limit computed pursuant to subdivision (f) or (g) of Section 43001 of the Education Code reduced by the district's reduction factor calculated pursuant to Section 2 of Chapter 292 of the Statutes of 1978 as amended by Chapter 332, Statutes of 1978, and Chapter 119, Statutes of 1979.

(3) Add to the amount determined in paragraph (2):

(A) The state apportionments received by the district in fiscal year

1978–79 pursuant to Item 316.1 of the Budget Act of 1978 (Ch. 359, Stats. 1978).

(B) The balances of funds on June 30, 1978, restricted for meals for needy pupils for districts which levied no tax pursuant to Section 49502 of the Education Code in the 1977–78 fiscal year.

(C) One half of the amount of salary increases granted to classified employees of a school district in the fiscal years 1974–75 to 1979–80, inclusive, by the board of supervisors of a city and county.

(D) Any revenue limit increase authorized pursuant to Section 42244 which was not authorized to be levied prior to the 1979–80 fiscal year.

(4) Divide the amount determined in paragraph (3) by the sum of the 1978–79 second principal apportionment units of average daily attendance in the regular school year and in summer programs for graduating high school seniors. That amount shall be known as the school district's revenue limit per unit of average daily attendance for the 1978–79 fiscal year.

(5) The Superintendent of Public Instruction shall determine the statewide weighted mean revenue limit computed pursuant to paragraph (4) of this subdivision for the following groups of districts. For the purpose of this paragraph, "ADA" is the district's regular average daily attendance.

(A) Elementary districts with 100 or less units of ADA.

(B) Elementary districts with more than 100 and less than 901 units of ADA.

(C) High school districts with less than 301 units of ADA.

(D) Unified districts with less than 1501 units of ADA.

(E) Elementary districts with greater than 900 units of ADA.

(F) High school districts with greater than 300 units of ADA.

(G) Unified districts with greater than 1500 units of ADA.

(b) In the 1979–80 fiscal year, the county superintendent shall adjust each school district's revenue limit computed pursuant to subdivision (a) as follows:

(1) Divide the district's prior year revenue limit into the prior year's statewide weighted mean revenue limit for that type of district and multiply that result by the product of 0.086 and the amount determined in subparagraph (G) of paragraph (5) of subdivision (a).

(2) The amount determined in paragraph (1) shall be added to the district's 1978–79 fiscal year revenue limit computed pursuant to paragraph (4) of subdivision (a). That result shall be the district's revenue limit per unit of average daily attendance for the 1979–80 fiscal year.

(c) The county superintendent shall determine the district's total revenue limit for the 1979–80 fiscal year by adding the following:

(1) The amount obtained by multiplying the revenue limit determined pursuant to subdivision (b) by the sum of the second principal apportionment regular average daily attendance, and the product of 0.6 multiplied by the summer average daily attendance

for graduating high school seniors.

(2) The amount determined pursuant to Sections 42239, 42241.7, 42243.6, 42245, and 46605.

(3) The amounts for meals for needy pupils and for development centers for handicapped pupils determined in subparagraph (A) of paragraph (2) of subdivision (a) multiplied by 1.07, and adjusted for pupil participation.

(4) An amount for each unit of adult average daily attendance in the 1978–79 fiscal year for the programs specified in subdivision (b) of Section 41976 as follows:

(A) Determine for each district its 1978–79 fiscal year adult revenue limit per unit of average daily attendance as modified by the appropriate percentage in subdivision (c), (d), or (e) of Section 2 of Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978, as amended by Chapter 119 of the Statutes of 1979.

(B) For districts with an adult revenue limit as determined in subparagraph (A) which is less than the 1978–79 fiscal year statewide average adult revenue limit computed pursuant to subparagraph (A), the adult revenue limit for the 1979–80 fiscal year shall be the amount determined in subparagraph (A) multiplied by 1.07.

(C) For districts with a revenue limit as determined in subparagraph (A) which is between the statewide average adult revenue limit computed pursuant to subparagraph (A) for the 1978–79 fiscal year and the product of 1.07 times that amount the adult revenue limit for 1979–80 fiscal year shall be 1.07 times the 1978–79 fiscal year statewide average adult revenue limit.

(D) For districts with a revenue limit as determined in subparagraph (A) which is greater than 1.07 times the statewide average adult revenue limit computed pursuant to subparagraph (A) the amount computed pursuant to subparagraph (A) for the 1979–80 fiscal year shall be the amount determined in subparagraph (A) except that for any units of adult average daily attendance in excess of that reported for the second principal apportionment of the 1978–79 fiscal year, the adult revenue limit shall be 1.07 multiplied by the 1978–79 fiscal year statewide average adult revenue limit.

(d) In no event shall the amount computed pursuant to this section be less than the product of 1.02 times the amount computed pursuant to Section 2 of Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978, and Chapter 119 of the Statutes of 1979, exclusive of funds expended for the purposes of child development programs.

(e) The Superintendent of Public Instruction shall apportion to each school district in the 1979–80 fiscal year the amount determined in this section less the sum of: (1) the district's property tax revenue received pursuant to Chapter 6 (commencing with Section 95) of Part 0.5 of the Revenue and Taxation Code; (2) the amount, if any, received pursuant to Part 18.5 (commencing with Section 38101) of the Revenue and Taxation Code; (3) the amount if any, received

pursuant to Chapter 3 (commencing with Section 16140) of the Government Code; (4) prior year taxes and taxes on the unsecured roll; (5) fifty percent of the amount received pursuant to Section 41603.

42237.5. (a) For a high school district maintaining a junior high school program in which 7th and 8th grade pupils are in attendance from one or more elementary school districts situated within the high school district, the county superintendent of schools shall adjust the revenue limit computed pursuant to Section 42237, by performing the following computation for each elementary school district from which pupils are in attendance.

(1) Multiply the difference between the high school revenue limit per unit of average daily attendance computed pursuant to Section 42237 and the elementary school district's revenue limit per unit of average daily attendance computed pursuant to Section 42237 by 75 percent.

(2) Compute the difference between the elementary school district tuition rate computed pursuant to Section 37062 and the elementary school district revenue limit per unit of average daily attendance computed pursuant to Section 42237.

(3) If the amount determined in paragraph (1) exceeds the amount determined in paragraph (2), then multiply the difference between the amount computed in paragraph (1) and the amount computed in paragraph (2) by the 7th and 8th grade average daily attendance for the elementary school district. If the amount computed in paragraph (1) is less than the amount computed in paragraph (2), then the difference between the amount computed in paragraph (1) and the amount computed in paragraph (2) shall be deemed to be zero.

(4) Compute the excess, if any, of the elementary school district tuition rate computed pursuant to Section 37062 over the high school district revenue limit per unit of average daily attendance computed pursuant to Section 42237, and multiply the excess by the 7th and 8th grade average daily attendance for the elementary school district.

(b) The total adjustment to the high school revenue limit shall be the sum of the adjustments computed in paragraph (3) of subdivision (a) for each of the elementary school districts minus the sum of the amounts computed in paragraph (4) of subdivision (a) for each of the elementary school districts. Total adjustments so computed which are negative shall be deemed to be zero.

(c) The provisions of this section shall not be applicable to high school districts maintaining a junior high school program for which the high school district revenue limit computed pursuant to Section 42237 exceeds 120 percent of the amount prescribed by subparagraph (F) of paragraph (5) of subdivision (a) of Section 42237.

(d) The provisions of this section shall not be applicable to high school districts maintaining a junior high school program for which no tuition is received pursuant to Section 37062.

42238. (a) For the 1980–81 fiscal year and each fiscal year thereafter the county superintendent of schools shall determine a revenue limit for each school district in the county pursuant to this section.

(b) For the 1980–81 fiscal year, each district with a revenue limit per unit of average daily attendance computed for the 1979–80 fiscal year pursuant to paragraph (2) of subdivision (b) of Section 42237, excluding any funds resulting from an adjustment pursuant to Section 42950 as it read prior to amendment by Chapter 238 of the Statutes of 1979, shall receive the maximum inflation adjustment if that revenue limit is less than the following amounts:

(1) Elementary districts with less than 101 units of average daily attendance, one thousand seven hundred dollars ($1,700).

(2) Elementary districts with more than 100 units of average daily attendance, one thousand three hundred fifty dollars ($1,350).

(3) High school districts with less than 301 units of average daily attendance, one thousand nine hundred dollars ($1,900).

(4) High school districts with more than 300 units of average daily attendance, one thousand seven hundred dollars ($1,700).

(5) Unified districts with less than 1,501 units of average daily attendance, one thousand five hundred twenty-five dollars ($1,525).

(6) Unified districts with more than 1,500 units of average daily attendance, one thousand five hundred dollars ($1,500).

For computation of revenue limits for the 1981–82 fiscal year and each fiscal year thereafter, the amounts specified in paragraphs (1) through (6) shall be cumulatively increased by the amount of the maximum inflation adjustment for the preceding fiscal year.

(c) For the 1980–81 fiscal year, each district with a revenue limit per unit of average daily attendance computed for the 1979–80 fiscal year pursuant to paragraph (2) of subdivision (b) of Section 42237 shall receive the minimum inflation adjustment if that revenue limit is more than the following amounts:

(1) Elementary districts with less than 101 units of average daily attendance, two thousand two hundred dollars ($2,200).

(2) Elementary districts with more than 100 units of average daily attendance, one thousand eight hundred fifty dollars ($1,850).

(3) High school districts with less than 301 units of average daily attendance, two thousand four hundred dollars ($2,400).

(4) High school districts with more than 300 units of average daily attendance, two thousand two hundred dollars ($2,200).

(5) Unified districts with less than 1,501 units of average daily attendance, two thousand and twenty-five dollars ($2,025).

(6) Unified districts with more than 1,500 units of average daily attendance, two thousand dollars ($2,000).

For the commputation of revenue limits for the 1981–82 fiscal year and each fiscal year thereafter, the amounts specified in paragraphs (1) through (6) shall be cumulatively increased by the amount of the difference between the maximum inflation adjustment prescribed in subdivision (d) for the preceding fiscal year and one hundred dollars

($100).

(d) The maximum inflation adjustment shall be one hundred fifty dollars ($150) for the 1980–81 fiscal year; one hundred thirty-nine dollars ($139) for the 1981–82 fiscal year; one hundred thirty dollars ($130) for the 1982–83 fiscal year; and, one hundred thirty-eight dollars ($138) for the 1983–84 fiscal year and each fiscal year thereafter. The minimum inflation adjustment in each fiscal year shall be the amount of the maximum inflation adjustment reduced by sixty-five dollars ($65).

(e) Utilizing the district revenue limit per unit of average daily attendance for the preceding fiscal year computed pursuant to paragraph (2) of subdivision (b) of Section 42237 or this section, as the case may be, the county superintendent of schools shall compute an inflation adjustment as follows:

(1) For districts with a revenue limit per unit of average daily attendance in the preceding fiscal year which was less than the amount specified in subdivision (b), the maximum inflation allowance plus an additional amount not to exceed twenty-five dollars ($25) if the district will qualify for the maximum inflation adjustment in the next succeeding fiscal year.

(2) For districts with a revenue limit per unit of average daily attendance in the preceding fiscal year which was greater than the amount specified in subdivision (b), but less than the amount specified in subdivision (c), determine the difference between the prior year amount specified in subdivision (c) and the district's prior year revenue limit per unit of average daily attendance. Multiply that difference by 65 and divide that product by the difference between the prior year amounts specified in subdivisions (b) and (c). This result added to the minimum inflation adjustment specified in subdivision (d) shall be the inflation adjustment.

(3) For districts with a revenue limit per unit of average daily attendance in the preceding fiscal year which was equal to or greater than the amount specified in subdivision (c) the inflation adjustment shall be the minimum inflation adjustment specified in subdivision (d).

(f) The amount computed pursuant to subdivision (e) shall be added to the revenue limit per unit of average daily attendance computed pursuant to paragraph (2) of subdivision (b) of Section 42237, excluding any funds resulting from an adjustment pursuant to Section 42950 as it read prior to amendment by Chapter 238 of the Statutes of 1979, for the 1980–81 fiscal year, or the amount computed pursuant to this subdivision for the 1981–82 fiscal year and each fiscal year thereafter. This amount shall be known as the school district revenue limit per unit of average daily attendance for the fiscal year for which it was computed.

(g) The county superintendent of schools shall determine the district's total revenue limit for the current year by adding the following:

(1) The amount obtained by multiplying the revenue limit

determined pursuant to subdivision (d) by the sum of the second principal apportionment regular average daily attendance and summer average daily attendance for graduating high school seniors and pupils participating in summer school programs in grades 7 to 12, inclusive, who do not meet the district's adopted proficiency standards.

(2) The amount determined pursuant to Sections 42239, 42241.7, and 42243.6.

(3) The amounts computed in the preceding fiscal year for development centers for handicapped pupils and meals for needy pupils programs multiplied by 1.06, and adjusted for pupil participation.

(4) The amount per unit of adult average daily attendance for the preceding fiscal year multiplied by the product of 1.06 and the number of units of adult average daily attendance for the programs specified in subdivision (b) of Section 41976; provided that in no event shall the amount per unit of adult average daily attendance exceed 1.06 times the prior year maximum.

(h) In no event shall the amount computed pursuant to this section in the 1980–81 fiscal year be less than the product of 1.02 times the amount computed pursuant to subdivision (d) of Section 42237.

(i) The Superintendent of Public Instruction shall apportion to each school district in the 1980–81 fiscal year and in each fiscal year thereafter, the amount determined in this section less the sum of:

(1) The district's property tax revenue received pursuant to Chapter 6 (commencing with Section 95) of Part 0.5 of the Revenue and Taxation Code.

(2) The amount, if any, received pursuant to Part 18.5 (commencing with Section 38101) of the Revenue and Taxation Code.

(3) The amount, if any, received pursuant to Chapter 3 (commencing with Section 16140) of the Government Code.

(4) Prior year taxes and taxes on the unsecured roll.

(5) Fifty percent of the amount received pursuant to Section 41603.

42239. A district may add in Section 42237 or 42238 for purposes of increasing the district's revenue limit for the budget year a portion of its loss in average daily attendance when it is anticipated that the estimated second principal apportionment units of average daily attendance, excluding defined adults and summer school average daily attendance, will be less than those of the preceding year. Loss of average daily attendance due to district reorganization shall not be considered in this calculation. The number of units of average daily attendance to be added is determined as follows:

(a) When the reduction in average daily attendance is 1 percent or more of the preceding year average daily attendance, the district is entitled to two adjustments determined as follows:

(1) The estimated average daily attendance of the budget year may be increased by 75 percent of the reduction.

(2) The estimated average daily attendance of the next succeeding budget year may be increased by 50 percent of the reduction.

(b) When the reduction in average daily attendance is less than 1 percent of the preceding year average daily attendance no adjustment is allowed on account of that reduction, nor does it have any bearing on adjustments made pursuant to paragraph (2) of subdivision (a).

(c) The amount calculated in subdivision (a) times the revenue limit per unit of average daily attendance shall be considered an addition to the district revenue limit.

For the purposes of this section, the amount which may be added to the district's revenue limit on account of the adjustments authorized pursuant to subdivision (a) is the revenue limit per unit of average daily attendance computed pursuant to Section 42237 or 42238.

This amount of adjustment in estimated units of average daily attendance shall be allowed without requiring a reduction in the revenue limit in the subsequent year which otherwise would be required pursuant to Section 42245, except that to the extent that actual data differs from the estimated unit of average daily attendance used in this section, Section 42245 shall be applicable.

42239.5. Any gain or loss of average daily attendance used in the revenue limit calculation in Section 42238 which is due to reclassifying high school average daily attendance to adult average daily attendance pursuant to Chapter 323 of the Statutes of 1976 shall not be used in determining the amount allowed in Section 42239.

Any gain or loss of average daily attendance used in the revenue limit calculation in Section 42238 which is due to attendance in regional occupational centers or programs pursuant to Sections 52321 and 52324 shall not be used in determining the amount allowed in Section 42239.

42240. From funds appropriated for such purposes, the Superintendent of Public Instruction shall apportion funds to school districts pursuant to this section in an amount not to exceed fourteen million six hundred thousand dollars ($14,600,000) in each fiscal year for the 1979–80 and 1980–81 fiscal years.

The revenue limit of each school district with less than 2,501 units of average daily attendance for the second principal apportionment in the 1978–79 fiscal year and approved home to school transportation costs in excess of 3 percent of its general fund total expense of education in the 1978–79 fiscal year shall be increased in the 1979–80 fiscal year and 1980–81 fiscal year by an amount not to exceed the difference between its approved home to school transportation costs in the 1978–79 fiscal year and 3 percent of the district general fund total expense of education in the 1978–79 fiscal year.

In the event that apportionments resulting from the revenue limit increase prescribed by this section exceed fourteen million six

hundred thousand dollars ($14,600,000), the Superintendent of Public Instruction shall adjust on a pro rata basis such apportionments so that the total amount in each fiscal year does not exceed such amount.

This section shall remain in effect only until July 1, 1981, and as of such date is repealed, unless a later enacted statute, which is chaptered before July 1, 1981, deletes or extends such date.

42241.7. (a) For the 1978–79 fiscal year, and each fiscal year thereafter, the revenue limit of any elementary, high, or unified school district authorized pursuant to Sections 42237 and 42238 may be increased by an amount sufficient to provide additional revenue equal to the expenditures estimated to be incurred by the district in the budget year in complying with the following provisions of the Unemployment Insurance Code: Sections 605 and 803, Article 6 (commencing with Section 821) of Chapter 3 of Part 1 of Division 1, or Article 3 (commencing with Section 976) of Chapter 4 of Part 1 of Division 1, less the actual expenditures incurred by the district in the 1975–76 fiscal year in complying with the following provisions of the Unemployment Insurance Code: Section 605.2 and Article 6 (commencing with Section 821) of Chapter 3 of Part 1 of Division 1.

(b) If, at the end of any fiscal year, the actual expenditures of the district specified in subdivision (a) are less than the revenue derived from the increase in revenue limit provided in subdivision (a) for that fiscal year, the difference shall be used in the following fiscal year exclusively for expenditures required pursuant to the Unemployment Insurance Code provisions specified in subdivision (a).

(c) If, at the end of any fiscal year, the actual expenditures of the district specified in subdivision (a) exceed the revenue derived from the increase in revenue limit provided in subdivision (a) for that fiscal year, the difference may be added to the increase in revenue limit, authorized pursuant to this section, in the following fiscal year.

42243.6. The revenue limit of a school district, as determined under Section 42237 or 42238, may be increased by the amount necessary to pay costs mandated by the courts, as defined in Section 2205 of the Revenue and Taxation Code, pursuant to final court orders issued after January 1, 1978, to pay costs mandated by the federal government, as defined in Section 2206 of the Revenue and Taxation Code, pursuant to any federal statutes or regulations enacted or issued after January 1, 1978, and to pay costs mandated by an initiative enactment, as defined in Section 2206.5 of the Revenue and Taxation Code, by means of any initiative statutes or amendments adopted or enacted after January 1, 1978.

The Controller may audit any revenue limit increase under this section and any data related to the establishment thereof. If the Controller determines that such limit exceeds a limit which would be necessary to meet the federally mandated, initiative-mandated, or court-mandated costs, or if the Controller determines that such limit has been increased to pay any cost mandated by a court which has

resulted from litigation entered into in order to avoid the revenue limits established by this chapter, or if the Controller determines that a school district has erroneously concluded that it is subject to costs mandated by the courts or costs mandated by the federal government, the Controller shall immediately notify the governing board of the school district of such determination, and the school district shall reduce its revenue limit by an appropriate amount for the next succeeding fiscal year. In the event that a school district fails to make such a reduction in its revenue limit, the Controller shall request the Attorney General to bring an action under Chapter 2 (commencing with Section 1084) of Title 1 of Part 3 of the Code of Civil Procedure to force a reduction in the limit.

An increase in the revenue limit heretofore or hereafter established pursuant to the provisions of this section shall not be invalidated and may continue to be in effect to meet recurring costs resulting from any program or activity undertaken or implemented by a school district in order to comply with a mandate by the federal government, by initiative enactment, or by the courts, notwithstanding the reversal, repeal, stay, or invalidation of such mandate, if the reversal, repeal, stay, or invalidation of the mandate occurred or occurs after the school district has increased its revenue limit to satisfy continuing contractual obligations entered into in order to undertake, implement or continue the mandated program or activity.

The increase in the revenue limit shall not continue in effect if the reversal, repeal, stay, or invalidation of the mandate is upheld by a final court order.

42244.7. Whenever a special education program is transferred from a school district to a county superintendent of schools pursuant to Section 1710, the revenue limit of such district shall be reduced by the amount of excess cost which the district expended from its revenue limit for such program during the prior fiscal year. This excess cost shall not include expenditures of income from federal sources of tuition.

42245. Whenever any computation required by this article results, because of estimating or other errors, in a total revenue limit in an amount more or less than actual data would have produced, the revenue limit for the succeeding fiscal year shall be reduced by an amount equal to the amount of the error if the total produced was more, and may be increased by an amount up to the amount of the error if the total produced was less.

42246. For the purposes of this article, the Superintendent of Public Instruction shall prescribe regulations which will provide consistent and uniform implementation of the law herein.

SEC. 32. Section 45452 is added to the Education Code, to read:

45452. When a city or county or city and county fails or refuses to adopt standards under which the city or county or city and county shall provide school crossing guards, the governing board of a school district which employs personnel to act as guards at pedestrian

crossings to ensure the safety of elementary school children shall be reimbursed from funds including, but not limited to, those collected pursuant to Sections 42200 and 42201 of the Vehicle Code.

SEC. 33. Section 52045 of the Education Code is repealed.

SEC. 34. Section 52171 of the Education Code is amended to read:

52171. At least once during each school year, the district shall assess each limited-English-speaking pupil. The pupil's achievement in comprehending, reading, and writing English and, to the extent assessment instruments are available, the second language of instruction shall be assessed. At least annually there shall be submitted to the Department of Education an evaluation of pupil progress for every program which has been approved pursuant to this article. The evaluation report shall identify variables, including other programs, which may have affected pupil academic achievement.

It shall also include, but not be limited to, reading comprehension and speaking skills, in English and, to the extent assessment instruments are available, the primary language.

This section shall take effect on July 1, 1978.

SEC. 35. Section 54057 of the Education Code is repealed.

SEC. 36. Section 54057 is added to the Education Code, to read:

54057. There is hereby appropriated from the General Fund to Section A of the State School Fund the sum of eighteen million dollars ($18,000,000) in augmentation of Item 319 of the Budget Act of 1979 for the 1979–80 fiscal year.

SEC. 36.2. Section 56364 of the Education Code is repealed.

SEC. 36.4. Section 56364 is added to the Education Code, to read:

56364. (a) For the 1979–80 fiscal year and each fiscal year thereafter, there is hereby annually appropriated thirty-nine million eight hundred thousand dollars ($39,800,000) for the purposes specified in this section. This appropriation is in addition to the amount provided in the Budget Act for the then current fiscal year for the purposes of apportionment pursuant to this article.

(b) From funds provided in this section and in the Budget Act for apportionment pursuant to this article, each responsible local agency shall receive up to two thousand two hundred ninety-six dollars ($2,296) per pupil approved for funding pursuant to Section 56360. Each responsible local agency that operated programs pursuant to this chapter in the 1977–78 fiscal year shall receive at least the same amount per pupil that was received by such responsible local agency in the 1977–78 fiscal year.

(c) For the 1979–80 fiscal year only, first priority for funds provided in this section and in Item 323 of Chapter 259 of the Statutes of 1979 shall be to fund the per pupil limit specified in subdivision (a) for responsible local agencies that actually operated under this chapter in the 1978–79 fiscal year.

SEC. 37. Section 60200 of the Education Code is amended to read:

60200. The state board shall adopt instructional materials for use in kindergarten and grades 1 through 8 for governing boards, subject

to Section 60265 and to the following provisions:

(a) At least biennially, adoptions shall be made for all applicable levels for the following categories: (1) language arts, (2) mathematics, (3) reading, (4) science, (5) social science, (6) bilingual or bicultural subjects, and (7) any other subject, discipline, or interdisciplinary areas for which the state board may determine the need and desirability for instructional materials to promote the maximum efficiency of pupil learning.

(b) While categories may be designated to be adopted in alternate years, the state board shall adopt not less than five but no more than 15 of any of the following for each subject in each grade: (a) instructional materials, (b) instructional materials systems, (c) instructional materials sets, and, (d) a combination of instructional materials, instructional materials systems, and instructional materials sets, as the state board may select. However, less than five items per subject, per grade may be adopted when the state board establishes that adequate materials are not available for certain grades and subjects. The state board shall not adopt more than two instructional materials sets for each subject in each grade.

(c) In the event that a district board establishes to the satisfaction of the state board that the state-adopted instructional materials do not promote the maximum efficiency of pupil learning in the district, the state board shall authorize that district board to use its instructional materials' credits to purchase, through the Department of Education, materials as specified by the state board, in accordance with standards and procedures established by the state board.

(d) The state board shall establish procedures to provide the most open and flexible submissions, as to timing and processing, to provide collections of instructional materials which, when taken as a whole, illustrate diverse points of view; represent cultural pluralism and provide a broad spectrum of knowledge, information, and a cross section of opinions; and allow for a combination of approaches and media to best meet the goals of a program and the needs of pupils.

(e) Upon making an adoption, the state board shall make available to listed publishers and manufacturers and all school interests a listing of instructional materials. Items placed upon lists shall remain thereon, and be available for procurement through the state's systems of financing, for a period of not less than four years following the date of initial use as established pursuant to subdivision (i). All previous adoptions shall be integrated on lists and made available by subject and level.

(f) The state board may approve multiple lists of instructional materials, without designating a grade or subject, and the state board may designate more than one grade or subject whenever the state board designates that a single subject designation or a single grade designation would not promote the maximum efficiency of pupil learning. Any materials so designated may be placed on single grade or single subject lists, or multigrade or interdisciplinary lists, or may be placed on separate lists including other materials with similar

grade or subject designations; however, all materials so designated shall be adopted subject to the limitations of subdivision (b).

(g) A composite listing in the format of an order form may be used to meet the requirements of this section.

(h) The lists maintained pursuant to this section shall not be deemed to control the use period by any local district.

(i) The state board shall, at the time of initiating the call for bids for instructional materials, establish the date upon which such state-adopted materials shall initially be available for use by the pupils.

SEC. 38. Section 60265 of the Education Code is amended to read:

60265. After any instructional material, including any state-adopted textbook, has been placed in use by a district board subsequent to a biennial adoption, it shall be retained in use by the district for a period of not less than two years after the date of its first use.

Any textbook which has been placed in use by a district board prior to July 1, 1974, pursuant to a state board adoption made prior to August 15, 1972, may be retained in use by the district up to but not beyond the date determined by the state board pursuant to subdivision (e) of Section 60200 for the second biennial adoption in that particular subject.

However, the Superintendent of Public Instruction may exempt materials from these requirements whenever the district board demonstrates that the continued use of the material will contribute to the maximum efficiency of pupil learning.

SEC. 38.5. Part 34 (commencing with Section 62000) is added to the Education Code, to read:

PART 34. EVALUATION AND TERMINATION OF PROGRAMS

CHAPTER 1. GENERAL PROVISIONS

62000. The following educational programs shall cease to be operative on the date specified, unless the Legislature enacts legislation to continue the program after the review prescribed in Section 62006:

(a) Termination date of June 30, 1981:

(1) Driver training.

(2) Instructional television.

(3) Environmental education.

(4) Special education for physically handicapped, educationally handicapped, mentally retarded, severely mentally retarded, and individuals with exceptional needs.

(b) Termination date of June 30, 1982:

(1) Miller Unruh Basic Reading Act of 1965.

(2) Adult education.

(3) Career guidance centers.

(4) Demonstration programs in reading and mathematics.

(5) Instructional materials.
(6) Transportation.
(c) Termination date of June 30, 1983:
(1) School improvement program.
(2) Indian early childhood education.
(3) Professional development centers and staff development centers.
(4) Child care and preschool programs.
(5) Mentally gifted minor programs.
(6) Economic impact aid.
(d) Termination date of June 30, 1984:
(1) Urban impact aid.
(2) Bilingual education.
(3) Indian education centers.

62001. The intent of the Legislature in enacting this section is to assure a thorough review of programs listed in Section 62000 and the funding sources thereof, so that they most effectively, efficiently, and economically meet the needs of pupils and improve schools. It is not the intent of the Legislature in enacting this section to remove resources from students with special needs, or to cease efforts to improve the schools.

62002. If the Legislature does not enact legislation to continue a program listed in Section 62000, the funding of such programs shall continue for the general purposes of that program as specified in the provisions relating to the establishment and operation of the program. Such funds shall be disbursed according to the identification criteria and allocation formulas for the program in effect on the date the program shall cease to be operative pursuant to Section 62000, both with regard to state-to-district and district-to-school disbursements. Such funds shall be used for the intended purposes of the program, but all relevant statutes and regulations adopted thereto regarding the use of such funds shall not be operative, except as specified in Section 62002.5.

62002.5. Parent advisory committees and school site councils which are in existence pursuant to statutes or regulations as of January 1, 1979, shall continue subsequent to the termination of funding for the programs terminated by this chapter. Any school receiving funds from Economic Impact Aid or Bilingual Education Aid subsequent to the termination of such programs as provided in this chapter, shall establish a school site council in conformance with the requirements in Section 52012. The functions and responsibilities of such advisory committees and school site councils shall continue as prescribed by the appropriate law or regulation in effect as of January 1, 1979.

62003. The Department of Education shall apportion the funds specified in Section 62002 to school districts and shall audit the use of such funds to ensure that such funds are expended for eligible pupils according to the purposes for which the legislation was originally established for such programs.

62004. The Auditor General shall audit, on a sampling basis, school districts' use of the funds specified in Section 62002.

62005. If the Superintendent of Public Instruction determines that a school district did not comply with the provisions of this chapter, any apportionment subsequently made pursuant to Section 62003 shall be reduced by two times the amount the superintendent determines was not used in compliance with the provisions of this chapter.

62006. The Legislature shall begin immediately a detailed study which shall insure that each funding source and program be scrutinized regarding, but not limited to, the:

(1) Appropriateness of identification formulas in determining which children have special needs.

(2) Appropriateness of allocation formulas and adequacy of funding.

(3) Effectiveness of programs.

(4) Appropriateness of local control.

(5) Appropriateness of state level involvement in monitor, review, and auditing to assure that funds are being used efficiently, economically, and legally.

(6) Appropriateness of costs of administration at all levels of operating these programs.

(7) Appropriateness of Department of Education administration of categorical programs.

SEC. 39. Section 84370 of the Education Code is amended to read:

84370. (a) No community college district, other than one newly formed, shall, except as otherwise provided in this article, receive its full apportionment from the State School Fund unless it has maintained the regular day schools of the district for at least 175 days during the next preceding fiscal year.

(b) For the purposes of this article, the Board of Governors of the California Community Colleges shall establish standards to determine whether the districts within its jurisdiction have maintained the regular day schools of the district for at least 175 days during the next preceding fiscal year.

(c) If a community college district fails to maintain its schools for the required 175 days, the Board of Governors shall withhold from that district's apportionment the product of 0.01143 times the district's apportionment for each additional day the district would have had to maintain its schools in order to meet the requirement prescribed by this section. This subdivision shall apply retroactively to fiscal year 1975–76 and each fiscal year thereafter.

SEC. 40. Chapter 5 (commencing with Section 84700) of Part 50 of the Education Code is repealed.

SEC. 41. Chapter 5 (commencing with Section 84700) is added to Part 50 of the Education Code, to read:

CHAPTER 5. COMMUNITY COLLEGE APPORTIONMENT

Article 1. Fiscal year 1979–80 Funding

84700. For the 1979–80 fiscal year, the chancellor shall apportion state aid to community college districts, except those addressed by Section 84706, according to the following procedure:

(a) The 1979–80 fiscal year revenues for each community college district shall be its base 1979–80 fiscal year revenues, as defined in Section 84701; plus or minus the average daily attendance adjustment based on incremental costs, as defined in Section 84702; plus the inflation adjustment specified in Section 84703; plus the urban district or small college assistance specified in Section 84704, if applicable; plus the capital outlay or lease/purchase assistance, if any, as specified in Section 84705.

(b) The chancellor shall adjust the amounts determined pursuant to subdivision (a) to provide for prior year adjustments or adjustments which are required pursuant to Sections 84330, 84737 and 84904, as well as adjustments for the effects of annexation or transfer of territory occurring after June 30, 1978.

(c) The chancellor shall also adjust the amounts provided by this article so that:

(1) After deducting the amount received pursuant to Section 84704 from the amounts provided by this article, each district receives at least 1.04 times its fiscal year 1978–79 revenues. Fiscal year 1978–79 revenues shall be defined as those revenues received pursuant to Chapter 292 of the Statutes of 1978, as amended by Chapter 332 of the Statutes of 1978; except that revenues derived for that year on account of Sections 84006 and 85100 shall be excluded.

The provisions of this subdivision shall not apply to any district whose base 1979–80 fiscal year revenues are determined pursuant to Section 84706.

(2) After deducting the amount received pursuant to Section 84704 from the amounts provided by this article, no district receives more than 1.08 times the sum of its fiscal year 1978–79 revenues, as defined in paragraph (1) plus the inflation adjustment as computed pursuant to Section 84703.

(3) No district receives more than a 15 percent per unit increase over its 1978–79 revenues per unit of average daily attendance.

(d) From the 1979–80 fiscal year revenues of each community college district, as adjusted by subdivision (b) or (c), the chancellor shall subtract local property tax revenues, and local tax revenues specified by law for the general operating support of community colleges, exclusive of bond interest and redemption. The remainder shall be the state general apportionment for each such district.

(e) The State Controller shall draw warrants on the State Treasury in favor of the county treasurer of each county containing a community college district at such times and in such amounts as determined by the chancellor; provided that no more than 75

percent of the state general apportionment provided for in this section shall be made prior to February 1, 1980.

(f) On or before February 15, 1980, the chancellor shall publish, and shall provide to the Legislature, a report on revenues per unit of average daily attendance in the community colleges. The report shall include comparisons on a district-by-district basis, as well as on a statewide basis, of revenues per unit of average daily attendance for fiscal years 1978–79 and 1979–80. The report shall also include information on the amounts of actual and estimated sources of revenue that comprise the base for the calculation of revenues per unit of average daily attendance.

(g) For purposes of this article, "average daily attendance" and "attendance ADA" shall mean the attendance of state residents attending within the district.

84701. The base 1979–80 fiscal year revenues for each community college district shall be determined according to the following procedure:

(a) For each district which declined 7 percent or less in average daily attendance between fiscal years 1977–78 and 1978–79, the chancellor shall:

(1) Determine each such district's revenues for the 1977–78 fiscal year by combining its 1977–78 second principal net regular apportionment and state aid for the State Teachers' Retirement System, 1977–78 property tax revenues, 1977–78 income from counties, and tuition transfers received from other districts for average daily attendance generated in 1977–78. From this amount the chancellor shall subtract:

(A) Revenues derived for fiscal year 1977–78 from the capital outlay matching tax authorized by Section 85100.

(B) Revenues derived for fiscal year 1977–78 from bond interest and redemption.

(C) Revenues derived for fiscal year 1977–78 from the tax authorized by Section 84006.

(D) Payments made for fiscal year 1977–78 to other districts for tuition transfers.

(2) The chancellor shall divide the result in paragraph (1) by the average daily attendance for the district in fiscal year 1977–78, thereby computing revenues per unit of average daily attendance for fiscal year 1977–78.

(3) The chancellor shall multiply the 1977–78 revenues per unit of average daily attendance, as computed pursuant to paragraph (2), times the average daily attendance for the district in fiscal year 1978–79. The result shall be the district's base 1979–80 fiscal year revenues.

(b) For each district which declined more than 7 percent in average daily attendance between fiscal years 1977–78 and 1978–79, the chancellor shall determine the district's revenues for fiscal year 1977–78 in the manner specified in paragraph (1) of subdivision (a), and multiply the result times 0.93. The product shall be the district's

base 1979–80 fiscal year revenues.

84702. The base 1979–80 fiscal year revenues for each community college district shall be adjusted for changes in average daily attendance based on incremental costs according to the following procedure:

(a) For each district which declined more than 7 percent in average daily attendance between fiscal years 1977–78 and 1978–79, the average daily attendance for fiscal year 1978–79 shall be defined as 0.93 times the district's average daily attendance for fiscal year 1977–78. For each district which declined 7 percent or less between fiscal years 1977–78 and 1978–79, the average daily attendance for fiscal year 1978–79 shall be the average daily attendance reported by the district for that fiscal year.

(b) The chancellor shall determine the increase or decrease in the number of units of average daily attendance reported by each district between fiscal years 1978–79 and 1979–80, in accordance with the definitions specified in subdivision (a).

(c) The chancellor shall multiply the increase or decrease in such units of average daily attendance by the incremental cost rate. For districts reporting 3,000 or more units of average daily attendance for fiscal year 1978–79, and which have decreased in average daily attendance since 1978–79, the incremental cost rate is defined as two-thirds of the district's revenues per unit of average daily attendance for 1978–79. For districts reporting fewer than 3,000 units of average daily attendance for fiscal year 1978–79, and for districts which have increased in average daily attendance since 1978–79, the incremental cost rate is defined as two-thirds of the statewide revenues per unit of average daily attendance for 1978–79.

(d) For districts which have increased in the number of units of average daily attendance reported bewtween fiscal years 1978–79 and 1979–80, the chancellor shall add the amount computed pursuant to subdivision (c) to the amount computed pursuant to Section 84701. For districts which have decreased in the number of units of average daily attendance reported between fiscal years 1978–79 and 1979–80, the chancellor shall subtract the result computed pursuant to subdivision (c) from the amount computed pursuant to Section 84701.

84703. (a) For districts reporting 3,000 or more units of average daily attendance for fiscal year 1978–79, the chancellor shall add to the amounts determined pursuant to Sections 84701 and 84702 the product of: 0.089 times the statewide revenues per unit of average daily attendance for fiscal year 1977–78; times the quotient of statewide revenues per unit of average daily attendance for fiscal year 1977–78 divided by district revenues per unit of average daily attendance for fiscal year 1977–78; times the average daily attendance for the district for fiscal year 1979–80.

(b) For districts reporting fewer than 3,000 units of average daily attendance for fiscal year 1978–79, the chancellor shall add to the amounts determined pursuant to Sections 84701 and 84702 the

product of: 0.089 times the statewide revenues per unit of average daily attendance for fiscal year 1977–78; times the small district multiplier specified in former Section 84764 or 84765, except using attendance ADA; times the quotient of statewide revenues per unit of average daily attendance for fiscal year 1977–78 divided by district revenues per unit of average daily attendance for fiscal year 1977–78; times the average daily attendance for the district for fiscal year 1979–80.

(c) For purposes of this section, statewide revenues per unit of average daily attendance shall be the quotient of the total of all districts' base revenues, as computed pursuant to Section 84701, divided by the total statewide average daily attendance for fiscal year 1977–78.

84704. (a) The chancellor shall increase district revenues computed pursuant to this article for each of those districts whose second principal apportionment average daily attendance for fiscal year 1977–78 exceeds 28,000, by an amount equal to fifteen dollars ($15) times the 1979–80 average daily attendance reported for each of those districts.

(b) The chancellor shall adjust the district revenues computed pursuant to this article for any multi-college community college district which for the 1977–78 fiscal year included one or more small colleges of less than 3,000 units of average daily attendance, which are located more than 15 miles from the district office; provided that the colleges were in operation on or before July 1, 1977, and accredited by this time as separate institutions by the accrediting commission for community and junior colleges of the Western Association of Schools and Colleges; except that a college in any district that is eligible for the allowance allowed pursuant to Section 84704(a) will not be eligible for the allowance provided in this subdivision.

For each such eligible community college district, the chancellor shall add to the district's revenues, computed pursuant to this article, one-half of the difference between:

(1) The revenue that would have resulted during 1978–79 by applying the small district formula, pursuant to Sections 84764 and 84765, except using attendance ADA, to those units of average daily attendance reported for the small college or colleges within that district; and

(2) The revenues that would have resulted by applying the district's base revenue, computed pursuant to Section 84701, per unit of average daily attendance during 1978–79 to those units of average daily attendance reported for the small college or colleges within that district.

If the amount computed pursuant to paragraph (1) is less than the amount computed pursuant to paragraph (2), there shall be no adjustment made pursuant to this subdivision.

84705. For fiscal year 1979–80, community college districts shall also receive an amount equal to the sum of:

(a) Revenues derived for fiscal year 1978–79, pursuant to Section 84904, from the capital outlay matching tax authorized by Section 85100; provided that the purpose for which the tax was levied has not been fulfilled prior to July 1, 1979; and

(b) Revenues derived for fiscal year 1978–79, pursuant to Section 84904, from the lease/purchase tax authorized by Section 84006; provided that the purpose for which the tax was levied has not been fulfilled prior to July 1, 1979.

84706. For each community college district whose fiscal year 1978–79 revenues per unit of average daily attendance exceeds 2.0 times the statewide average for districts reporting less than 3,000 units of average daily attendance, or 2.0 times the statewide average for all districts, whichever is applicable, the chancellor shall apportion general state aid according to the procedure specified in this article; except that each such district's base 1979–80 fiscal year revenues shall be 1.07 times the amount actually expended by the district during 1977–78 fiscal year for operating expenses defined in objects 1000-5000 of the Community College Budget and Accounting Manual, instead of the amount computed pursuant to Section 84701.

84709. In lieu of the amounts which would otherwise be appropriated pursuant to Sections 14020 and 84301 for the purpose of funding the excess direct cost of providing special facilities, special educational material, educational assistance, mobility assistance, transportation, program accountability, and program developmental services for handicapped students enrolled at community colleges, the sum of fifteen million eight hundred thousand dollars ($15,800,000) is hereby appropriated from the General Fund to the Chancellor of California Community Colleges for the purpose of funding such excess direct costs during the 1979–80 fiscal year.

84715. The Board of Governors, in accordance with rules and regulations adopted by it, shall annually review the need for state funds from Section B of the State School Fund to provide for community college district program changes that require funds which exceed those otherwise provided by this article; and shall include an estimate of such need in its budget for each year. To be eligible for funding, such program changes must have been identified in district plans submitted to the chancellor's office, or by the Board of Governors. Districts receiving program change funding shall report on the use of such funds in accordance with regulations adopted by the board.

The Board of Governors shall study the participation rates of community college districts, and shall recommend, if appropriate, program change funding proposals pursuant to this section for the 1980–81 fiscal year. The study shall include, but not be limited to the following criteria: participation rate of the district and availability of alternate existing programs in the geographic area.

84716. The chancellor of the California Community Colleges shall conduct a study and recommend policy on the determination of credit and noncredit courses, and submit the report to the

Legislature and the California Postsecondary Education Commission on or before January 1, 1980. The California Postsecondary Education Commission shall review the chancellor's office report and make recommendations to the Legislature on or before March 1, 1980.

84717. The chancellor shall conduct a study on the incremental cost rate used in Section 84702 of this article, including a study of the various cost factors that are part of this overall rate. Prior to January 5, 1980, the chancellor shall make recommendations to the Legislture on appropriate changes in this rate or its components.

84718. The chancellor's office shall conduct a study to determine the purposes of transfers which districts made from their general fund to all other funds in 1977–78 and shall report to the Legislature by January 1, 1980.

84719. In lieu of the amounts which would otherwise be appropriated for transfer from the General Fund in the State Treasury to Section B of the State School Fund pursuant to Section 14020 of the Education Code, there is hereby appropriated for transfer by the State Controller as needed during the 1979–80 fiscal year from the General Fund in the State Treasury to Section B of the State School Fund, in addition to the sums accruing to Section B of the State School Fund from other sources, for apportionment pursuant to Article 1 (commencing with Section 84700) of Chapter 5, Part 50 of the Education Code, during the 1979–80 fiscal year, not to exceed the sum of nine hundred sixty million two hundred thousand dollars ($960,200,000). However, no more than 75 percent of the appropriation made by this section shall be disbursed prior to February 1, 1980.

The appropriation made pursuant to this section shall be allocated in the following manner:

(1) For purposes of the state general apportionment for fiscal year 1979–80, exclusive of the apportionment pursuant to Section 84704 of the Education Code, nine hundred fifty-six million one hundred seventy thousand dollars ($956,170,000).

(2) For purposes of subdivision (a) of Section 84704 of the Education Code, two million two hundred ninety thousand dollars ($2,290,000).

(3) For purposes of subdivision (b) of Section 84704 of the Education Code, one million seven hundred forty thousand dollars ($1,740,000).

Article 2. Fiscal Year 1980–81 Funding

84720. For the 1980–81 fiscal year, the chancellor shall apportion general state aid to community college districts according to the following procedure:

(a) The 1980–81 fiscal year revenues for each community college district shall be its base 1980–81 fiscal year revenues, as defined in Section 84721; plus or minus the average daily attendance adjustment based on incremental costs, as defined in Section 84722;

plus the inflation adjustment specified in Section 84723; plus the capital outlay or lease purchase assistance, if any, as specified in Section 84724.

(b) The chancellor shall adjust the amount determined pursuant to subdivision (a) to provide for prior year adjustments or adjustments which are required pursuant to Sections 84330, 84737 and 84904, as well as adjustments for the effects of annexation for transfer of territory occurring after June 30, 1978.

(c) For any district whose revenues computed pursuant to this article are less than 1.01 times the revenues received by the district for fiscal year 1978–79, as defined in paragraph (1) of subdivision (c) of Section 84700, the district shall receive 1.01 times its fiscal year 1978–79 revenues in lieu of amounts computed pursuant to this article.

(d) From the 1980–81 fiscal year revenues of each community college district the chancellor shall subtract local property tax revenues and/or other local tax revenues specified by law for the general operating support of community colleges, exclusive of bond interest and redemption. The remainder shall be the state general apportionment for each such district.

(e) The State Controller shall draw warrants on the State Treasury in favor of the County Treasurer of each county containing a community college district at such times and in such amounts as determined by the chancellor; provided that no more than 75 percent of the state general apportionment provided for in this section shall be made prior to February 1, 1981.

(f) On or before February 15, 1981, the chancellor shall publish, and shall provide to the Legislature, a report on revenues per unit of average daily attendance in the community colleges. The report shall include comparisons on a district-by-district basis, as well as on a statewide basis, of revenues per unit of average daily attendance for fiscal years 1979–80 and 1980–81. The report shall also include information on the amounts of actual and estimated sources of revenue that comprise the basis for the calcuation of revenues per unit of average daily attendance.

(g) For purposes of this article "average daily attendance" and "attendance ADA" shall mean the attendance of state residents attending within the district.

84721. The base 1980–81 fiscal year revenues for each community college district shall be the sum of those revenues received pursuant to Sections 84701 to 84704, inclusive, and 84706.

84722. The base 1980–81 fiscal year revenues for each community college district shall be adjusted for changes in average daily attendance based on incremental costs according to the following procedure:

(a) The chancellor shall determine the increase or decrease in the number of units of average daily attendance reported by each district between fiscal years 1979–80 and 1980–81.

(b) The chancellor shall multiply the increase or decrease in such

units of average daily attendance by the incremental cost rate. For districts reporting 3,000 or more units of average daily attendance for fiscal year 1980–81, and which have decreased in average daily attendance since 1979–80, the incremental cost rate is defined as two-thirds of the district's revenues per unit of average daily attendance for 1979–80. For districts reporting fewer than 3,000 units of average daily attendance for fiscal year 1980–81, and for districts which have increased in average daily attendance since 1979–80, the incremental cost rate is defined as two-thirds of the statewide revenues per unit of average daily attendance for 1979–80.

(c) For districts which have increased in the number of units of average daily attendance reported between fiscal years 1979–80 and 1980–81, the chancellor shall add the amount computed pursuant to subdivision (b) to the amount computed pursuant to Section 84721. For districts which have decreased in the number of units of average daily attendance reported between fiscal years 1979–80 and 1980–81, the chancellor shall subtract the result computed pursuant to subdivision (b) from the amount computed pursuant to Section 84721.

84723. (a) For district's reporting 3,000 or more units of average daily attendance for fiscal year 1979–80, the chancellor shall add to the amount determined pursuant to Sections 84721 and 84722 the product of: the percentage change in the California Consumer Price Index for the 1979 calendar year, as determined by the State Controller, or 7 percent, whichever is lesser; times the statewide revenues per unit of average daily attendance for fiscal year 1979–80; times the quotient of statewide revenues per unit of average daily attendance for fiscal year 1979–80 divided by district revenues per unit of average daily attendance for fiscal year 1979–80; times the average daily attendance for the district for fiscal year 1980–81.

(b) For districts reporting fewer than 3,000 units of average daily attendance for fiscal year 1979–80, the chancellor shall add to the amount determined pursuant to Sections 84721 and 84722 the product of: the percentage change in the California Consumer Price Index for the 1979 calendar year, as determined by the State Controller, or 7 percent, whichever is lesser; times the statewide revenues per unit of average daily attendance for fiscal year 1979–80; times the small district multiplier specified in former Section 84764 or 84765, except using attendance ADA; times the quotient of statewide revenues per unit of average daily attendance for fiscal year 1977–78 divided by district revenues per unit of average daily attendance for fiscal year 1977–78; times the average daily attendance for the district for fiscal year 1980–81.

(c) For purposes of this section, statewide revenues per unit of average daily attendance shall be the quotient of the total of all districts' base revenues, as computed pursuant to Section 84721 divided by the total statewide average daily attendance for fiscal year 1979–80.

84724. For fiscal year 1980–81, community college districts shall

also receive an amount equal to the sum of:

(a) Revenues derived for fiscal year 1978–79, pursuant to Section 84904, from the capital outlay matching tax authorized by Section 85100; provided that the purpose for whch the tax was levied has not been fulfilled prior to July 1, 1980; and

(b) Revenues derived for fiscal year 1978–79 pursuant to Section 84904, from the tax authorized by Section 84006; provided that the purpose for which the tax was levied has not been fulfilled prior to July 1, 1980.

84725. It is the intent of the Legislature that the following categorical programs be funded in the 1980–81 fiscal year by the Budget Act of that year:

(a) Child care and cooperative preschool programs.

(b) Education opportunity programs and services.

84726. The board of governors, in accordance with rules and regulations adopted by it, shall annually review the need for state funds from Section B of the State School Fund to provide for community college district program changes that require funds which exceed those otherwise provided by this article; and shall include an estimate of such need in its budget for each year. To be eligible for funding, such program changes must have been identified in district plans submitted to the chancellor's office, or by the Board of Governors. Districts receiving program change funding shall report on the use of such funds in accordance with regulations adopted by the Board.

84728. In lieu of the amounts which would otherwise be appropriated for transfer from the General Fund in the State Treasury to Section B of the State School Fund pursuant to Section 14020 of the Education Code, there is hereby appropriated for transfer by the State Controller as needed during the 1980–81 fiscal year from the General Fund in the State Treasury to Section B of the State School Fund, in addition to the sums accruing to Section B of the State School Fund from other sources, for apportionment pursuant to this article during the 1980–81 fiscal year, not to exceed the sum of one billion forty seven million dollars ($1,047,000,000). However, no more than 75 percent of the appropriation made by this section shall be disbursed prior to February 1, 1981.

84729. In lieu of the amounts which would otherwise be appropriated pursuant to Sections 14020 and 84301 for the purpose of funding the excess direct cost of providing special facilities, special educational material, educational assistance, mobility assistance, transportation, program accountability, and program developmental services for handicapped students enrolled at community colleges, the sum of fifteen million eight hundred thousand dollars ($15,800,000) is appropriated from the General Fund to the Chancellor of the California Community Colleges for the purpose of funding such excess direct costs during the 1980–81 fiscal year.

84730. (a) No community college district providing services in the special areas specified in subdivision (b) of this section shall

receive any apportionment or allocation from Section B of the State School Fund unless the district maintains a proportional level of service in each service in each fiscal year, beginning in the 1980–81 fiscal year.

(b) The Chancellor's Office of the California Community Colleges shall adopt standards for the determination of proportional level of service in the following areas:

(1) Adult non-credit programs for substantially handicapped persons.

(2) Summer school non-credit programs for substantially handicapped persons.

In no case shall the proportional level of service be less than that required in Section 19.5 of the Budget Act of 1978 (Ch. 359, Stats. 1978.).

(c) The condition imposed by this section may be waived by the Chancellor of the California Community Colleges upon certification from the community college district that the local demand for the program is less than the required proportional level of service.

SEC. 42. Section 84897 of the Education Code is amended to read:

84897. This article shall remain in effect until July 1, 1981, and of such date is repealed.

SEC. 42.5. Section 84904 of the Education Code is amended to read:

84904. (a) The chancellor shall distribute the amount appropriated by subdivision (b) of Section 84902 so that each district receives the same percentage of its target budget after deducting the sum of (1) the apportionment made pursuant to Section 84903 (exclusive of the special apportionment for handicapped), (2) available local property tax revenues, and (3) available district reserves.

(b) "Target budget," for purposes of this section, means the product of 1.068 times the sum of the revenue received for the 1977–78 fiscal year pursuant to Sections 2102, 8329, 8382, 23401, 56810, 56811, 56815, 76482, 81338, 81341, 81342.5, 84006, 84203, 84812, 84870, 85100, 85110, 85132, and 85133.1 and (for the second principal apportionment) Article 5 (commencing with Section 84762) of Chapter 5 of this part of the Education Code, Sections 218, 219, 988, and 992 of the Revenue and Taxation Code, and Section 5302.5 of the Streets and Highways Code.

(c) "Available district reserves", for purposes of this section, means one-third of the unrestricted general fund balance held on June 30, 1978, in excess of five percent of a district's general fund total income for the 1977–78 fiscal year. As used in this section, the "unrestricted general fund balance" shall include funds not otherwise appropriated to a specific activity or purpose and that are not legally obligated. "Unrestricted general fund balance" shall not include any of the following:

(1) Reserves committed prior to June 6, 1978, for contractual obligations.

(2) Reserves restricted by district board action taken prior to June 6, 1978, or by law, or by court order.

(3) Reserves committed prior to June 6, 1978, to a district self-insurance fund.

(4) Reserves committed prior to June 6, 1978, to a capital outlay obligation.

(5) Noncash assets, such as stores, inventory, property and buildings, or other investment purchased prior to June 6, 1978.

SEC. 43. Section 85003.5 of the Education Code, as enacted by Chapter 221, Statutes of 1979, is amended to read:

85003.5. The publication budget of community college districts for the ensuing school year to which it is intended to apply, showing program expenditures, cash balances, and all the appropriations from the state as required to be tabulated in Section 85021 for the ensuing and last preceding fiscal year, and the district tax requirement for the school year to which the publication budget is intended to apply and for the last preceding school year, including a summary of the district tax requirements for the ensuing fiscal year to be derived by levies on the secured roll as shown on the budget form prescribed for this purpose by the board of governors, shall be published by the county superintendent of schools at least once in a newspaper of general circulation published within the district, or if there is no such newspaper, then in any newspaper of general circulation in the district, prior to its adoption. The cost of the publication shall be a proper and legal charge against the community college district or districts for which the publication is made, and shall not exceed the rate fixed by the board of supervisors for official advertising. Publication shall be made by the 37th day following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than August 26, and shall contain a notice that a public hearing will be held before the governing board of the community college district, in a schoolhouse in the district, or in some other place conveniently accessible to the residents of the district, on or before the 50th day following the chaptering of either (1) the Budget Act, or (2) an act providing for the allocation and appropriation of a substantial portion of the state's share of financial support for schools, whichever is later, but in no event later than September 7, and provided that such hearing shall not occur prior to three days after the publication budget has been published, at which any taxpayer in the district may appear and object to the proposed budget or any item of the budget. The hearing may be concluded on such publication budget when there are no requests on file for further hearing. The budget shall not be finally adopted by the governing board of the district until after the public hearing has been held. In the case of a community college district or districts in which the average daily attendance of all such districts combined is in excess of 200,000, governed by the same governing board, the public

hearing during the first week in August need not be held if there has been at least one public meeting prior to that time, but following at least three days the publication of the budget, at which public meeting any changes proposed to be made in that publication budget for the final budget shall have bee presented.

This section shall remain in effect only until June 30, 1981, and as of such date is repealed, unless a later enacted statute, which is chaptered before June 30, 1981, deletes or extends such date.

SEC. 44. Section 10500 of the Government Code is amended to read:

10500. The Legislature finds that auditing is now conducted by various state agencies and recognizes the needs of the executive branch of the state government for periodic and special audits of the revenues and expenditures of any state agency, and the accounting and fiscal reporting systems established in state agencies, as a means of insuring the proper and lawful expenditure of state funds. The Legislature, also, recognizes the necessity of an independent audit, in addition to the audit conducted within the executive branch of state government, for the use of both the executive and legislative branches of the state government in establishing a sound fiscal and administrative policy for the government of the state.

Therefore, it is the desire of this Legislature that the internal auditing be coordinated in the executive branch of the government in the interest of economy and efficiency. It is also the desire of the Legislature to create the Office of the Auditor General, whose primary duties shall be to examine and report annually upon the financial statements prepared by the executive branch of the state and to perform such other related assignments, including performance audits, as may be requested by the Legislature. The authority of the office under the direction of the Joint Legislative Audit Committee is confined to examining and reporting and is in no way to interfere with adequate internal audit to be conducted by the executive branch of the government.

The Legislature also finds that a significant portion of the state budget consists of subventions to local governments and, therefore, it is necessary for the Legislature to establish independent fiscal oversight capability necessary to determine funding priorities and to evaluate the efficiency and necessity of state supported local programs and state programs adminstered by local governments.

SEC. 45. Section 10527 of the Government Code is amended to read:

10527. The Auditor General during regular business hours shall have access to, and authority to examine, any and all books, accounts, reports, vouchers, correspondence files, and other records, bank accounts, and money or other property, of any agency of the State whether created by the Constitution or otherwise, and any public entity, including any city, county, and special district which receives state funds, and it shall be the duty of any officer or employee of any such agency, having such records or property in his possession or

under his control, to permit access to, and examination thereof upon the request of the Auditor General or his authorized representative. Any officer or person who shall fail or refuse to permit such access and examination, shall be guilty of a misdemeanor.

SEC. 46. Section 10528 of the Government Code is amended to read:

10528. The Auditor General, with the approval of the Joint Legislative Audit Committee, shall examine and report annually upon the financial statements prepared by the executive branch of the state to the end that the Legislature will be informed as to the adequacy of such financial statements in compliance with generally accepted accounting principles applied on a basis consistent with that of the preceding fiscal year. In making such examination, he is authorized to make such audit examination of accounts and records, accounting procedures and internal auditing performance as the Joint Legislative Audit Committee may determine and specifically designate to be necessary to disclose all material facts necessary to proper reporting to the Legislature in accordance with the statement of purposes set forth in Section 10500. He shall make such special audits and investigations, including performance audits, of any state agency whether created by the Constitution or otherwise, and any public entity, including any city, county, and special district which receives state funds, as requested by the Legislature or any committee of the Legislature.

SEC. 46.5. Section 16115 of the Government Code is amended to read:

16115. (a) Out of the amount appropriated by Section 16100, the Controller shall pay on or before September 15th of each year to each county auditor the amount claimed under subdivision (a) of Section 16113.

(b) Out of the amount appropriated by Section 16100, the Controller shall pay on or before December 30th of each year to the county auditor one-half of the amount claimed under subdivision (b) of Section 16113 and shall pay the other one-half so claimed on or before April 30th.

(c) Prior to paying any claim pursuant to subdivisions (a) and (b), the Controller shall reduce the amount of a county's share by an amount equal to the amount for that county of excess transfer as determined pursuant to paragraph (3) of subdivision (b) of Section 16260.

(d) "Excess transfer" is that amount by which the sum of money subtracted pursuant to paragraphs (2) and (3) of subdivision (b) of Section 16260 exceeds the amount in paragraph (1) of such subdivision.

(e) The amount of excess transfer subtracted pursuant to subdivision (c) shall serve to reduce the county amount only and not any amount for any school district, community college district, county superintendent of schools, or other local agency, other than the county.

SEC. 47. Section 16117 is added to the Government code, to read:

16117. Notwithstanding any other provision of law, for the 1979–80 fiscal year only, the Controller shall reduce proportionately the amounts paid pursuant to Section 16113 for that fiscal year, so that counties in the aggregate will receive seventeen million four hundred thousand dollars ($17,400,000) less than they would otherwise receive, and so that cities in the aggregate will receive twenty-one million dollars ($21,000,000) less than they would otherwise receive.

SEC. 47.1. Section 16250 of the Government Code is amended to read:

16250. (a) Out of the amount appropriated by Section 16100, there shall be allocated to the cities in this state, for the 1978–79 fiscal year only, two hundred fifty million dollars ($250,000,000) to be distributed as provided in subdivisions (b), (c), and (d) of this section.

(b) (1) For each city the amount of property taxes collected plus the amount of homeowners' and business inventory exemption reimbursement in 1977–78 shall be determined by the Controller.

(2) From the amount determined pursuant to paragraph (1), there shall be subtracted the amount determined for each city in 1978–79 pursuant to Section 26912.1.

(3) The remainder determined pursuant to paragraph (2) shall be aggregated for all cities in the state.

(4) The Controller shall then determine what the percentage of the amount computed for each city pursuant to paragraph (2) is of the total statewide amount computed pursuant to paragraph (3).

(5) The percentage determined pursuant to paragraph (4) shall be applied to the two hundred fifty million dollars ($250,000,000) to determine each city's dollar share of the surplus allocation.

(c) From each city's dollar share of the total allocation, there shall be subtracted an amount equal to one-third of the amount by which the city's general fund reserve balance on July 1, 1978, as defined in subdivision (e), exceeds 5 percent of the city's 1977–78 total revenues. However, this subdivision shall not apply to a city formed during or after fiscal year 1977–78.

(d) The amount determined in paragraph (5) of subdivision (b) minus the amount determined in subdivision (c) shall be distributed to each city by the Controller in accordance with the following schedule:

33 percent—on August 31, 1978, or a subsequent date if the information needed by the Controller is not available by this date.

33 percent—on December 10, 1978.

34 percent—on May 10, 1979.

(e) For the purposes of this section, "General Fund reserve" includes the unappropriated fund balance as of June 30, 1978 of the General Fund. "General Fund reserves" shall not include:

(1) Noncash assets such as stores, inventory, property and

buildings, or other investments purchased prior to June 6, 1978.

(2) Any amounts for self-insurance, for contractual obligations, or for reserves established by law or a governing board policy adopted prior to June 6, 1978.

(3) Any amounts restricted by law or court order.

(4) Any amounts committed to a capital outlay project approved prior to June 6, 1978, by the city council.

(f) For the purpose of this section, the amount of property tax collected pursuant to existing law for the purpose of making annual payments for the interest and principal on outstanding general obligation bonds or other indebtedness approved by the voters prior to July 1, 1978, shall be excluded from all calculations.

(g) Funds distributed under this section shall be distributed first for police and fire protection programs in order not to jeopardize the health and safety of the community. The legislative body shall ensure that the level of police and fire protection programs actually provided in the 1977–78 fiscal year shall be continued in the 1978–79 fiscal year. However, this subdivision shall not apply to a city formed during or after fiscal year 1977–78.

Nothing in this section shall prevent the legislative body from reviewing and establishing its police and fire protection program in the 1978–79 fiscal year in a manner which will make such program more efficient and effective.

Any determination by a city council implementing this section is hereby declared to be a legislative act.

(h) The Controller shall make any necessary reconciliation no later than August 30, 1979.

(i) Notwithstanding any other provision of law, out of the amount appropriated by Section 16100, there shall be allocated to cities formed during or after fiscal year 1977–78, the sum of two hundred twenty-one thousand dollars ($221,000) to be distributed by the Controller on May 10, 1979, as follows:

(1) The sum of seventy-seven thousand dollars ($77,000) to the City of La Habra Heights.

(2) The sum of one hundred forty-four thousand dollars ($144,000) to the City of Grand Terrace.

SEC 47.2. Section 16260 of the Government Code is amended to read:

16260. (a) Except as provided in subdivision (x), out of the amount appropriated by Section 16100, there shall be allocated for counties and cities and counties, for the 1978–79 fiscal year only four hundred thirty-six million dollars ($436,000,000) to be distributed as provided in subdivisions (b), (c), (d), and (e).

(b) (1) For each county and city and county, the amount of property taxes collected, plus the amount of homeowners' and business inventory exemption reimbursements, for the 1977–78 fiscal year shall be computed by the Controller.

(2) From the amount determined pursuant to paragraph (1), there shall be subtracted the amount determined for each county

and city and county in 1978–79 pursuant to Section 26912.1.

(3) From the remainder determined pursuant to paragraph (2), there shall be subtracted the dollar amount of a county's obligation in 1978–79 relieved by Sections 33 and 34 of Chapter 292 of the Statutes of 1978.

(4) The amount determined pursuant to paragraph (3) shall be aggregated for counties and cities and counties in the state.

(5) The Controller shall then determine what the percentage of the amount computed for each county and city and county pursuant to paragraph (3) is of the total statewide amount computed pursuant to paragraph (4).

(6) The percentage determined pursuant to paragraph (5) shall be applied to the amount described in subdivision (a), modified by subdivision (x) if applicable, to determine the dollar share of the surplus allocation for each county and city and county.

(c) From each county's or city and county's surplus allocation, there shall be subtracted an amount equal to one-third of the amount by which the county's or city and county's county general fund reserve balance on July 1, 1978, as defined in subdivision (e), exceeds 5 percent of the county's or city and county's total 1977–78 revenues.

(d) The remainder determined in subdivision (b) minus the amount determined in subdivision (c), if positive, shall be distributed to each county and city and county by the Controller in accordance with the following schedule:

33 percent—on August 31, 1978, or a subsequent date if the information needed by the Controller is not available by this date.

33 percent—on December 10, 1978.

34 percent—on May 10, 1979.

(e) As used in this section, "general fund reserves" includes the fund balance available as of June 30, 1978, of the general fund. "General fund reserves" shall not include:

(1) Noncash assets such as stores, inventory, property and buildings, or other investments purchased prior to June 6, 1978.

(2) Any amounts for self-insurance, for contractual obligations, or for reserves established by law or a governing board policy adopted prior to June 6, 1978.

(3) Any amounts restricted by law or court order.

(4) Any amounts committed to a capital outlay project approved prior to June 6, 1978, by the board of supervisors.

(f) For the purpose of this section, the amount of property tax collections pursuant to existing law for the purpose of making annual payments for the interest and principal on outstanding general obligation bonds or other indebtedness approved by the voters prior to July 1, 1978, shall be excluded from all calculations.

(g) Funds distributed pursuant to this section shall be given first for police, sheriff, and fire protection programs in order not to jeopardize the health and safety of the community. The legislative body shall ensure that the level of police, sheriff, and fire protection programs actually provided in the 1977–78 fiscal year shall be

continued in 1978–79.

Nothing in this section shall prevent the legislative body from reviewing and establishing its police, sheriff, and fire protection program in the 1978–79 fiscal year in a manner which will make such program more efficient and effective.

Any determination by the legislative body implementing this section is hereby declared to be a legislative act.

(h) The Controller shall estimate the amounts required to be determined pursuant to paragraph (3) of subdivision (b).

The Controller shall make any necessary reconciliation no later than August 30, 1979.

(x) The amount allocated in subdivision (a) shall be reduced by an amount equal to the county share of any cost-of-living increase in aid payments under the Aid to Families With Dependent Children program, as provided in Section 35 of Chapter 292 of the Statutes of 1978.

SEC. 47.3. Section 16496.5 of the Government Code is amended to read:

16496.5. It is the purpose of the Local Agency Indebtedness Fund to provide loans, with a maximum term of three years, to local agencies for the purpose of protecting the credit of the state and local agencies by preventing a default, technical or actual, in the payment of a bond of a local agency during the 1978–79 and 1979–80 fiscal years while local agencies are reorganizing revenue sources which support payments on such bonds.

SEC. 47.4. Section 16497.5 of the Government Code is amended to read:

16497.5. There is hereby created in the State Treasury the Local Agency Indebtedness Fund. Loans shall be available to local agencies from such fund for the purpose of making payments due on bonds during the 1978–79 and 1979–80 fiscal years in order to prevent a technical or actual default from occurring in the payments required on such bonds during such fiscal year.

SEC. 47.5. Section 16498 of the Government Code is amended to read:

16498. Any local agency may apply to the board, by no later than June 30, 1980, for a loan pursuant to this article, after the adoption by the legislative body of the local agency of a resolution containing all of the following:

(a) A statement of the amount of principal and interest required to be paid for the 1978–79 or 1979–80 fiscal year on bonds issued and outstanding by the local agency and the time or times at which such principal and interest are payable;

(b) A statement of the amount of local revenues budgeted and available for the payment of principal and interest due on such bonds;

(c) A statement of the amount required as a loan from the Local Agency Indebtedness Fund to the local agency in order to avoid a technical or actual default in payments due on such bonds; and

(d) Where bonds have been issued which are secured by tax increment, evidence that the taxes allocated under subdivision (b) of Section 33670 of the Health and Safety Code are inadequate to make the principal and interest payments on bonds due during the 1978–79 or 1979–80 fiscal year.

SEC. 47.6. Section 16499 of the Government Code is amended to read:

16499. The board shall make a loan to a local agency applying for such loan in order to prevent an imminent default on the bonds of such local agency. All loans shall bear the same interest rate as loans from the Local Agency Emergency Loan Fund. The interest on such loans shall accrue until final payment. All loans shall have a maximum repayment period of three years from the date of approval of the loan. The board may make such loan only after a finding that:

(a) The local agency has insufficient funds to make principal and interest payments during the 1978–79 or 1979–80 fiscal year; and

(b) Where bonds have been issued which are secured by tax increment, evidence that the taxes allocated under subdivision (b) of Section 33670 of the Health and Safety Code are inadequate to make the principal and interest payments on bonds due during the 1978–79 or 1979–80 fiscal year.

SEC. 47.7. Section 16499.5 of the Government Code is amended to read:

16499.5. The board may adopt reasonable rules to administer the Local Agency Indebtedness Fund in accordance with the intent of this article, to protect the credit of the state and its local agencies by preventing imminent defaults on bonds on local agencies during the 1978–79 and 1979–80 fiscal years and to give local agencies time to reorganize revenue sources for the payments due on such bonds.

SEC. 48. Section 26912.3 is added to the Government Code, to read:

26912.3. For purposes of Section 26912, a community college district which annexed territory effective July 1, 1978, shall be assumed to have received the amount of property tax revenue which it would have received had it levied a property tax in such territory in fiscal year 1977–78 at the tax rate levied by the district on property actually within the district in fiscal year 1977–78.

SEC. 49. Section 26912.7 is added to the Government Code, to read:

26912.7. Notwithstanding any other provision of law, for the purposes of subdivision (d) of Section 95 and subdivision (a) of Section 2237 of the Revenue and Taxation Code, a voted override tax voted specifically for a lease or lease purchase of facilities under the provisions of former Section 42244 of the Education Code shall be deemed to be "other indebtedness," if such voter approved override was approved prior to July 1, 1978.

SEC. 50. Section 53898 is added to the Government Code, to read:

53898. (a) Notwithstanding any other provision of law, the officer of each local agency who has charge of the financial records

of such agency shall furnish to the State Controller a report of all the financial transactions of the local agency during the next preceding fiscal year.

(b) The first report shall be furnished within 45 days after the effective date of this section. Thereafter the report shall be furnished 45 days after the close of each fiscal year.

(c) The report shall be in the form and provide the information required by the State Controller.

SEC. 51. Section 54775 of the Government Code is amended to read:

54775. Unless the provisions or context otherwise require, the following definitions shall govern the construction of this chapter:

(a) "Affected local agency" means, in the case of an incorporation, an affected county as defined in Section 35022 or an affected district as defined in Section 35023; or in the case of a formation of a distict as defined in Section 2215 of the Revenue and Taxation Code, an affected city as defined in Section 56021, an affected county as defined in Section 56022 or an affected district as defined in Section 56023, except that district as used in Section 56023 shall have the same meaning as that term is defined in Section 2215 of the Revenue and Taxation Code.

(b) "City officer" means the mayor or a member of the legislative body of the city.

(c) "Commission" means a local agency formation commission created pursuant to this chapter.

(d) "County officer" means a member of the board of supervisors.

(e) "Function" means any power granted by law to a local agency or a county to provide designated governmental or proprietary services or facilities for the use, benefit or protection of persons or property.

(f) "Independent special district" includes any special district having a legislative body all of whose members are elected by registered voters or landowners within the district and excludes any special district having a legislative body consisting, in whole or in part, of ex officio members who are officers of a county or another local agency or who are appointees of such officers. "Independent special district" does not include any district excluded from the provisions of the District Reorganization Act pursuant to the provisions of Section 56039.

(g) "Independent special district officer" means the presiding officer or a member of the legislative body of an independent special district.

(h) "Initiate" or "initiation" means, in the case of proceedings, the first procedural step authorized or required by any law for the commencement of such proceedings, such step being one of the following:

(1) The circulation of a petition requesting any proceedings;

(2) The filing with any officer of a county or a local agency of a notice of intention to circulate such a petition; or

(3) The adoption by a legislative body of a county or a local agency of any resolution, order, or ordinance initiating proceedings on its own motion.

(i) "Local agency" means a city or a special district.

(j) "Principal county," in the case of a special district whose territory is or will be located in two or more counties, shall have the meaning contained in any definition of "principal county," as set forth in the law pursuant to which said special district was or is proposed to be formed. If the law pursuant to which the special district was, or is proposed to be, formed contains no such definition, for purposes of this chapter, "principal county" means the county having all or the greater portion of the entire assessed value, as shown on the last equalized assessment roll of the counties, of the taxable property in, or proposed to be included in, the special district.

(k) "Proceedings" means the procedure authorized and required by any law for the incorporation of a new city, the formation of a special district, the annexation of territory to a local agency or the exclusion of territory from a city, or the disincorporation of a city.

(*l*) "Proponent" means any person intending to circulate or cause the circulation of any petition.

(m) "Service" means a class established within and as a part of a single function, as provided by rules and regulations adopted by the commission pursuant to Article 4 (commencing with Section 54850).

(n) "Special district" means an agency of the state for the local performance of governmental or proprietary functions within limited boundaries. "Special district" does not include the state, a city, a county, or a school district. "Special district" does include a county service area but does not include a special assessment district formed under the Improvement Act of 1911, the Municipal Improvement Act of 1913, the Street Opening Act of 1903, the Vehicle Parking District Law of 1943, the Parking District Law of 1951, the Pedestrian Mall Law of 1960, or any similar assessment law, or any similar procedural ordinance adopted by a chartered city. "Special district" does not include an improvement district or zone formed for the sole purpose of designating an area which is to bear a special tax or assessment for an improvement benefiting that area.

(o) "Open space" means any parcel or area of land or water which is essentially unimproved and devoted to an open-space use as defined in Section 65560.

(p) "Open-space use" means any use as defined in Section 65560.

(q) "Prime agricultural land" means land which qualifies for rating as class I or class II in the United States Soil Conservation Service land-use capability classifications or land which qualifies for rating 80 through 100 in the Storie Index Rating.

(r) "Agricultural preserve" means an area as defined in subdivision (d) of Section 51201.

SEC. 52. Section 54790.3 is added to the Government Code, to read:

54790.3. (a) If the proposal includes the incorporation of a city, as defined in Section 35037, or the formation of a district, as defined in Section 2215 of the Revenue and Taxation Code, the commission shall, pursuant to the provisions of subdivision (b), determine the amount of property tax revenue to be exchanged by the affected local agency.

(b) In making its determination as required by subdivision (a), the commission shall:

(1) Request the county auditor to determine the proportion that the amount of property tax revenue derived by each affected local agency pursuant to subdivision (b) of Section 2237 of the Revenue and Taxation Code bears to the total amount of revenue from all sources, available for general purposes, received by such agency in the prior fiscal year;

(2) Determine, based on information submitted by each affected local agency, an amount equal to the total cost to each affected local agency during the prior fiscal year of providing those services which the new jurisdiction will assume within the area subject to the proposal;

(3) Multiply the amount determined pursuant to paragraph (2) for each affected local agency by the corresponding proportion determined pursuant to paragraph (1) to derive the amount of property tax revenue used to provide services by each affected local agency during the prior fiscal year within the area subject to the proposal.

(4) Following the approval of a proposal subject to this section, the executive officer shall notify the auditor of the amount determined in paragraph (3).

SEC. 53. Section 65974 of the Government Code is amended to read:

65974. For the purpose of establishing an interim method of providing classroom facilities where overcrowding conditions exist, as determined necessary pursuant to Section 65971, and notwithstanding Section 66478, a city, county, or city and county may, by ordinance, require the dedication of land, the payment of fees in lieu thereof, or a combination of both, for classroom and related facilities for elementary or high schools as a condition to the approval of a residential development, provided that all of the following occur:

(a) The general plan provides for the location of public schools.

(b) The ordinance has been in effect for a period of 30 days prior to the implementation of the dedication or fee requirement.

(c) The land or fees, or both, transferred to a school district shall be used only for the purpose of providing interim elementary or high school classroom and related facilities.

(d) The location and amount of land to be dedicated or the amount of fees to be paid, or both, shall bear a reasonable relationship and will be limited to the needs of the community for interim elementary or high school facilities and shall be reasonably

related and limited to the need for schools caused by the development; provided, the fees shall not exceed the amount necessary to pay five annual lease payments for the interim facilities. In lieu of the fees, the builder of a residential development may, at his or her option and at his or her expense, provide interim facilities, owned or controlled by such builder, at the place designated by the school district, and at the conclusion of the fifth school year the builder shall, at the builder's expense, remove the interim facilities from such place.

(e) A finding is made by the city council or board of supervisors that the facilities to be constructed from such fees or the land to be dedicated, or both, is consistent with the general plan.

The ordinance may specify the methods for mitigating the conditions of overcrowding which the school district shall consider when making the finding required by subdivision (b) of Section 65971.

If the payment of fees is required, such payment shall be made at the time the building permit is issued.

Only the payment of fees may be required in subdivisions containing 50 parcels or less.

SEC. 54. Section 65979 is added to the Government Code, to read:

65979. After a school district has received an apportionment pursuant to the Leroy F. Greene State School Building Lease-Purchase Law of 1976 (Chapter 22 (commencing with Section 17700) of Part 10 of the Education Code), the city or county shall not be permitted thereafter, pursuant to this chapter or pursuant to any other school facilities financing arrangement such district may have with builders of residential developments, to levy any fee or to require the dedication of any land within the attendance area of the district.

SEC. 55. Section 65980 is added to the Government Code, to read:

65980. Interim facilities for purposes of Section 65974 shall be limited to temporary classrooms, including their utilities, furnishings, and toilet facilities not constructed with permanent foundations.

SEC. 56. Section 65981 is added to the Government Code, to read:

65981. If an ordinance has been adopted pursuant to Section 65974 which provides for the school district governing body to recommend the fees for providing interim facilities that are to be assessed on a development as a condition of city or county approval of a subdivision, such recommendation shall be required to be submitted to the respective city or county within 60 days following the issuance of the initial permit for the development. Failure to provide the recommendation of fees to be assessed within the 60-day period shall constitute a waiver by the governing body of the school district of its authority to request fees pursuant to this chapter.

SEC. 57. Section 66434.1 is added to the Government Code, to read:

66434.1 In the event that an owner's development lien has been created pursuant to the provisions of Article 2.5 (commencing with

Section 39327) of Chapter 3 of Part 23 of the Education Code on the real property or portion thereof subject to the final map, a notice shall be placed on the face of the final map specifically referencing the book and page in the county recorder's office in which the resolution creating the owner's development lien was recorded. The notice shall state that the property subdivided is subject to an owner's development lien and that each parcel created by the recordation of the final map shall be subject to a prorated amount of the owner's development lien on a per acre or portion thereof basis.

SEC. 58. Section 11836 of the Health and Safety Code is amended to read:

11836. Commencing with the 1979–80 fiscal year, the cost of all services specified in the approved county program budget, other than state hospital services provided on and after January 1, 1980, shall be paid by the state, irrespective of where or by whom the services are provided, except for services to be financed from other public or private sources as provided for in the county program budget. State hospital services shall be financed on a basis of 90 percent state funds and 10 percent county funds commencing January 1, 1980. Where the services specified in the approved program budget are provided pursuant to other general health or social programs, only that portion of the service dealing with the prevention of alcoholism, and the treatment and rehabilitation of alcoholics and their families may be financed under this division.

For the purposes of this section, "county program budget" shall mean the total of state funds to be advanced to the county and any required county match.

This section shall remain in effect only until July 1, 1982, and on that date is repealed.

SEC. 58.5. Section 11836 is added to the Health and Safety Code, to read:

11836. The cost of all services specified in the approved county program budget shall be financed on a basis of 90 percent state funds and 10 percent county funds, irrespective of where or by whom the services are provided, except for services to be financed from other public or private sources as provided for in the county program budget. Where the services specified in the approved program budget are provided pursuant to other general health or social programs, only that portion of the service dealing with the prevention of alcoholism, and the treatment and rehabilitation of alcoholics and their families may be financed under this division.

For the purposes of this section, "county program budget" shall mean the total of state funds to be advanced to the county and the required county match.

This section shall become operative on July 1, 1982.

SEC. 59. Part 0.5 (commencing with Section 95) is added to Division 1 of the Revenue and Taxation Code, to read:

PART 0.5. IMPLEMENTATION OF ARTICLE XIII A OF THE CALIFORNIA CONSTITUTION

CHAPTER 6. ALLOCATION OF PROPERTY TAX REVENUES

95. For the purpose of this chapter,

(a) "Local agency" means a city, county, city and county, and special district, as such terms are defined in Article 1 (commencing with Section 2201) of Chapter 3 of Part 4; provided, that the Bay Area Air Quality Management District shall be considered a special district.

(b) "Jurisdiction" means a local agency, school district, community college district, or county superintendent of schools.

For jurisdictions located in more than one county, the county auditor of each county in which such jurisdiction is located shall, for the purposes of computing the amount for such jurisdiction pursuant to this chapter, treat the portion of the jurisdiction located within that county as a separate jurisdiction.

(c) "Property tax revenue" includes the amount of state reimbursement for the homeowners' and business inventory exemptions.

"Property tax revenue" does not include the amount of property tax levied for the purpose of making payments for the interest and principal on outstanding general obligation bonds or other indebtedness approved by the voters prior to July 1, 1978, including tax rates levied pursuant to Part 10 (commencing with Section 15000) of Division 1 of, and Sections 39308, 39311, 81338, and 81341 of the Education Code, and Section 26912.7 of the Government Code.

(d) "Taxable assessed value" means total assessed value minus all exemptions other than the homeowners' and business inventory exemptions.

(e) "Jurisdictional change" includes a change of organization, as defined in Section 35027 of the Government Code, an incorporation, as defined in Section 35037 of the Government Code, a municipal reorganization, as defined in Section 35042 of the Government Code, a change of organization, as defined in Section 56028 of the Government Code, a formation, as defined in Section 56042 of the Government Code, and a reorganization, as defined in Section 56068 of the Government Code. The term "special district," as used in the aforementioned definitions, shall have the same meaning as that term is defined in Article 1 (commencing with Section 2201) of Chapter 3 of Part 4; provided, that the Bay Area Air Quality Management District shall be considered a special district.

Jurisdictional change shall also include a functional consolidation where two or more local agencies, except two or more counties, exchange or otherwise reassign functions and any change in the boundaries of a school district or community college district.

(f) "School entities" means school districts, community college districts, and county superintendents of schools.

(g) Except as otherwise provided in this subdivision, "tax-rate area" means a specific geographic area all of which is within the jurisdiction of the same combination of local agencies and school entities for the current fiscal year.

In the case of a jurisdictional change pursuant to Section 99, the area subject to such change shall constitute a new tax-rate area.

(h) "State assistance payments" means:

(1) For counties and cities and counties, amounts determined pursuant to subdivision (b) of Section 16260 of the Government Code, increased by the amount specified for each county pursuant to Section 94 of the act adding this section to the Revenue and Taxation Code, with the resultant sum reduced by an amount derived by the calculation made pursuant to Section 16713 of the Welfare and Institutions Code.

(2) For cities, 82.91 percent of the amounts determined pursuant to subdivisions (b) and (i) of Section 16250 of the Government Code plus for any city an additional amount equal to one-half of the amount of any outstanding debt as of June 30, 1978, for "museums" as shown in the State Controller's "Annual Report of Financial Transactions of Cities for Fiscal Year 1977–78."

(3) For special districts, 95.24 percent of the amounts received pursuant to Chapter 3 (commencing with Section 16270) of Part 1.5 of Division 4 of Title 2 of the Government Code, Section 35.5 of Chapter 332 of the Statutes of 1978, and Chapter 12 of the Statutes of 1979.

(i) "City clerk" means the clerk of the governing body of a city or city and county.

96. For the 1979–80 fiscal year only, property tax revenues shall be allocated by the county auditor, subject to the allocation and payment of funds as provided for in subdivision (b) of Section 33670 of the Health and Safety Code, to each jurisdiction as follows:

(a) Each local agency shall be allocated an amount of property tax revenue equal to the sum of the amount of property tax revenue allocated pursuant to Section 26912 of the Government Code to each local agency for the 1978–79 fiscal year, modified by any adjustments required by Section 99, and increased by the amount of state assistance payments allocated to each local agency.

(b) The auditor shall determine the school entities' share of the 1979–80 property tax revenue by subtracting the state assistance payments allocated to local agencies within the county in the 1978–79 fiscal year from the aggregate amount of property tax revenue allocated pursuant to Section 26912 of the Government Code to all school entities within the county in the 1978–79 fiscal year. The amount of the difference shall be the 1979–80 school entities' share of property taxes for fiscal year 1979–80, and shall be allocated to the school entities in the same proportion as the allocation made to such jurisdictions in the 1978–79 fiscal year.

(c) The difference between the total amount of property tax revenue and the amounts allocated pursuant to subdivisions (a) and

(b) shall be allocated pursuant to Section 98.

(d) For the purposes of computing property tax allocations for the 1978–79 fiscal year and each year thereafter, the county auditor shall recompute the 1978–79 property tax allocation for any city which levied a utility users' tax prior to 1978 but repealed such tax prior to December 31, 1977. For such cities, property tax revenues for the 1975–76, 1976–77, and 1977–78 fiscal years shall be deemed to include revenue from the city's utility users' tax for those respective years.

97. For the 1980–81 fiscal year and each fiscal year thereafter, property tax revenues shall be allocated by the county auditor, subject to allocation and payment of funds as provided for in subdivision (b) of Section 33670 of the Health and Safety Code, to each jurisdiction in the following manner:

(a) Each jurisdiction shall be allocated an amount of property tax revenue equal to the amount of property tax revenue allocated pursuant to this chapter, notwithstanding the provisions of Section 98.6, to each jurisdiction in the prior fiscal year, modified by any adjustments required by Section 99.

(b) The difference between the total amount of property tax revenue and the amounts allocated pursuant to subdivision (a) shall be allocated pursuant to Section 98, and shall be known as the "annual tax increment".

98. The difference between the total amount of property tax revenue and the amounts allocated pursuant to subdivisions (a) and (b) of Section 96 or subdivision (a) of Section 97, shall be allocated, subject to allocation and payment of funds as provided for in subdivision (b) of Section 33670 of the Health and Safety Code, as follows:

(a) Within each tax-rate area, the auditor shall determine an amount of property tax revenue by multiplying the value of the change in taxable assessed value from the prior to the current fiscal year by a tax rate of four dollars ($4) per one hundred dollars ($100) of assessed value.

(b) Each amount determined pursuant to subdivision (a) shall be divided by the total of all such amounts computed for tax rate areas within the county.

(c) The difference between the total amount of property tax revenue for the county and the sum of the amounts allocated pursuant to subdivisions (a) and (b) of Section 96 or subdivision (a) of Section 97 shall be computed.

(d) The amount determined pursuant to subdivision (c) shall be multiplied by the quotients determined pursuant to subdivision (b) to derive, for each tax rate area, the amount of property tax revenue attributable to changes in assessed valuation.

(e) The amount of property tax revenue determined pursuant to subdivision (d) shall be distributed to the various jurisdictions whose boundaries include the tax-rate area in the same proportion that the total property tax revenue allocated to the jurisdiction with respect to the tax-rate area in the prior year bears to the total property tax

revenue allocated to all jurisdictions in the tax-rate area in the prior year.

(f) For the 1979–80 fiscal year only:

(1) The amount of property tax revenue, attributable to the tax-rate area, for each jurisdiction for the prior fiscal year shall be considered to be the total property tax revenue for such jurisdiction for fiscal year 1978–79 allocated among tax-rate areas in the same proportion which the taxable assessed valuation for fiscal year 1978–79 in each tax-rate area bears to the total taxable assessed valuation of all tax-rate areas in which the jurisdiction was located in fiscal year 1978–79.

(2) Property tax revenue received by local agencies in the prior fiscal year shall include the amount of state assistance payments allocated to each local agency, allocated among tax-rate areas in proportion to the jurisdiction's taxable assessed valuation within each tax-rate area for the 1978–79 fiscal year.

(3) Property tax revenue received by school entities in the prior fiscal year shall be reduced by the adjustments required by subdivision (b) of Section 96, allocated among tax-rate areas, in proportion to the school entity's taxable assessed valuation within each tax-rate area for the 1978–79 fiscal year.

98.6. (a) Notwithstanding any other provision of this chapter, the amount allocated pursuant to Sections 96 or 97, and 98, to a special district, as defined in Article 1 (commencing with Section 2201) of Chapter 3 of Part 4, excluding multi-county districts, shall be reduced by an amount computed as follows:

(1) A ratio shall be computed for each such special district equal to the amount of state assistance payment received by such special district for the 1978–79 fiscal year divided by the sum of such state assistance payment for the special district plus the amount of property tax revenue allocated to the special district for the 1978–79 fiscal year pursuant to Section 26912 of the Government Code.

(2) The amount by which the allocation pursuant to Sections 96 or 97, and 98, shall be reduced shall be equal to such allocation multiplied by the factor computed for the district pursuant to paragraph (1).

(3) The total of all amounts computed for special districts within each county shall be deposited in the county's Special District Augmentation Fund, which shall be allocated pursuant to subdivision (b).

(b) There is hereby created a Special District Augmentation Fund in each county to augment the revenues of special districts The auditor shall, on or before July 10 of each year, notify each governing body, as defined in Section 16271 of the Government Code, of the amount allocated to it pursuant to this section.

Within 15 days of such notice, the governing body shall hold a public hearing for the purpose of determining the distribution of such funds. The governing body shall send written notice to the legislative body of each special district which is not governed by the

board of supervisors or the city council and shall publish such notice in a newspaper of general circulation in the county not less than three days prior to the hearing. The notice shall include the following: (1) The amount of funds available to special districts, and (2) the time and place of the hearing.

Within 30 days of the notice of allocation, the governing body shall determine the amount of funds to be disbursed to each special district. The funds provided for by this shall be used exclusively for special districts and shall not be used for any general county or municipal expenses.

The county auditor shall disburse funds to the special district in the same manner as disbursements which are made from the county treasurers property tax trust fund.

98.8. In addition to the amounts provided for in Section 98.6, pursuant to a resolution adopted by its governing board, a county or city may distribute funds to any special district from any available county or city sources.

99. (a) For the purposes of the computations required by this chapter:

(1) In the case of a jurisdictional change, other than a city incorporation or a formation of a district as defined in Section 2215 of the Revenue and Taxation Code, the auditor shall adjust the amount of property tax revenue determined pursuant to Section 96 or 97, for each local agency whose service area or service responsibility would be altered by such jurisdictional change, as determined pursuant to subdivision (b).

(2) In the case of a city incorporation or a formation of a district as defined in Section 2215 of the Revenue and Taxation Code, the auditor shall assign the amount of property tax revenues determined pursuant to Section 54790.3 of the Government Code to the newly formed city or district and shall make the adjustment as determined by Section 54790.3 in the amount of property tax revenue determined pursuant to Section 96 or 97 for each local agency whose service area or service responsibilities would be altered by such incorporation or formation.

(b) Prior to the effective date of any jurisdictional change, other than a city incorporation or a formation of a district as defined in Section 2215 of the Revenue and Taxation Code, the governing bodies of all agencies whose service areas or service responsibilities would be altered by such change shall meet to determine the amount of property tax revenues to be exchanged between and among such affected agencies. Notwithstanding any other provision of law, no such jurisdictional change shall become effective until each county and city included in such negotiation agrees, by resolution, to accept the negotiated exchange of property tax revenues.

In the event that such a jurisdictional change would affect the service area or service responsibility of one or more special districts, the board of supervisors of the county or counties in which such district or districts are located shall, on behalf of the district or

districts, negotiate any exchange of property tax revenues.

During any negotiation period, all revenue from the annual tax increment attributable to the tax-rate area or areas within the territory subject to the jurisdictional change for the affected agencies and which has not yet been distributed to such affected agencies for the fiscal year or years in which negotiations take place shall be impounded. The auditor shall determine the amount of revenue to be impounded based on the statement received from the executive officer pursuant to subdivision (e). The auditor shall not allocate any such revenue until he or she receives notice that an agreement has been reached pursuant to this subdivision.

Upon adoption of any resolution pursuant to this paragraph, the adopting agencies shall notify the county auditor who shall make the appropriate adjustments as provided in subdivision (a).

(c) In addition to the filings required pursuant to Chapter 8 (commencing with Section 54900) of Part 1 of Division 2 of Title 5 of the Government Code, a copy of the statement as provided by Section 54901 of the Government Code shall be forwarded to the auditor of each county within which any affected agency is located.

(d) Except as otherwise provided in sudivision (e), for the purpose of determining the amount of property tax to be allocated in 1979–80 and thereafter for those local agencies which were affected by a jurisdictional change which was effective during fiscal year 1978–79, the auditor shall impound all revenue from the annual tax increment attributable to the tax-rate area or areas within the territory subject to the jurisdictional change for such affected local agencies, until such local agencies determine by resolution the amount of property tax revenues to be exchanged between and among such affected agencies and notify the auditor of such determination.

(e) For purposes of the computations made pursuant to this section, in the case of a city incorporation, which occurred during the 1978–79 fiscal year, the amount of property tax revenue considered to have been received by such jurisdiction for the 1978–79 fiscal year shall be equal to two-thirds of the amount of property tax revenue projected in the final local agency formation commission staff report pertaining to such incorporation multiplied by the proportion that the total amount of property tax revenue received by all jurisdictions within the county for the 1978–79 fiscal year bears to the total amount of property tax revenue received by all jurisdictions within the county for the 1977–78 fiscal year.

100. (a) On or before August 31, 1979, and on or before June 30 of each year thereafter, any jurisdiction may request that the amount computed for it pursuant to this chapter be reduced for the next fiscal year by a specified amount. Upon such request, the county auditor shall compute an effective tax rate reduction by dividing the amount of property tax revenue to be reduced by the taxable assessed value on the secured roll of the jurisdiction and multiplying the quotient by 100. The effective tax rate reduction shall be applied

to the taxable assessed value on each secured roll tax bill for property within the jurisdiction, and the resulting amount shall be subtracted from the property tax owed by the taxpayer which is attributable to the tax rate provided by subdivision (b) of Section 2237. This subtracted amount shall be shown on each such tax bill with a notation reading: "Tax reduction by (name of jurisdiction)." The same effective tax rate reduction shall be applied in a comparable manner to the taxable assessed value on the next succeeding unsecured roll tax bill for property within the jurisdiction.

(b) Notwithstanding any other provision of law, if a school entity acts pursuant to subdivision (a), the state shall not increase school apportionments to such school entity to make up the reduction in property tax revenues.

(c) Effective tax rate reductions made pursuant to this section shall not be taken into account in computing property tax allocations pursuant to Sections 95 to 99, inclusive, of this chapter.

CHAPTER 7. EXCESS TAX REVENUES

100.1. The Superintendent of Public Instruction shall determine in August of each year the total statewide roll of assessed value as reported to the State Board of Equalization. Commencing with the 1979–80 fiscal year, the Superintendent shall determine the percentage increase in assessed value during the current year compared to the previous year. The Superintendent shall further determine the extent to which the actual percentage increase in statewide assessed value exceeds the target assessed value estimate for revenue needs.

(b) For the purposes of this section, the target assessed value estimate for revenue needs shall be:

For fiscal year 1979–80	10.0 percent
For fiscal year 1980–81	9.0 percent
For fiscal year 1981–82	8.5 percent
For fiscal year 1982–83	8.0 percent

For fiscal years 1983–84 and thereafter, such estimated percentage increase in assessed value shall be made by the Board of Equalization, with the concurrence of the Department of Finance, and shall be published in the Governor's budget.

(c) The superintendent shall perform the following calculations:

(1) He or she shall calculate the percentage difference between actual assessed value growth and the target assessed value estimate for revenue needs and shall multiply the difference by the actual reported assessed value for the current year.

(2) He or she shall calculate the percentage of property tax revenues allocated for school districts during the preceding year compared to the total property tax revenues allocated for school districts, cities, counties, and special districts for the preceding fiscal year.

(3) He or she shall multiply the percentage of school district

property tax revenue derived in paragraph (2) by the excess assessed value growth computed in paragraph (1), and this product shall be multiplied by .04. This amount shall annually be transferred from the State General Fund to the State School Building lease-purchase Fund, or its successor.

100.2. (a) Notwithstanding any other provision of law, the Controller shall reduce the cigarette tax subvention and, if necessary, the business inventory tax reimbursement to a local jurisdiction by an amount of excess sales tax computed pursuant to subdivision (b).

(b) (1) Each city, county, and city and county shall estimate in its budget for the next fiscal year the amount of the 1 percent local sales tax to be collected in that fiscal year.

(2) Each city, county, and city and county shall estimate in its budget the amount of the 1 percent local sales tax in the current fiscal year, adjusted for changes in cost of living and population in the jurisdiction.

(3) The amount, if any, by which the amount estimated pursuant to paragraph (1) exceeds the amount estimated pursuant to paragraph (2) shall be identified in the budget.

(4) From the amount identified in the budget pursuant to paragraph (3), the jurisdiction shall subtract any amount necessary to bring the jurisdiction up to the appropriations limit provided in the Constitution, prior to the reduction of any proceeds of taxes

(5) One-half of the remainder shall be identified as "excess sales tax."

(6) Each jurisdiction shall report its estimate of excess sales tax quarterly to the Controller.

(c) The amount withheld by the Controller pursuant to subdivision (a) shall be transferred to the State School Building Lease-Purchase Fund established pursuant to Section 17708 of the Education Code, or its successor, and shall be used solely for the construction of new school buildings for grades K—12.

(d) For the purposes of this section:

(1) "Jurisdiction" shall mean city, county, or city and county.

(2) "Change in population" shall mean the estimate transmitted to jurisdictions pursuant to Section 2227 of the Revenue and Taxation Code.

(3) "Cost of living" shall mean the Consumer Price Index for the United States as reported by the United States Department of Labor, or successor agency of the United States Government. However, the change in cost of living from the preceding year shall in no event exceed the change in California per capita personal income from the preceding year.

(e) The Controller shall make adjustments during the year to adjust the reductions of subdventions pursuant to subdivision (a) to correct for estimating errors.

(f) The Controller may adopt rules and regulations to carry out the provisions of this section.

(g) This section shall become operative only if a constitutional

amendment which limits state and local spending is approved by the voters at the special election held November 6, 1979.

100.3. (a) Notwithstanding any other provision of law, the Controller shall reduce the cigarette tax subvention and, if necessary, the business inventory tax reimbursement to a local jurisdiction by an amount of excess property tax computed pursuant to subdivision (b).

(b) (1) Each city, county, and city and county shall estimate in its budget for the next fiscal year the amount of property tax to be collected in that fiscal year.

(2) Each city, county, and city and county shall estimate in its budget the amount of property tax in the current fiscal year, adjusted for changes in cost of living and population in the jurisdiction.

(3) The amount, if any, by which the amount estimated pursuant to paragraph (1) exceeds the amount estimated pursuant to paragraph (2) shall be identified in the budget.

(4) From the amount identified in the budget pursuant to paragraph (3), the jurisdiction shall subtract any amount necessary to bring the jurisdiction up to the appropriations limit provided in the Constitution, prior to the reduction of any proceeds of taxes.

(5) One-fourth of the remainder shall be identified as "excess property tax."

(6) Each jurisdiction shall report its estimate of excess property tax quarterly to the Controller.

(c) The amount withheld by the Controller pursuant to subdivision (a) shall be transferred to the State School Building Lease-Purchase Fund established pursuant to Section 17708 of the Education Code, or its successor, and shall be used solely for the construction of new school buildings for grades K—12.

(d) For the purposes of this section:

(1) "Jurisdiction" shall mean city, county, or city and county.

(2) "Change in population" shall mean the estimate transmitted to jurisdictions pursuant to Section 2227 of the Revenue and Taxation Code.

(3) "Cost of living" shall mean the Consumer Price Index for the United States as reported by the United States Department of Labor, or successor agency of the United States Government. However, the change in cost of living from the preceding year shall in no event exceed the change in California per capita personal income from the preceding year.

(e) The Controller shall make adjustments during the year to adjust the reductions of subventions pursuant to subdivision (a) to correct for estimating errors.

(f) The Controller may adopt rules and regulations to carry out the provisions of this section.

(g) This section shall become operative only if a constitutional amendment which limits state and local spending is approved by the voters at the special election held November 6, 1979.

CHAPTER 8. THE DEFLATOR

100.5. (a) For the 1980–81 fiscal year, if the total of General Fund revenues and transfers for fiscal year 1980–81 plus the amount of General Fund surplus available for appropriation as of June 30, 1980, as estimated on June 10, 1980, by the Joint Legislative Budget Committee, assisted by the Department of Finance and the Legislative Analyst, is less than twenty billion six hundred million dollars ($20,600,000,000), the amount of local assistance for fiscal year 1980–81 shall be reduced as provided in subdivision (c). If Senate Bill 165 of the 1979 Regular Session is enacted, the estimate shall be made by the Commission on State Finance, rather than by the Joint Legislative Budget Committee.

(b) For the 1981-82 fiscal year and each fiscal year thereafter, the Governor's budget shall include an estimated amount of available resources comparable to that determined pursuant to subdivision (a). If the amount of the Governor's budget exceeds by more than one hundred million dollars ($100,000,000), the total of General Fund revenues and transfers for the fiscal year plus the amount of General Fund surplus available for appropriation, as estimated in the manner provided in subdivision (a) on June 10 of the prior fiscal year, then the amount of local assistance for the fiscal year shall be reduced as provided in subdivision (c).

(c) The reductions provided in subdivision (a) or (b) shall be made in the following manner:

(1) Fifty percent of the reduced amount shall be deducted from the county, city and county, city and special district share of the business inventory exemption reimbursement and the homeowners' exemption reimbursement. The reduction in these reimbursement payments shall be made in proportion to the amount of "state assistance payments" as defined in subdivision (h) of Section 95 of the Revenue and Taxation Code for each county, city and special district. For purposes of this section, "state assistance payments" for counties and cities and counties shall not be adjusted by the amount specified in Section 94 of the act adding this section to the Revenue and Taxation Code.

(2) Notwithstanding the provisions of Sections 41970 to 41972, inclusive, of the Education Code, 50 percent of the reduced amount shall be deducted by the Superintendent of Public Instruction from the amounts allowed pursuant to subdivision (f) of Section 41301 of the Education Code to all elementary, high school and unified school districts, and county offices of education; and by the Chancellor's Office of the California Community Colleges from the amounts allowed pursuant to subdivision (a) of Section 84301 of the Education Code to all community college districts. The reduction in these state school fund apportionments shall be made in proportion to the amount each local educational agency's apportionment pursuant to subdivision (f) of Section 41301 or subdivision (a) of Section 84301 of the Education Code bears to 50 percent of the reduced amount

provided for in subdivision (a) or (b); except that no educational agency shall receive less than one hundred twenty dollars ($120) per unit of average daily attendance from all state sources.

(d) The reductions provided by this section shall be effective for any fiscal year unless a concurrent resolution stating a contrary finding is enacted by the Legislature on or before June 30 of each year.

SEC. 60. Article 4 (commencing with Section 2260), Article 5 (commencing with Section 2270), Article 6 (commencing with Section 2285), Article 7 (commencing with Section 2295), and Article 8 (commencing with Section 2305) of Chapter 3 of Part 4 of Division 1 of the Revenue and Taxation Code shall not apply to property tax rates only for the 1979–80 fiscal year.

SEC. 61. Section 5705 of the Welfare and Institutions Code, as amended by Section 30 of Chapter 292 of the Statutes of 1978, is amended to read:

5705. Commencing with the 1979–80 fiscal year, the net cost of all services specified in the approved County Short-Doyle Plans, other than the state hospital services provided on and after January 1, 1980, shall be paid by the state, irrespective of where or by whom the services are provided, except for services to be financed from other public or private sources as indicated in the County Short-Doyle Plan. State hospital services shall be financed on a basis of 90 percent state funds, and 10 percent county funds commencing January 1, 1980. The cost of the services shall be the actual cost as determined in accordance with standard accounting practices or a negotiated net amount or rate approved by the Director of Mental Health.

(b) Negotiated net amounts or rates may be used as the cost of services only in accordance with the following paragraphs:

(1) Negotiated net amounts may be used as the cost of services in a contract which provides for the delivery of 75 percent or more of the total county Short-Doyle annual plan for each fiscal year. The negotiated net amount shall be approved by the Department of Mental Health prior to commencing services for reimbursement. Providers under this paragraph shall report to the Department of Mental Health and the local mental health program cost accounting and any other information required by the Department of Mental Health in accordance with procedures established by the Director of Mental Health emphasizing success in program outcome versus providers' expenditures. Contracts entered into pursuant to this paragraph shall be financed within an approved Short-Doyle Plan. For the purposes of this paragraph, the cost-sharing formula of such contracts shall be 90 percent state funds, and 10 percent funding from the contracting organization which shall not include state or federal funds directly allocated to contracting organizations.

(2) Negotiated rates may be used as the cost of services in contracts with providers whose gross Short-Doyle contract with a county is not more than one hundred fifty thousand dollars ($150,000) per annum. The negotiated rate shall be approved by the

Department of Mental Health prior to commencing services for reimbursement. Providers under this paragraph shall report to the Department of Mental Health and the local mental health program cost accounting and any other information required by the Department of Mental Health in accordance with procedures established by the Director of Mental Health.

This section shall remain in effect only until July 1, 1982, and on that date is repealed.

SEC. 62. Notwithstanding the provisions of Item 275 of the Budget Act of 1979 (Chapter 259, Statutes of 1979), the one million five hundred thousand dollars ($1,500,000) allocated to small counties pursuant to category (g) of that item shall be available to pay any county share of the cost of the Short-Doyle plan assumed by the state for the 1979–80 fiscal year pursuant to this act.

SEC. 63. Section 5705 is added to the Welfare and Institutions Code, to read:

5705. The net cost of all services specified in the approved county Short-Doyle Plans shall be financed on a basis of 90 percent state funds and 10 percent county funds, irrespective of where or by whom the services are provided, except for services to be financed from other public or private sources as indicatd in the county Short-Doyle plan. The cost of the services shall be the actual cost as determined in accordance with standard accounting practices or a negotiated net amount or rate approved by the Director of Mental Health.

(b) Negotiated net amounts or rates may be used as the cost of services only in accordance with the following paragraphs:

(1) Negotiated net amounts may be used as the cost of services in a contract which provides for the delivery of 75 percent or more of the total county Short-Doyle annual plan for each fiscal year. The negotiated net amount shall be approved by the State Department of Mental Health prior to commencing services for reimbursement. Providers under this paragraph shall report to the State Department of Mental Health and the local mental health program cost accounting and any other information required by the State Department of Mental Health in accordance with procedures established by the Director of Mental Health emphasizing success in program outcome versus providers' expenditures. Contracts entered into pursuant to this paragraph shall be financed within an approved Short-Doyle plan. For the purposes of this paragraph, the cost-sharing formula of such contracts shall be 85 percent state funds, 5 percent county funds, and 10 percent funding from the contracting organization which shall not include state or federal funds directly allocated to contracting organizations.

(2) Negotiated rates may be used as the cost of services in contracts with providers whose gross Short-Doyle contract with a county is not more than one hundred fifty thousand dollars ($150,000) per annum. The negotiated rate shall be approved by the State Department of Mental Health prior to commencing services for reimbursement. Providers under this paragraph shall report to

the State Department of Mental Health and the local mental health program cost accounting and any other information required by the State Department of Mental Health in accordance with procedures established by the Director of Mental Health.

This section shall become operative on July 1, 1982.

SEC. 64. Section 5705, as added to the Welfare and Institutions Code by Section 31 of the Chapter 332 of the Statutes of 1978, is repealed.

SEC. 65. Chapter 4.1 (commencing with Section 10815) is added to Part 2 of Division 9 of the Welfare and Institutions Code, to read:

CHAPTER 4.1. CENTRALIZED DELIVERY SYSTEM

10815. The department shall ensure the efficient, effective, and equitable administration of public assistance programs by implementing in all counties by July 1, 1984, in accordance with the provisions of this chapter a centralized delivery system for the following public assistance programs: AFDC-U, AFDC-FG, AFDC-BHI, food stamps, Medi-Cal eligibility, aid for adoption of children, special adult programs, and, to the extent feasible, social services and child support enforcement programs. Any county may elect to contract with the state for determination of benefits for other public social service programs.

10816. The system shall have the following goals:

(a) Prompt and accurate verification of eligibility.

(b) Accurate computation and timely disbursal of benefits for such public assistance programs.

(c) Equitable, timely, and consistent treatment of recipients within each program.

(d) Reduction of administrative complexity.

(e) Strict enforcement of management and fiscal controls.

(f) Collection of management information.

10817. The department shall seek advice and assistance from counties in the planning and implementation of the system so that efficient, effective, and equitable administration of public assistance programs can be maintained.

10818. The department shall submit to the Joint Legislative Budget Committee by June 1, 1980, a detailed work plan for the implementation of the centralized delivery system. The work plan shall include at least the following:

(a) A detailed description of the functions to be performed by the system.

(b) The sequence of the functions to be assumed by the system, and the dates on which the functions would be assumed.

(c) The cost of the equipment and the administrative costs of implementing the system.

(d) The impact of such a system on the administration of such public assistance programs.

(e) A detailed description of how the data will be collected,

stored, and disseminated to protect the privacy of individuals to ensure the confidentiality of such data.

(f) Recommendations for necessary legislative changes to implement the system.

The department shall provide to the counties no later than May 1, 1980, copies of the draft of the detailed work plan. The counties may submit no later than June 7, 1980, to the Joint Legislative Budget Committee their comments and recommendations on the detailed work plan.

By April 1, 1981, the department shall submit to the Legislature a description of the electronic data processing equipment necessary to perform the functions of the system. The equipment shall include a tandum.

10819. The department may test the system in several counties prior to actual statewide implementation. Criteria in selecting county test sites may include high dollar error rates for overpayments and payments to ineligibles, high administrative unit costs, size of county, and scope of data-processing activities.

The department may delay implementation of the system until July 1, 1984, in counties whose dollar error rates for overpayments and payments to ineligibles prior to the implementation of the system are significantly below the statewide average. If the implementation is delayed in such counties, the counties shall make available their data on a timely basis so that a statewide file on public assistance recipients can be maintained.

10820. To ensure statewide uniformity in program administration, the department shall do the following:

(a) Develop and publish an exclusive manual of uniform procedures for use by eligibility and social workers subject to the system in their daily administration of public assistance programs.

(b) Provide a comprehensive training package for the use of the manual and procedures.

(c) Develop standard forms to use with the centralized delivery system.

10821. Any function performed by a state agency and within the scope of the centralized delivery system defined by this chapter is hereby transferred to the department, along with the necessary resources to carry out such function.

10822. The department shall provide an annual report to the Legislature on March 1, 1982, and March 1 of each year thereafter until March 1, 1986, on the progress in implementing the system.

Such a report shall contain at least the following information:

(a) The functions assumed by the system.

(b) The effectiveness of the system as measured by dollar error rates.

(c) The costs and savings of the system.

(d) The fiscal impact of the system on the administration of such public assistance programs.

(e) The impact of the system on fraud detection, and reduction

in duplicate payments.

(f) The responsiveness of the system in meeting recipient's needs.

(g) Recommendations for further legislative action.

SEC. 66. Section 11403 of the Welfare and Institutions Code is repealed.

SEC. 67. Section 11406 is added to the Welfare and Institutions Code, to read:

11406. For the purpose of developing a more efficient, effective, and equitable Aid to Families with Dependent Children-Boarding Homes and Institutions (AFDC-BHI) program, the department shall develop:

(a) A management information data base providing expenditure and caseload characteristics information, such as method of entry into AFDC-BHI, average cost of placement, type of facility used for placement, and average length of stay in placement.

(b) A quality control system for AFDC-BHI, and recommendations to the Legislature regarding resources required for implementation of such system by October 1, 1980.

(c) Recommendations to the Legislature regarding the following:

(1) A system or systems for establishing payment levels for children eligible to the AFDC-BHI program.

(2) Plans and resources required for implementation of the selected system or systems by July 1, 1981.

(d) Recommendations to the Legislature regarding defining that segment of the population to be served by the AFDC-BHI program, and impact of such definition on the current AFDC-BHI population.

The department shall submit by April 1, 1980, to the appropriate policy and fiscal committees of the Legislature a report regarding results of the developmental activities specified in this section.

SEC. 68. Section 11407 is added to the Welfare and Institutions Code, to read:

11407. (a) The department, with the advice and assistance of the counties, shall develop performance standards for the AFDC-BHI program for submission to the Joint Legislative Budget Committee by January 1, 1981. The Joint Legislative Budget Committee shall review and comment on the performance standards by February 15, 1981. After considering the committee's comment and review, the department shall adopt performance standards by regulation no later than April 15, 1981. The performance standards shall be measurable objectives for the AFDC-BHI program.

Any county which does not meet the performance standards shall be liable for up to the total amount of nonfederal expenditures for aid payments pursuant to subdivision (b) of Section 15200 as determined by the director.

(b) No county shall be reimbursed for any percentage increases in the payments to any foster home, group home, or institution which exceed the percentage cost-of-living increase provided in any fiscal year beginning on or after July 1, 1979, to persons eligible for aid under this chapter. This subdivision shall remain in effect only until

a program payment system is implemented by the department in accordance with subdivision (c) of Section 11406.

SEC. 69. Section 11450 of the Welfare and Institutions Code is amended to read:

11450. (a) For each needy family which includes one or more needy children qualified for aid under this chapter, there shall be paid, notwithstanding minimum basic standards of adequate care established by the department under Section 11452, an amount of aid each month which when added to his income, exclusive of any amounts considered exempt as income or paid pursuant to subdivision (d) of this section or Section 11453.1, is equal to the sums specified in the following table, as adjusted for cost-of-living increases pursuant to Section 11453:

Number of eligible needy persons in the same home	Maximum aid
1	$166
2	273
3	338
4	402
5	459
6	516
7	566
8	616
9	666
10 or more	716

If, when and during such times as the United States government increases or decreases its contributions in assistance of needy children in this state above or below the amount paid on July 1, 1972, the amounts specified in the above table shall be increased or decreased by an amount equal to such increase or decrease by the United States government, provided that no such increase or decrease shall be subject to subsequent adjustment pursuant to Section 11453.

(b) For children receiving foster care who are qualified for aid under the provisions of this chapter, there shall be paid the sum necessary for the adequate care of each child.

(c) As used in this chapter, "foster care" means care in a boarding home or institution.

(d) (1) In addition to the amounts payable under subdivision (a) of this section and Section 11453.1, a family shall be entitled to receive an allowance for recurring special needs not common to a majority of recipients. Such recurring special needs shall include but not be limited to special diets upon the recommendation of a physician, and unusual costs of transportation, laundry, housekeeping service, telephone, and utilities. The recurring special

needs allowance for each family per month shall not exceed that amount resulting from multiplying the sum of ten dollars ($10) by the number of recipients in the family who are eligible for assistance.

(2) A family shall also be entitled to receive an allowance for nonrecurring special needs caused by sudden and unusual circumstances beyond the control of the needy family; provided, however, that such needs shall not be taken into consideration in determining the eligibility of the family for aid.

(3) The department shall establish rules and regulations assuring the uniform application statewide of the provisions of this subdivision.

(e) Except for the purposes of Section 15200, the amounts payable to recipients pursuant to Section 11453.1 shall not constitute part of the payment schedule set forth in subdivision (a) of this section.

The amounts payable to recipients pursuant to Section 11453.1 shall not constitute income to recipients of aid under this section.

SEC. 70. Section 11450.2 of the Welfare and Institutions Code is repealed.

SEC. 71. Section 11451.5 of the Welfare and Institutions Code is amended to read:

11451.5. The purpose of this section is to provide the department with the necessary support and authority to implement provisions of the work incentive program as established pursuant to Division 2 (commencing with Section 5000) of the Unemployment Insurance Code. The cost of work- or training-related expenses and child care expenses shall be paid from special funds appropriated by the Legislature for the purpose. The state shall pay the additional aid furnished for such work- or training-connected expenses and child care expenses after a deduction therefrom of any funds received from the United States government.

It is the intent of this section to make maximum use of federal funds that are available to provide training, work-related expenses, and allowances for child care services. Accordingly, the state shall be required to pay such expenses under that plan which provides the greatest financial participation by the United States government.

Day care services shall be provided pursuant to Chapter 2 (commencing with Section 8200) of Part 6 of the Education Code in order to permit persons qualified for aid under this chapter to participate in the work incentive program authorized by Division 2 (commencing with Section 5000) of the Unemployment Insurance Code. No allowance for day care of children shall be included in the grant authorized by Section 11450; except that during such times that the Superintendent of Public Instruction advises the welfare director of the county that he is unable to provide child care for each child eligible for services under Chapter 2 (commencing with Section 8200) of Part 6 of the Education Code, allowances for such care shall be provided either from income or grant allowances or from the work incentive program, whichever is applicable.

SEC. 72. Section 11454 of the Welfare and Institutions Code is

amended to read:

11454. Aid under this chapter shall be paid in-kind or by vendor payments, wholly or in part, in any case where it is determined by the county director of the county in which the case is pending that there is mismanagement of aid payments in cash by the person in receipt thereof. The department shall make rules and regulations for the payment of aid under this section so that such aid will be paid only in cases wherein it is shown to be necessary. Aid under this section shall be paid in accordance with minimum basic standards of adequate care as prescribed by Section 11452 of this code. Aid granted under provisions of this section shall be paid without federal participation in the cost thereof whenever such federal participation is not provided by the laws of the United States or rules and regulations promulgated thereunder.

SEC. 73. Article 9 (commencing with Section 12400) of Chapter 3 of Part 3 of Division 9 of the Welfare and Institutions Code is repealed.

SEC. 74. Section 14150 of the Welfare and Institutions Code is repealed.

SEC. 75. Section 14150.3 of the Welfare and Institutions Code is repealed.

SEC. 76. Section 14150.5 of the Welfare and Institutions Code is repealed.

SEC. 77. Section 14154 is added to the Welfare and Institutions Code, to read:

14154. The department shall establish and maintain a plan whereby costs for county administration of the determination of eligibility for benefits under this chapter will be effectively controlled within the amounts annually appropriated for such administration. The plan, to be known as the County Administrative Cost Control Plan, shall establish standards and performance criteria, including workload, productivity and support services standards, to which counties shall adhere. Allocations shall be made to each county and shall be limited by and determined based upon the County Administrative Cost Control Plan. In administering the plan to control county administrative costs, the department shall not allocate funds to cover county cost overruns which result from county failure to meet requirements of the plan.

SEC. 78. Section 15200 of the Welfare and Institutions Code is amended to read:

15200. There is hereby appropriated out of any money in the State Treasury not otherwise appropriated, and after deducting available federal funds, the following sums:

(a) To each county for the support and maintenance of needy children, 89.2 percent of the sums specified in subdivisions (a), (d) (1), and (d) (2) of Section 11450.

(b) To each county for the support and maintenance of needy children, 95 percent of the sum necessary for the adequate care of each child pursuant to subdivision (b) of Section 11450 for the period

July 1, 1979, to December 31, 1983.

(c) To each county for the support and care of hard-to-place children, the amount specified in Section 16120.

(d) This section shall remain in effect only until December 31, 1983, and as of such date is repealed, unless a later enacted statute, which is chaptered before December 31, 1983, deletes or extends such date.

SEC. 79. Section 15200 is added to the Welfare and Institutions Code, to read:

15200. There is hereby appropriated out of any money in the State Treasury not otherwise appropriated, and after deducting federal funds available, the following sums:

(a) To each county for the support and maintenance of needy children, 89.2 percent of the sums specified in subdivisions (a), (d) (1), and (d) (2) of Section 11450.

(b) To each county for the adequate care of each child pursuant to subdivision (b) of Section 11450 the following amounts:

(1) The sum necessary for the adequate care of each child but not to exceed in any month the product of one hundred twenty dollars ($120) multiplied by the number of children in each county receiving foster care. The state shall pay 67.5 percent and the county shall pay 32.5 percent of the aid furnished for the adequate care of such children.

(2) The state shall reimburse counties for the nonfederal costs of providing an additional twelve dollars and fifty cents ($12.50) a month per eligible child to foster parents. In addition the state may, at its discretion, pay on a pro rata basis from funds specifically appropriated in the Budget Act additional aid for the adequate care of foster children receiving aid under subdivision (b) of Section 11450.

The financial benefit accruing from the additional funds available under this paragraph shall be passed on to foster parents in order to more adequately reimburse foster parents for their expense, and to enable counties to more readily recruit and retain a selection of homes suited to the diversified needs of the individual child and the counties shall not substitute the additional state funds received under this paragraph for county funds being expended for foster care at the time when this section takes effect.

(3) 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 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.

(c) To each county for the support and care of hard-to-place children, the amount specified in Section 16120.

(d) This section shall become operative on January 1, 1984.

SEC. 80. Section 15200.1 of the Welfare and Institutions Code is amended to read:

15200.1. There is hereby appropriated out of any money in the State Treasury not otherwise appropriated, to a fund to be known as the Support Enforcement Incentive Fund, from which the department shall make payments to each county to be deposited in the county general fund which shall be a combination of state and federal funds equivalent to the following:

(a) Effective July 1, 1979, through December 31, 1980, 30 percent of that portion of the amounts received from or collected from noncustodial parents which is used to reduce or repay aid paid pursuant to this chapter and which qualifies for federal incentive funds.

(b) Effective January 1, 1981, 27.75 percent of the amounts received from or collected from noncustodial parents which is used to reduce or repay aid payment pursuant to this chapter and which qualifies for federal incentive funds.

Where more than one county has participated in such enforcement or collection, the incentive payment authorized by this section shall be made to the county making the collection.

Where more than one state has participated in such enforcement or collection, the incentive payment, if any, shall be made in accordance with Section 15200.2.

SEC. 81. Section 15200.2 of the Welfare and Institutions Code is amended to read:

15200.2. There is hereby appropriated out of any money in the State Treasury not otherwise appropriated, to a fund to be known as the Interstate Collection Incentive Fund, from which the department shall make payments to California counties and other states which shall be a combination of state and federal funds equivalent to the following:

(a) Effective July 1, 1979, through December 31, 1980, 30 percent of that portion of the amounts received from or collected from noncustodial parents residing outside California which is used to reduce or repay aid paid pursuant to this chapter and which qualifies for federal incentive funds;

(b) Effective January 1, 1981, 27.75 percent of that portion of the amounts received from or collected from noncustodial parents residing outside California which is used to reduce or repay aid paid pursuant to this chapter and which qualifies for federal incentive funds. The department shall, by regulation, apportion the incentive payment between the collecting state and the county receiving the noncustodial parent support payment.

Where a county makes a collection for another state, the department shall forward any incentive payment received from such state to the county making the collection from the noncustodial

parent.

SEC. 82. Section 15200.3 is added to the Welfare and Institutions Code, to read:

15200.3. The department shall study and assess the operations of the Support Enforcement Incentive Fund and shall submit a report to the Legislature by April 1, 1980, which describes the findings of its study and provides recommendations regarding a more effective fiscal incentive formula.

SEC. 83. Section 15200.4 is added to the Welfare and Institutions Code, to read:

15200.4. In administering the provisions of law and regulations related to the Aid to Families with Dependent Children program, the director may impose such sanctions as provided by this section to assure adequate county administration performance.

The director may hold counties financially liable for aid provided or paid to eligibles in excess of the amount to which they are entitled as represented by a dollar error rate. There shall be established annually in the budget a dollar error rate standard which shall be the basis for computing a county's liability under this section, commencing with the budget for the 1980–81 fiscal year. For the 1979–80 fiscal year, the director shall submit to the Joint Legislative Budget Committee no later than September 1, 1979, the dollar error rate standard to be in effect during that fiscal year. For those counties in excess of the dollar error rate standard, liability shall not exceed the product of the error rate in excess of the standard multiplied by the total expenditures for aid paid under the program.

Nothing herein shall limit county liability for exceptions taken against claims for costs incurred prior to July 1, 1978, which are determined to be improper.

SEC. 84. Section 15204.2 of the Welfare and Institutions Code is amended to read:

15204.2. The state shall pay 83.3 percent of the nonfederal administrative costs of administering the payment of aid grants under this part, except for the Aid to Families with Dependent Children Program (AFDC). The state shall pay 50 percent of the nonfederal administrative costs of administering AFDC grants, subject to the provisions of Section 15204.5, but not including activities related to the collection of support from noncustodial parents and the determination of paternity in the case of a child born out of wedlock. In the event that the federal government does not provide funding for the non-AFDC collection of child support from noncustodial parents and the non-AFDC determination of paternity in the case of a child born out of wedlock, the state shall pay 75 percent of such non-AFDC administrative costs. The state shall pay 50 percent of the nonfederal share of the cost of eligibility and nonservice staff development pursuant to the regulations of the department.

SEC. 85. Section 15204.5 is added to the Welfare and Institutions Code, to read:

15204.5. The department shall establish and maintain a plan whereby costs for county administration of the payment of aid grants under this part will be effectively controlled within the amounts annually appropriated for such administration. The plan, to be known as the County Administrative Cost Control Plan, shall establish standards and performance criteria, including workload, productivity and support services standards, to which counties shall adhere. Allocations shall be made to each county and shall be limited by and determined based upon the County Administrative Cost Control Plan. In administering the plan to control county administrative costs, the department shall not allocate funds to cover county cost overruns which result from county failure to meet requirements of the plan.

SEC. 86. Section 16120 of the Welfare and Institutions Code is amended to read:

16120. (a) The adoption fees may be waived for all adoptive parents as necessary to provide adoptive families for hard-to-place children.

(b) There may be paid for a period not to exceed five years an amount of financial assistance not more than the amount that would be paid for foster care for the child if the placement for adoption had not taken place. Any substantial change in financial circumstances or need shall be reported by a parent to the licensed adoption agency or department in accordance with regulations adopted by the department. The county responsible for the care of the child in a foster home is responsible for administering the payment provided for by this section in adoptive placements arranged by the department or any licensed adoption agency and in cases in which a child receiving aid to families with dependent children in a foster home is adopted by his foster parents and the department or designated adoption agency joins in the petition for adoption.

(c) Prior to the end of the initial period prescribed in subdivision (b), if there is a continuing need, related to a chronic health condition of the child which necessitated the initial financial assistance, a parent may petition the department or the designated licensed adoption agency to continue financial assistance. The amount of financial assistance and the time period for which it may be given, shall be determined by the department or the agency but shall not exceed the age of majority of the child. Prior to the expiration of the extension period, if there is a continuing need, a parent may repetition the department or the designated licensed adoption agency for a new period of termination. The department or the agency shall make its determination regarding the financial ability of the parents to meet the continuing medical needs of the child, related to the child's physical condition at the time of adoption, taking into consideration community resources.

SEC. 87. Part 4.5 (commencing with Section 16700) is added to Division 9 of the Welfare and Institutions Code, to read:

PART 4.5. COUNTY HEALTH SERVICES

16700. (a) On or before June 1 of each year, beginning with 1980, the governing body of each county shall adopt a county health services plan and budget, and shall submit the plan and budget to the State Director of Health Services in the form and in accordance with the procedures specified by the director.

(b) For the 1979–80 fiscal year, each county shall submit a plan and budget within 90 days of the effective date of this part. For the 1979–80 fiscal year, the amount specified in subdivision (a) of Section 16702 shall be allocated to each county within 30 days of the effective date of this part. The amount specified in subdivision (b) of Section 16702 shall be allocated in three equal installments according to the provisions of subdivision (b) of Section 16704.

16701. (a) "County health services" means public health services, outpatient health services, and inpatient health services provided directly by the county or financed or purchased by the county through grants, contracts or agreements but shall not include services provided pursuant to Division 5 (commencing with Section 11750) of the Health and Safety Code.

(b) "Net county costs for health services" means expenditures for county health services, less revenues received for county health services, plus federal revenue sharing funds budgeted or expended for health services.

16702. The net county costs of health services specified in each county budget shall be financed in each county with assistance from the County Health Services Fund in accordance with the following:

(a) An annual grant of three dollars ($3) per capita based upon population estimates of the Department of Finance as of July 1 of the previous fiscal year; and

(b) Fifty percent of the amount derived by subtracting subdivision (2) from subdivision (1) below:

(1) The actual net costs for the county for the 1977–78 fiscal year, as reported to the State Director of Health Services pursuant to subdivision (f) of Section 20 of Chapter 292 of the Statutes of 1978, increased by 16 percent for the 1979–80 fiscal year;

(2) The amount calculated for the county in subdivision (a).

(c) Commencing July 1, 1980, and each July 1 thereafter, the amounts specified in subdivisions (a) and (b) shall be adjusted to reflect any increases or decreases in the cost of living. The average of the separate indices of the cost of living for Los Angeles and San Francisco as published by the U. S. Bureau of Labor Statistics shall be used as the basis for determining the changes in the cost of living. The Department of Health Services shall compare the average index for the December preceding the July in which the cost-of-living adjustment is effective with the average index for the month of December of the previous year. The percentage increase or decrease in the average index shall then be multiplied by the amounts specified in subdivisions (a) and (b) as previously adjusted pursuant

to this subdivision.

16703. The sum of the amounts for all the counties set forth in Section 16702 is appropriated annually from the General Fund for deposit in the County Health Services Fund which is hereby created. The expenditure of funds from the County Health Services Fund shall be made by the State Department of Health Services without regard to fiscal year and shall be available for expenditure for one fiscal year subsequent to the fiscal year in which the original appropriation was made.

16704. Funds from the County Health Services Fund shall be allocated to the governing body of each county annually in accordance with the following procedures:

(a) The allocation of the amount determined in subdivision (a) of Section 16702 shall be made to each governing body upon submission of the plan and budget as required by Section 16700. Such funds shall be expended for county health services.

(b) The allocation of the amount up to the maximum determined in subdivision (b) of Section 16702 shall be made upon application by the governing body of each county and upon signing of an agreement between the governing body and the State Director of Health Services. In such agreement, the county shall agree to expend funds in accordance with the plan and budget submitted pursuant to Section 16700 and shall agree to net county costs for county health services of county funds in the same amount as the funds requested under this paragraph.

(c) The agreement shall provide for reports of expenditures and information and shall constitute a contractual obligation. The State Director of Health Services shall not have the authority to disapprove the county health services plan or to require the additional expenditure of county funds for health services beyond that required by this section and Section 16707.

16705. (a) A county shall be entitled to receive up to its maximum allocation under subdivision (b) of Section 16704 even if it proposes in its budget to spend less for county health services than the amount required to obtain the maximum allocation, only if all of the following conditions are met:

(1) There would be no detrimental impact on the public in the case of public health services and indigents in the case of inpatient and outpatient services; and

(2) There would be no impairment in the county's ability to carry out the service levels specified in its county health services plan; and

(3) The determination of whether the requirements provided by paragraphs (1) and (2) are met is made according to procedures specified in subdivision (b); and

(4) In no case shall the state pay more than 60 percent of the amount derived by subtracting subparagraph (B) from subparagraph (A) below:

(A) Total net county costs for health services in the proposed budget.

(B) The amount of the annual grant received by the county pursuant to subdivision (a) of Section 16704.

(b) The determination in paragraphs (1) and (2) of subdivision (a) shall be made in the following manner:

(1) Within 30 days of adoption of the county health services plan and budget, the county board of supervisors shall hold a public hearing to determine whether the amount of such reduction is detrimental to the health needs of the public in the case of public health services or detrimental to the health care needs of the indigent in the case of outpatient or inpatient health services and whether or not such reduction would impair the county's ability to carry out the service levels specified in its county health services plan. Notice of such hearing shall be published at least once in a newspaper of general circulation not less than 10 days before such hearing.

(2) The county board of supervisors shall make a finding based on the public hearing that such reductions are or are not detrimental and whether or not such reduction would impair the county's ability to carry out the service levels specified in its county health services plan. The county shall transmit immediately to the director a copy of the finding, together with the written evidence on which the finding was based.

(3) The State Director of Health Services shall make the final determination as to whether the proposed reductions in expenditures for county health services detrimentally affects the public in the case of public health services or detrimentally affects the indigents in the case of outpatient and inpatient services and whether or not such reduction would impair the county's ability to carry out the service levels specified in its county health services plan.

16706. Commencing in the 1980–81 fiscal year, the distribution of funds pursuant to this part shall be made prospectively on a quarterly basis in accordance with regulations of the department. The director shall make adjustments in succeeding fiscal years for failure to comply with the terms of the agreement.

16707. Savings that occur in the County Health Services Fund due to a lack of applications for funds or for failure of counties to expend funds as required to qualify for funding under this part may be allocated by the State Director of Health Services upon application by the governing body of any county in accord with special needs and priorities established by the director. Such funds shall only be expended if a county agrees to net expenditures of county funds in the same amounts.

16708. Expenditures subject to payment shall include expenditures for salaries of personnel, facilities and services provided through contract, operation, service and maintenance costs, depreciation of county facilities, and such other expenditures as may be approved by the director.

16709. In those counties where an existing independent district

provides public health services, the plan, budget, and agreement shall provide for continuation and funding of such services.

16710. In those counties where the governing body of a city has not transferred to the county enforcement authority of applicable public health statutes and regulations, such county shall, in the plan, budget, and agreement, provide for continuation and funding of such services.

16711. Submission of a plan and a county budget shall not relieve any county of its indigent health care obligation under Section 17000, nor shall it restrict the ability of the state or any interested person or persons to obtain any judicial relief to which they may be otherwise entitled.

16712. The State Department of Health Services shall adopt any regulations necessary to implement this part. The department may adopt such regulations on an emergency basis pursuant to Article 4 (commencing with Section 11420) of Chapter 4.5 of Division 3 of Title 2 of the Government Code, based on the finding by the department that such regulations are necessary to assure that counties receive funding for health services on a timely basis in order to promote and protect the health and safety of the people of California.

16713. For the purposes of carrying out the provisions of this part and subdivision (a) of Section 96 of the Revenue and Taxation Code, each county auditor shall determine an amount equal to that derived by the following steps:

(a) Three dollars ($3) per capita based on county population estimates of the Department of Finance as of July 1, 1979; and

(b) Fifty percent of the amount derived by subtracting subparagraph (2) from subparagraph (1) below:

(1) Net county costs for the 1977–78 fiscal year as reported pursuant to subdivision (f) of Section 20 of Chapter 292 of the Statutes of 1978, increased by 8 percent.

(2) The amount computed in subdivision (a).

SEC. 88. Section 18905 is added to the Welfare and Institutions Code, to read:

18905. In the event that the United States Department of Agriculture makes a final determination to reduce federal funding of the Food Stamp Program due to improper or inadequate county administration of the program, the county or counties responsible for such reduction shall be liable for the amount thereof in accordance with standards adopted by the Director of Social Services.

SEC. 89. Section 18906 of the Welfare and Institutions Code is repealed.

SEC. 90. Section 18906 is added to the Welfare and Institutions Code, to read:

18906. The department shall establish and maintain a plan whereby costs for county administration of food stamps under this chapter will be effectively controlled within the amounts annually appropriated for such administration. The plan, to be known as the

County Administrative Cost Control Plan, shall establish standards and performance criteria, including workload, productivity and support services standards, to which counties shall adhere. Allocations shall be made to each county and shall be limited by and determined based upon the County Administrative Cost Control Plan. In administering the plan to control county administrative costs, the department shall not allocate funds to cover county cost overruns which result from county failure to meet requirements of the plan.

SEC. 91. Section 18906.5 is added to the Welfare and Institutions Code, to read:

18906.5. The state shall pay 50 percent of the nonfederal costs of administering the Food Stamp Program, subject to the provisions of Section 18906. The counties shall pay the remaining 50 percent share of costs.

SEC. 92. Section 18917 of the Welfare and Institutions Code is amended to read:

18917. Effective July 1, 1979, there is hereby appropriated, out of any moneys in the State Treasury not otherwise appropriated, to each county 50 percent of the county's the nonfederal share of the costs of administering the Food Stamp Program under this chapter, subject to the provisions of Section 18906.

SEC. 92.5. Section 5 of Chapter 292 of the Statutes of 1978 is amended to read:

Sec. 5. The aid provided in Section 2 of this act shall be reduced by one-third of the amount by which a school district's general fund and special reserve fund ending balances exceed five percent of the district's general fund total revenue as adjusted at the end of the 1977–78 fiscal year, or fifty thousand dollars ($50,000), whichever is greater.

For purposes of this section, general fund and special reserves shall include funds not otherwise appropriated to a specific activity or purpose and that are not legally obligated. General fund and special reserves shall not include:

(a) Noncash assets, such as stores, inventory, property and buildings, or other investments purchased prior to June 6, 1978.

(b) Any amounts for self-insurance, contractual obligations, or reserves, other than general fund and special reserves, established by law or a governing board policy adopted prior to June 6, 1978.

(c) Any amounts restricted by law or court order.

(d) Any amounts committed to a capital outlay project approved prior to June 6, 1978, by the governing board of the district.

SEC. 93. Section 29.6 is added to Chapter 977 of the Statutes of 1976, to read:

Sec. 29.6. Notwithstanding Section 29.5, the state share of the costs incurred during the 1979–80 and 1980–81 fiscal years by the two demonstration counties in the implementation of the program authorized by this chapter and Chapter 21 of the Statutes of 1977 shall be either (1) the same as the state's share of nonfederal costs

specified in subdivision (b) of Section 15200 of the Welfare and Institutions Code or (2) the state share described in subdivision (c) of Section 29.5, whichever is greater.

SEC. 94. For purposes of the computation made pursuant to subdivision (a) of Section 96 of the Revenue and Taxation Code, the following amounts shall be utilized by the county auditor in computing 1979–80 fiscal year property tax allocations to each county government:

County	Amount
Alameda	$6,212,613
Alpine	4,703
Amador	30,508
Butte	543,881
Calaveras	79,433
Colusa	29,608
Contra Costa	2,841,553
Del Norte	88,553
El Dorado	216,595
Fresno	2,926,019
Glenn	61,065
Humboldt	517,430
Imperial	446,930
Inyo	42,899
Kern	1,621,251
Kings	431,270
Lake	178,878
Lassen	69,067
Los Angeles	48,375,449
Madera	336,053
Marin	392,769
Mariposa	28,778
Mendocino	386,236
Merced	811,516
Modoc	31,059
Mono	17,522
Monterey	1,072,263
Napa	275,348
Nevada	137,237
Orange	3,754,451
Placer	395,691
Plumas	55,273
Riverside	2,849,684
Sacramento	5,051,527
San Benito	72,083
San Bernardino	4,362,107
San Diego	7,049,214
San Francisco	3,622,074
San Joaquin	2,422,955

San Luis Obispo	409,444
San Mateo	1,481,209
Santa Barbara	874,897
Santa Clara	5,217,751
Santa Cruz	699,381
Shasta	606,239
Sierra	9,961
Siskiyou	142,928
Solano	1,065,582
Sonoma	1,181,864
Stanislaus	1,346,821
Sutter	239,254
Tehama	153,228
Trinity	47,232
Tulare	1,676,137
Tuolumne	93,615
Ventura	1,675,670
Yolo	464,690
Yuba	337,942

SEC. 94.5. Provisions governing the funding of public social services contained in this act shall apply commencing with the 1979–1980 fiscal year unless otherwise expressly provided.

SEC. 95. The sum of thirteen million dollars ($13,000,000) is hereby appropriated from the General Fund for immediate transfer to the State School Building Aid Fund for the purposes of Chapter 25 (commencing with Section 17785) of Part 10 of the Education Code.

SEC. 96. There is hereby annually appropriated from the General Fund to Section A of the State School Fund the sum of fourteen million six hundred thousand dollars ($14,600,000) for the 1979–80 fiscal year and for the 1980–81 fiscal year for purposes of Section 42240 of the Education Code.

SEC. 97. There is hereby appropriated to the State Controller the sum of five billion seven hundred seventy million eight hundred seventy-three thousand five hundred fifty dollars ($5,770,873,550) for the following purposes:

(a) For transfer by the State Controller during the 1979–80 fiscal year to Section A of the State School Fund, in lieu of the amount which would be otherwise appropriated for transfer from the General Fund in the State Treasury to Section A of the State School Fund for the 1979–80 fiscal year pursuant to Section 14002, 14003, 14004, 14006, 14007, and 41304 of the Education Code, and Item 338 of the Budget Act of 1979 (Ch. 259, Stats. 1979), an amount of such appropriation as needed, in addition to the sums accruing to Section A of the State School Fund from other sources for funding pursuant to this act and subdivisions (a) and (b) of Section 14054, Section 41841.5, Articles 10 (commencing with Sectin 41850), 11 (commencing with Section 41880), and 12 (commencing with

Section 41900) of Chapter 5 of Part 24, and Chapter 8 (commencing with Section 52200) of Part 28 of the Education Code, to be allocated as follows:

(1) For the purposes of Section 42237 and 42237.5 of the Education Code, five billion two hundred thirty-two million seven hundred thousand dollars ($5,232,700,000).

(2) For the purposes of Section 2558 of the Education Code, one hundred ninety-five million two hundred thousand dollars ($195,200,000).

(3) For all apportionments pursuant to Article 11 (commencing with Section 41880) of Chapter 5 of Part 24 of, and Section 56039 of, the Education Code, two hundred forty-eight million three hundred thousand dollars ($248,300,000).

(4) For the purposes of Chapter 8 (commencing with Section 52200) of Part 28 of the Education Code, fourteen million five hundred seventy-three thousand five hundred fifty dollars ($14,573,550).

(5) For the purposes of Article 12 (commencing with Section 41900) of Chapter 5 of Part 24 of the Education Code, nineteen million eight hundred thousand dollars ($19,800,000). Provided, that if legislation is chaptered on or before September 1, 1979, which repeals the requirement that persons of a specified age must successfully complete a driver training course in order to be eligible to be issued a driver's license or instruction permit, funds appropriated by this item for the purpose of Article 12 (commencing with Section 41900) of Chapter 5 of Part 24 of the Education Code shall not be expended for such purpose and shall revert to the General Fund.

(6) For the purposes of Article 10 (commencing with Sectin 41850) of Chapter 5 of Part 24 of the Education Code, sixty million three hundred thousand dollars ($60,300,000).

(b) Funds appropriated by this section shall be subject to following provisos:

(1) Provided, that no more than one million seven thousand dollars ($1,007,000) from paragraph (1) of subdivision (a) shall be used for funding pursuant to Section 41841.5 of the Education Code.

(2) Provided further, that no more than one hundred forty-five million one hundred forty-seven thousand dollars ($145,147,000) from paragraph (1) of subdivision (a) shall be apportioned for adult education funding pursuant to paragraph (4) of subdivision (c) of Section 42237.

(3) Provided further, that any surplus from paragraph (1) of subdivision (a) shall be used to offset any deficit in paragraph (2) of subdivision (a) or any surplus from paragraph (2) of subdivision (a) shall be used to offset any deficit in paragraph (1) of subdivision (a).

(4) Provided further, that any surplus in paragraph (3) of subdivision (a) up to a limit of thirty million dollars ($30,000,000) shall be transferred to augment Item 323 of the Budget Act of 1979 (Ch. 259, Stats. 1979).

(5) Provided further, that each school district and county superintendent of schools receiving funds appropriated by this section shall maintain a 1979–80 average daily attendance of 90 percent and an expenditure level of at least 97 percent of the 1977–78 expenditure level in adult programs in elementary and secondary basic skills in mathematics, history, science, government, and language arts and courses specifically required for the completion of a high school diploma by the local governing board, adult programs in English as a second language, adult programs in citizenship for immigrants, adult programs for substantially handicapped persons, adult programs for apprentices, adult vocational programs with high employment potential, adult programs for survival skills for older adults in health, consumer resources and entitlements and managing money for self-maintenance, and adult programs in parenting including parent cooperative preschools, classes in child growth and development, and parent/child relationships, and classes in parenting; provided further, that the Department of Education shall notify districts of programs to be mandated no later than August 15, 1979.

(6) Provided further, that if the Superintendent of Public Instruction has determined that a district or a county superintendent of schools did not maintain the required level of service in each program for the 1978–79 school year as specified in Item 316.1 of the Budget Act of 1978 (Chapter 359 of the Statutes of 1978) and has withheld 1978–79 apportionments accordingly, the 1979–80 apportionments pursuant to this section shall be recalculated so that the 1979–80 apportionments shall restore the funding withheld in 1978–79 which exceeded four times the expenditure level for those students not served at the required average daily attendance and expenditure level.

(7) Provided further, that if the Superintendent of Public Instruction determines that a district or county superintendent of schools has not maintained proprotionate level of service in each component of each category of program for 1979–80 required by this section, he shall reduce such district's or county superintendent's entitlement from Section A of the State School Fund by an amount equal to four times the amount which he determines that district or county superintendent of schools would have expended to maintain the level of service which was not actually maintained.

(8) Provided further, that the level of service of any program for 1979–80 required by this section waived for a school district or county superintendent of schools by the Superintendent of Public Instruction upon certification from the school district or county superintendent of schools that the local demand for the program was less that the required level of service or where local shifts in population have reduced demands significantly.

(9) Provided further, that for purposes of adult programs in this section, substantially handicapped persons are those who have handicaps which are likely to continue indefinitely or for a prolonged

period and whose handicap results in substantial functional limitations in one or more of the following activities: self-care, receptive or expression language, learning, mobility, self-direction, capacity for independent living, or economic self-sufficiency.

(10) Provided further, that each school district and county superintendent of schools receiving funds appropriated by this section shall maintain a 1979–80 average daily attendance of 90 percent and an expenditure level of at least 97 percent of the 1977–78 expenditure level in summer school programs for substantially handicapped students.

(11) Provided further, that for the purposes of extended year programs in this section, substantially handicapped persons are identified as individuals with exceptional needs who, because of intensive educational needs, are placed in special classes or centers pursuant to any of the following sections of the Education Code: 1850(a), excluding remedial classes; 1850(c); 56332(a)(1); 56511(a); 56516; 56519; 56600.2(a); 56601(b); 56601(c); 56702(a); 56800 et seq.; and individuals with exceptional needs who are not placed in special classes or centers but whose individualized education plan specifies an extended year (summer) program.

(12) Provided further, that in those instances in which a school district or county superintendent of schools did not conduct the programs in 1977–78 which are listed in the immediately preceding paragraphs, but for which local demand exists in the 1979–80 fiscal year, the school district or county superintendent of schools shall meet such demands and shall offer at least a 20 instructional day program for each student, and shall receive an allocation of funds from this section for such purposes.

(13) Provided further, that no district shall receive apportionments from the funds appropriated by this section for support of the mentally gifted minor program for a greater number of students in 1979–80 than the number for which it received apportionments in 1978–79, except under the following conditions: (1) if less than 2 percent of a district's culturally disadvantaged students are enrolled in the mentally gifted minor program, such district may enroll in the program such culturally disadvantaged students who qualify for admission to the program up to the specified 2 percent level, or (2) if at least 2 percent of a district's culturally disadvantaged students are enrolled in the mentally gifted minor program, or, should fewer than 2 percent of such culturally disadvantaged students qualify for admission, as many such culturally disadvantaged students as are qualified for admission are enrolled in the mentally gifted minor program, and such district has less than 3 percent of its total students enrolled in such program, such district may enroll students who qualify for admission to the program, regardless of cultural disadvantage, up to the specified 3 percent level.

(14) Provided further, that any school district and county superintendent of schools receiving funds appropriated by this

section shall offer in the summer of 1979 and the summer of 1980 summer school programs for high school seniors in need of courses required for graduation prior to September.

(15) Provided further, that all school districts, county offices of education, and community college districts shall, upon request, make facilities available, at cost, for the operation of migrant summer school programs.

SEC. 98. There is hereby appropriated from the General Fund to the Department of Social Services, for the purposes of implementing Chapter 4.1 (commencing with Section 10815) of Part 2 of Division 9 of the Welfare and Institutions Code and Sections 11407 and 15200.4 of the Welfare and Institutions Code, the sum of one million three hundred fifty-six thousand two hundred twenty-one dollars ($1,356,221) without regard to fiscal year. The department may establish positions to carry out the provisions of Chapter 4.1 and Sections 11407 and 15200.4. The Department of Finance shall approve the positions for implementing Chapter 4.1 and Sections 11407 and 15200.4 prior to their establishment by the department. Before the Department of Finance approves the establishment of new positions to carry out the provisions of Chapter 4.1 and Sections 11407 and 15200.4, current positions shall be redirected, to the extent feasible.

SEC. 99. There is hereby appropriated from the General Fund to the Department of Health Services, for the purposes of implementing Part 4.5 (commencing with Section 16700) of Division 9 of the Welfare and Institutions Code, the sum of eight hundred twenty thousand dollars ($820,000) for the 1979–80 fiscal year. The department may establish positions to carry out the provisions of Part 4.5. The Department of Finance shall approve the positions for implementing Part 4.5 prior to their establishment by the department. Before the Department of Finance approves the establishment of new positions to carry out the provisions of Part 4.5, current positions shall be redirected, to the extent feasible.

SEC. 100. The sum of five hundred nineteen million dollars ($519,000,000) is hereby appropriated from the General Fund to the State Department of Social Services for the 1979–1980 fiscal year for purposes of carrying out the changes in law made pursuant to this act in Sections 11451.5, 12400, 15200, and 15204.2 of the Welfare and Institutions Code and Section 29.6 of Chapter 977 of the Statutes of 1976.

SEC. 101. The sum of five hundred five million dollars ($505,000,000) is hereby appropriated from the General Fund to the State Department of Health Services for the 1979–1980 fiscal year for purposes of carrying out the changes in law made pursuant to this act in Sections 14150, 14150.3, and 14150.5 of the Welfare and Institutions Code.

SEC. 102. Notwithstanding any other provision of law for the 1979–80 fiscal year, any local agency required by law to adopt a budget shall adopt such budget no later than September 30, 1979.

Any other deadlines required for the development of the budget may be delayed 30 days.

SEC. 103. Sections 8, 18, 19, 20, 21, and 28.5 of this act shall be operative on July 1, 1980.

SEC. 104. If any section, part, clause or phrase of this act is for any reason held to be invalid or unconstitutional, the remainder of the act shall not be affected but will remain in full force and effect.

SEC. 105. (a) No appropriation is made by this act, nor is any obligation created thereby under Section 2231 or 2234 of the Revenue and Taxation Code, for the reimbursement of any local agency or school district 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.

(b) Notwithstanding Section 905.2 of the Government Code, Section 2253 of the Revenue and Taxation Code, or any other provision of law, no local agency or school district shall have standing to make a claim to the State Board of Control for any costs incurred by it under this act pursuant to Part 3 (commencing with Section 900) of Division 3.6 of Title 1 of the Government Code or pursuant to Article 3.5 (commencing with Section 2250) of Chapter 3 of Part 4 of Division 1 of the Revenue and Taxation Code.

(c) Notwithstanding Section 2246 of the Revenue and Taxation Code, the Department of Finance shall not review this act to determine costs or revenue losses and shall not report on this act nor make recommendations to the Legislature on this act concerning reimbursements to local agencies or school districts.

(d) The Legislature finds and declares that the complete waiver of the provisions of Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of the Revenue and Taxation Code is justified for the following reasons:

(1) This act implements an initiative constitutional amendment approved by the people of the State of California.

(2) This act is part of an overall legislative program implementing Article XIII A of the California Constitution, which includes billions of dollars of local assistance to local agencies.

(3) There are administrative savings as well as costs mandated by the provisions of this act.

SEC. 106. 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 adoption of Article XIII A of the California Constitution has reduced the amount of property tax revenues available to local government and schools to meet operating and certain debt expenses, and may cause the curtailment or elimination of programs and services which are vital to the state's public health, safety, education, and welfare. In order that such services not be interrupted, it is necessary that this act take effect immediately.

CHAPTER 283

An act to add Section 1285 to the Health and Safety Code, relating to health facilities.

[Approved by Governor July 24, 1979. Filed with Secretary of State July 24, 1979.]

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

SECTION 1. Section 1285 is added to the Health and Safety Code, to read:

1285. (a) No patient shall be detained in a health facility solely for the nonpayment of a bill.

(b) For the purposes of this section, "detained" means the intentional confinement of a patient in a health facility without authorization of the patient or such other person as may be authorized to provide consent to such care on behalf of the patient.

(c) Any person who is detained in a health facility solely for the nonpayment of a bill shall have a cause of action against the health facility for such detention, which may be brought by such person or such person's parent, guardian, conservator, or other legal representative.

Such a cause of action may be brought against the health facility, proprietor, lessee or their agents, or against any such person, corporation, association, or directors thereof. Any person who has been detained in a health facility, solely for the nonpayment of a bill, who has brought an action for such detention, shall have a right to recover general and punitive damages, court costs, and reasonable attorneys fees actually incurred and such other relief as the court in its discretion may allow.

(d) Violation of subdivision (a) of this section is a misdemeanor punishable as prescribed in Section 1290.

SEC. 2. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 284

An act to amend Sections 11125, 11409.7, 11421, 11423, and 11424 of the Government Code, relating to state agencies, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 24, 1979. Filed with Secretary of State July 24, 1979]

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 prepare an agenda for, and 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 and shall include the agenda for 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. The agenda need not include a list of any witnesses expected to appear at the meeting.

(b) Emergency meetings held for the purpose of adopting emergency regulations pursuant to Section 11421 require no prior notice or agenda, except that the agency shall make a reasonable effort to contact any persons requesting notice pursuant to this section or Section 11423, or both.

(c) 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).

(d) 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.

SEC. 1.5. Section 11409.7 of the Government Code is amended to read:

11409.7. The department shall supply to each standing committee of both houses and to each Member of the Legislature, a copy of each issue of the California Administrative Code Notice Supplement.

SEC. 2. Section 11421 of the Government Code is amended to read:

11421. (a) The provisions of this article shall not apply to any regulation not required to be filed with the Secretary of State under this chapter, and only this section and Section 11422 of this article shall apply to any regulation prescribing an agency's organization or procedure or to an emergency regulation adopted pursuant to subdivision (b) of this section.

(b) Except as provided in subdivision (c), if a state agency makes a finding that the adoption of a regulation or order of repeal is necessary for the immediate preservation of the public peace, health

and safety or general welfare, the regulation or order of repeal may be adopted as an emergency regulation or order of repeal.

Any finding of an emergency shall include a written statement containing the following:

(1) The specific facts constituting the need for immediate action.

(2) Reference to the authority under which the regulation is proposed and a reference to the particular code sections or other provisions of law which are being implemented, interpreted, or made specific.

(3) Either the express terms of the emergency regulation, or an informative digest containing a concise and clear summary of existing laws and regulations, if any, related directly to the proposed action, and the effect of the proposed action. The informative digest shall be drafted in a format similar to the Legislative Counsel's digest on legislative bills.

(4) The name and telephone number of the agency officer to whom inquiries concerning the emergency regulation or order of repeal may be directed.

(5) An estimate, prepared as prescribed by the Department of Finance, of the cost or savings to any state agency, the cost to any local agency or school district that is required to be reimbursed under Section 2231 of the Revenue and Taxation Code, other nondiscretionary cost or savings imposed on local agencies, and the cost or savings in federal funding to the state.

For purposes of this section, "cost or savings" means additional costs or savings, both direct and indirect, which a public agency necessarily incurs in reasonable compliance with regulations.

The statement shall be filed immediately with the Senate Committee on Rules and the Speaker of the Assembly and shall be published in the next issue of the notice supplement to the California Administrative Register.

The agency officer designated in paragraph (4) of subdivision (b) shall make available to the public upon request the express terms of the proposed action using underline to indicate additions to, and strikeout to indicate deletions from, the California Administrative Code. The officer shall also make available to the public upon request the location of public records, including reports, documentation, and other materials, related directly to the proposed action.

The provisions of this subdivision shall not be construed in any manner which results in the invalidation of a regulation because of the alleged inadequacy of the notice content or the summary or cost estimates if there has been substantial compliance with those requirements.

(c) Notwithstanding any other provision of the law, no board or commission shall have the power to adopt an emergency regulation to interpret, implement, or make specific provisions of the law relating to campaign disclosure except by a unanimous vote of all members of such board or commission present at the proceeding at which such regulation is adopted.

SEC. 3. Section 11423 of the Government Code is amended to read:

11423. At least 30 days prior to the hearing on the adoption, amendment, or repeal of a regulation, notice of the proposed action shall be:

(a) Published in such newspaper of general circulation, trade or industry publication, as the state agency shall prescribe.

(b) Mailed to every person who has filed a request for notice thereof with the state agency.

(c) In cases in which the state agency is within a state department, mailed or delivered to the director of such department.

(d) When appropriate in the judgment of the state agency, (1) mailed to any person or group of persons whom the agency believes to be interested in the proposed action and, (2) published in such additional form and manner as the state agency shall prescribe.

(e) Published in the California Administrative Register as prepared by the Office of Administrative Hearings.

The effective period of a notice issued pursuant to this section shall not exceed one year from the date thereof. If the action proposed in such notice is not commenced within such period of one year, a notice of the proposed action shall again be issued pursuant to the provisions of this article.

The Office of Administrative Hearings shall make the California Administrative Register available to the public and state agencies at a nominal cost which is consistent with a policy of encouraging the widest possible notice distribution to interested persons.

The Office of State Printing shall provide the same priority for printing the notice supplement to the California Administrative Register as is provided for printing legislative publications.

Where the form or manner of notice is prescribed by statute in any particular case, in addition to filing and mailing notice as required herein, the notice shall be published, posted, mailed, filed or otherwise publicized as prescribed by that statute.

The failure to mail notice to any person as provided in this section shall not invalidate any action taken by a state agency pursuant to this article. The provisions of Article 5 of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code shall not apply to the publication of newspaper notices under this section.

SEC. 4. Section 11424 of the Government Code is amended to read:

11424. (a) The notice of proposed adoption, amendment, or repeal of a regulation shall include:

(1) A statement of the time, place, and nature of proceedings for adoption, amendment, or repeal of the regulation;

(2) Reference to the authority under which the regulation is proposed and a reference to the particular code sections or other provisions of law which are being implemented, interpreted, or made specific;

(3) An informative digest containing a concise and clear summary

of existing laws and regulations, if any, related directly to the proposed action and the effect of the proposed action. The informative digest shall be drafted in a format similar to the Legislative Counsel's digest on legislative bills;

(4) Such other matters as are prescribed by statute applicable to the specific state agency or to any specific regulation or class of regulations;

(5) An estimate, prepared as prescribed by the Department of Finance, of the cost or savings to any state agency, the cost to any local agency or school district that is required to be reimbursed under Section 2231 of the Revenue and Taxation Code, other nondiscretionary cost or savings imposed on local agencies, and the cost or savings in federal funding to the state;

For purposes of this section, "cost or savings" means additional costs or savings, both direct and indirect, which a public agency necessarily incurs in reasonable compliance with regulations; and

(6) The name and telephone number of the agency officer to whom inquiries concerning the proposed administrative action may be directed.

(b) The agency officer designated in paragraph (6) of subdivision (a) shall make available to the public upon request the express terms of the proposed action using underline to indicate additions to, and strikeout to indicate deletions from, the California Administrative Code. The officer shall also make available to the public upon request the location of public records, including reports, documentation, and other materials, related to the proposed action.

(c) The provisions of this section shall not be construed in any manner which results in the invalidation of a regulation because of the alleged inadequacy of the notice content or the summary or cost estimates if there has been substantial compliance with those requirements.

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 public will receive improved notification of proposed regulatory actions as soon as possible, this act must take effect immediately.

CHAPTER 285

An act to amend Sections 6495 and 6506 of the Elections Code, relating to elections.

[Approved by Governor July 24, 1979. Filed with Secretary of State July 24, 1979.]

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

SECTION 1. Section 6495 of the Elections Code is amended to read:

6495. The number of signers to a nomination paper required for the respective offices are as follows:

(a) State office or United States Senate, not less than 65 nor more than 100.

(b) House of Representatives in Congress, State Senate or Assembly, Board of Equalization, or any office voted for in more than one county, and not statewide, not less than 40 nor more than 60.

(c) Candidacy in a single county or any political subdivision of a county, other than State Senate or Assembly, not less than 20 nor more than 40.

(d) When any political party has less than 50 voters in the state or in the county or district in which the election is to be held, one-tenth the number of voters of the party.

(e) When there are less than 150 voters in the county or district in which the election is to be held, not less than 10 nor more than 20.

SEC. 2. Section 6506 of the Elections Code is amended to read:

6506. Before any nomination document is filed in the office of the county clerk or forwarded for filing in the office of the Secretary of State, the county clerk shall verify the signatures and the political affiliations of the signers on the nomination paper with the registration affidavits on file in the office of the county clerk. The county clerk shall mark "not sufficient" any signature which does not appear in the same handwriting as appears on the affidavit of registration in his office or which is accompanied by a declaration of party affiliation which is not in accordance with the declaration of party affiliation in the affidavit of registration. The county clerk may cease to verify signatures once the minimum requisite number of signatures has been verified.

CHAPTER 286

An act to amend Sections 61765.3, 61765.4, 61765.5, and 61765.6 of, and to add Sections 61621.2, 61621.3, and 61621.4 to, the Government Code, relating to community services districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 24, 1979 Filed with Secretary of State July 24, 1979]

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

SECTION 1. Section 61621.2 is added to the Government Code, to read:

61621.2. A district may elect to have any, or all, rates or charges,

or delinquencies, for street lighting purposes collected on the tax roll in any forthcoming fiscal year in the same manner, by the same persons, and at the time as, together with and not separately from, its general taxes in the manner prescribed in Sections 61765.2 to 61765.6, inclusive, of this code. In such event, the district shall cause a written report to be prepared and filed by the secretary, which report shall contain a description of each parcel of real property and the amount of the rates or charges, or delinquencies, for street lighting purposes for each parcel for the year.

SEC. 2. Section 61621.3 is added to the Government Code, to read:

61621.3. In lieu of the collection procedures for rates and charges, and delinquencies, for street lighting purposes provided in Sections 61621 and 61621.2, a district may record, in the office of the county recorder of the county in which such real property is located, a certificate specifying the amount, interest, penalty due, the name and last known address of the person liable therefor, and that such charges remain delinquent for a period of 60 days. From the time of recordation of the certificate, the amount required to be paid for rates and charges, and delinquencies, for street lighting purposes, together with interest and penalty thereon, constitutes a lien upon all real property of the delinquent property owner in the county. The lien created by recording the certificate shall have the force, effect, and priority of a judgment lien and shall continue for three years from the time of recording unless sooner released or otherwise discharged.

The district shall include a statement on its bill to each delinquent property owner of any lien for rates and charges, and delinquencies, for street lighting purposes created pursuant to this section.

SEC. 3. Section 61621.4 is added to the Government Code, to read:

61621.4. A district which elects to have any, or all, rates or charges or delinquencies for street lighting purposes collected on the tax roll pursuant to the provisions of Section 61621.2, or to establish a service charge lien pursuant to the provisions of Section 61621.3, shall reimburse the county for the expenses the county may reasonably incur as a result of the obligations created pursuant to such sections.

SEC. 4. Section 61765.3 of the Government Code is amended to read:

61765.3. At the time stated in the notice, the board shall hear and consider all objections or protests, if any, to the report referred to in the notice and may continue the hearing from time to time. Upon the conclusion of the hearing, the board may adopt, revise, change, reduce, or modify an assessment, or any charges or delinquencies for street lighting purposes, or overrule any or all objections. The board shall make its determination upon each assessment, or each charge or delinquency for street lighting purposes, as described in the report which determination shall be final. The board may make appropriate adjustments that may be necessary as a result of the equalization of

the assessment roll subsequent to the filing of the report.

SEC. 5. Section 61765.4 of the Government Code is amended to read:

61765.4. On or before the 10th day of August of each year following such final determination, the secretary shall file with the county auditor a copy of the report with a statement endorsed thereon over the secretary's signature that it has been finally adopted by the board and the auditor shall enter the amount of the assessments, or the charges for street lighting purposes, against the respective lots or parcels of land as they appear on the current assessment roll. If the property is not described on the roll, the auditor may enter the description thereon together with the amounts of the assessments, or the charges or delinquencies for street lighting purposes, as shown in the report.

SEC. 6. Section 61765.5 of the Government Code is amended to read:

61765.5. The amount of the assessments or the charges for street lighting purposes shall constitute a lien against the lot or parcel of land against which the assessment or the charge for street lighting purposes has been imposed as of noon on the first Monday in March immediately preceding the date of levy.

SEC. 7. Section 61765.6 of the Government Code is amended to read:

61765.6. The county tax collector shall include the amounts of the assessment, or the charges or delinquencies for street lighting purposes, on bills for taxes levied against the respective lots and parcels of land. Thereafter the amount of the assessments, or the charges or delinquencies for street lighting purposes, shall be collected at the same time and in the same manner and by the same persons as, together with and not separately from, the general taxes for the district, and shall be delinquent at the same time and thereafter be subject to the same delinquency penalties. All laws applicable to the levy, collection, and enforcement of general taxes of the district, including, but not limited to, those pertaining to the matters of delinquency, correction, cancellation, refund, and redemption, are applicable to such assessments, or such charges or delinquencies for street lighting purposes. Provided, however, that if for the first year such charge for street lighting purposes is levied, the real property to which such charge relates has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attaches thereon, prior to the date on which the first installment of such taxes appear on the roll, then the charge or delinquency for street lighting purposes assessed pursuant to this section shall not result in a lien against such property, but instead shall be transferred to the unsecured roll for collection.

SEC. 8. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because self-financing authority is provided in this act to

cover 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. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of the Revenue and Taxation Code.

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

Recently, some community services districts have taken on the added responsibility of street lighting services for the purposes of consolidating entities and maintaining such services by imposing rates and charges. In order to economically enforce and obtain collection of such charges for services already being rendered, it is necessary that the provisions of this act go into effect immediately.

CHAPTER 287

An act to add Sections 22229.1 and 22229.2 to the Education Code, relating to retirement, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 24, 1979 Filed with Secretary of State July 24, 1979]

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

SECTION 1. Section 22229.1 is added to the Education Code, to read:

22229.1. Members of the system, who are either appointed to the Teachers' Retirement Board by the Governor pursuant to Section 22200, or who are appointed by the board to serve on a committee or panel of the system, shall be granted, by that member's employer, sufficient time away from regular duties, without loss of income or other benefits to which the member is entitled by reason of employment, to attend meetings of the board, or any meetings of any committee or subcommittee of the board of which the member is a member, or to serve as a member of a panel of the system, and to attend to the duties imposed.

SEC. 2. Section 22229.2 is added to the Education Code, to read:

22229.2 (a) The compensation of the members of the system who are appointed to the board, or by the board to a committee or subcommittee, or to a panel of the system, shall not be reduced by the employing agency or school district by which the members are regularly employed for any absence from service occasioned by attendance upon the business of the board, pursuant to Section 22229 1

(b) Each school district which employs a member appointed pursuant to Section 22229.1 and which employs a person to replace such member during attendance at meetings of the board, or meetings of committees or subcommittees of the board, or when serving as a panel member of the system, thereof, shall be reimbursed from the Teachers' Retirement Fund for the cost incurred by employing a replacement.

SEC. 3. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, there shall be no appropriation made by this act pursuant to these sections because self-financing authority is provided in this act to cover 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. It is recognized, however, that a local agency or school district may pursue any other remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of the Revenue and Taxation 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 have members of the Teachers' Retirement System serve on the Teachers' Retirement Board or committees of the board without loss of pay or benefits at the earliest possible time, it is necessary for this act to take effect immediately.

CHAPTER 288

An act to amend Sections 1094 and 1095 of the Unemployment Insurance Code, relating to unemployment insurance.

[Approved by Governor July 24, 1979 Filed with Secretary of State July 24, 1979]

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

SECTION 1. Section 1094 of the Unemployment Insurance Code is amended to read:

1094. Except as otherwise specifically provided in this code, the information obtained in the administration of this code shall be for the exclusive use and information of the director in discharge of his or her duties and shall not be open to the public, nor admissible in evidence in any action or special proceeding, other than one arising out of the provisions of this code, one arising out of the provisions of 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, or a proceeding to determine entitlement to, and directly

connected with and limited to the administration of, locally provided general relief or assistance benefits. Such information may be tabulated and published in statistical form for the use and information of state departments and the public, except that the name of the employing unit or of any worker shall never be divulged in the course of such tabulation or publication.

SEC. 2. Section 1095 of the Unemployment Insurance Code is amended to read:

1095. The director shall permit the use of any information in his or her 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 or her authorized agent with his or her existing or prospective right to benefits.

(c) To furnish an employer or his or her authorized agent with information to enable him or her to fully discharge his or her obligations or safeguard his or her rights under this division.

(d) To enable an employer to receive a reduction in contribution rate.

(e) To enable the Director of Social Services or his or her representatives or the State Director of Health Services or his or her 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.

(f) To enable county administrators of general relief or assistance, or their representatives, to determine entitlement to locally provided general relief or assistance, where the determination is directly connected with and limited to the administration of general relief or assistance.

(g) To enable county district attorneys, or their representatives, to seek criminal, civil, or administrative remedies in connection with the unlawful application for or receipt of relief provided under Division 9 (commencing with Section 10000) of the Welfare and Institutions Code.

(h) To enable the director or his or her representative to carry out his or her responsibilities under this code.

CHAPTER 289

An act to add Section 1021.6 to the Code of Civil Procedure, relating to implied indemnity.

[Approved by Governor July 24, 1979 Filed with Secretary of State July 24, 1979.]

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

SECTION 1. Section 1021.6 is added to the Code of Civil Procedure, to read:

1021.6. Upon motion, a court after reviewing the evidence in the principal case may award attorney's fees to a person who prevails on a claim for implied indemnity if the court finds (a) that the indemnitee through the tort of the indemnitor has been required to act in the protection of the indemnitee's interest by bringing an action against or defending an action by a third person and (b) if that indemnitor was properly notified of the demand to bring the action or provide the defense and did not avail itself of the opportunity to do so, and (c) that the trier of fact determined that the indemnitee was without fault in the principal case which is the basis for the action in indemnity.

CHAPTER 290

An act to amend Sections 25481, 25483, and 25484 of the Public Resources Code, relating to energy conservation.

[Approved by Governor July 24, 1979. Filed with Secretary of State July 24, 1979]

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

SECTION 1. Section 25481 of the Public Resources Code is amended to read:

25481. The Legislature hereby finds and declares that:

(a) Due to the projected rapid growth in demand for energy, coupled with the mounting difficulties in providing energy supplies, a continuing energy shortage exists, posing a significant danger to public health and welfare.

(b) The use of the automobile represents the single largest use of energy in this state and, therefore, the growing use of energy by automobiles is a major factor contributing to such shortage.

(c) Heavy automobile traffic in our major cities has resulted in serious problems of air pollution and traffic congestion.

(d) Increased ridesharing by commuters would aid in lowering air pollution levels, conserving energy, and reducing urban traffic congestion.

It is, therefore, the purpose of this chapter to provide incentives for the wider use of ridesharing by commuters in metropolitan areas.

SEC. 2. Section 25483 of the Public Resources Code is amended to read:

25483. In order to perform its new function of promoting and assisting ridesharing, the department is authorized to establish ridesharing programs in metropolitan areas for public and private

employees with funds made available for such purpose from any source. The ridesharing programs may be established and maintained entirely by the department or by the department in cooperation with public or private parties pursuant to contract.

SEC. 3. Section 25484 of the Public Resources Code is amended to read:

25484. The ridesharing programs established by the department may include, but are not limited to, computer or manual matching systems, promotional efforts to encourage carpooling, vanpooling, buspooling, and flexible work hours, and preferential treatment on highways.

CHAPTER 291

An act to amend Sections 841 and 842 of the Welfare and Institutions Code, relating to juvenile court law.

[Approved by Governor July 24, 1979 Filed with Secretary of State July 24, 1979]

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

SECTION 1. Section 841 of the Welfare and Institutions Code is amended to read:

841. The duties of a deputy probation officer, or a probation aide, a community worker or a volunteer under the supervision of a deputy probation officer, assigned to home supervision are to assure the minor's appearance at probation officer interviews and court hearings and to assure that the minor obeys the conditions of his release and commits no public offenses pending final disposition of his case. A deputy probation officer, probation aide, or community worker assigned to home supervision shall have a caseload of no more than 10 minors. Whenever possible, a minor shall be assigned to a deputy probation officer, probation aide, community worker, or volunteer who resides in the same community as the minor.

SEC. 2. Section 842 of the Welfare and Institutions Code is amended to read:

842. A probation volunteer is a person who donates personal services to the probation department and probationers without compensation. A probation aide or a community worker may receive compensation for such services. Probation aides, community workers, and volunteers shall not qualify for peace officer status pursuant to Section 830.5 of the Penal Code.

CHAPTER 292

An act to amend Sections 17052.6, 17055, 17073, 17132, 17171, 17172, 17175, 17216.2, 17283, 17299, 18242, 18244, 18435, 19051, 20645, 23771, 24436.5, 24452, 24454, 24486, 26071, and 26452 of, to add Sections 17038, 17048, 17174, 19254, 20642, 24517 and 26423 to, and to repeal Sections 17048, 17049, 17050, 17051, 17052, 17174, 17176, 17177, 19254, 20642 and 26423, of, the Revenue and Taxation Code, and to amend Section 3 of Chapter 1286 of the Statutes of 1978, relating to taxation to take effect immediately, tax levy.

[Approved by Governor July 24, 1979 Filed with Secretary of State July 24, 1979]

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

SECTION 1. Section 17038 is added to the Revenue and Taxation Code, to read:

17038. For purposes of this part, unless expressly otherwise provided, references to the California Consumer Price Index shall mean the California Consumer Price Index for All Urban Consumers.

SEC. 1.5. Section 17048 of the Revenue and Taxation Code is repealed.

SEC. 2. Section 17048 is added to the Revenue and Taxation Code, to read:

17048. In lieu of the tax imposed under Section 17041, individuals with taxable income of less than forty thousand dollars ($40,000) or such other amounts as prescribed by the Franchise Tax Board, shall compute their taxes under tax tables promulgated by regulation by the Franchise Tax Board. Such tax tables shall reflect the tax imposed under Section 17041 in income progressions of not less than one hundred dollars ($100), giving effect to the marital or other status of the individual. For purposes of this part, the tax imposed by this section shall be treated as tax imposed by Section 17041.

SEC. 3. Section 17049 of the Revenue and Taxation Code is repealed.

SEC. 4. Section 17050 of the Revenue and Taxation Code is repealed.

SEC. 5. Section 17051 of the Revenue and Taxation Code is repealed.

SEC. 6. Section 17052 of the Revenue and Taxation Code is repealed.

SEC. 7. Section 17052.6 of the Revenue and Taxation Code is amended to read:

17052.6. (a) (1) In the case of an individual who maintains a household which includes as a member one or more qualifying individuals (as defined in subdivision (b) (1)), there shall be allowed as a credit against the "net tax" (as defined in paragraph (2)) imposed by this part for the taxable year an amount equal to 3

percent of the employment-related expenses (as defined in subdivision (b) (2)) paid by such individual during the taxable year.

(2) For the purposes of this section, the term "net tax" means the tax imposed under either Section 17041 or 17048 minus the credits for personal exemption provided for in Section 17054 and the credits for taxes paid other states provided for in Chapter 12 (commencing with Section 18001).

(3) The credit provided by paragraph (1) shall be reduced by 2 percent for each one hundred dollars ($100) of adjusted gross income in excess of fifteen thousand dollars ($15,000).

(b) For purposes of this section—

(1) The term "qualifying individual" means—

(A) A dependent of the taxpayer who is under the age of 15 and with respect to whom the taxpayer is entitled to a credit under Section 17054(c).

(B) A dependent of the taxpayer who is physically or mentally incapable of caring for himself.

(C) The spouse of the taxpayer, if he is physically or mentally incapable of caring for himself.

(2) (A) The term "employment-related expenses" means amounts paid for the following expenses, but only if such expenses are incurred to enable the taxpayer to be gainfully employed for any period for which there are one or more qualifying individuals with respect to the taxpayer:

(i) Expenses for household services, and

(ii) Expenses for the care of a qualifying individual.

(B) Employment-related expenses described in subparagraph (A) which are incurred for services outside the taxpayer's household shall be taken into account only if incurred for the care of a qualifying individual described in paragraph (1)(A).

(c) The amount of the employment-related expenses incurred during any taxable year which may be taken into account under subdivision (a) shall not exceed—

(1) Two thousand dollars ($2,000) if there is one qualifying individual with respect to the taxpayer for such taxable year, or

(2) Four thousand dollars ($4,000) if there are two or more qualifying individuals with respect to the taxpayer for such taxable year.

(d) (1) Except as otherwise provided in this subdivision, the amount of the employment-related expenses incurred during any taxable year which may be taken into account under subdivision (a) shall not exceed—

(A) In the case of an individual who is not married at the close of such year, such individual's earned income for such year, or

(B) In the case of an individual who is married at the close of such year, the lesser of such individual's earned income or the earned income of his spouse for such year.

(2) In the case of a spouse who is a student or a qualified individual described in subparagraph (C) of paragraph (1) of subdivision (b),

for purposes of paragraph (1), such spouse shall be deemed for each month during which such spouse is a full-time student at an educational institution, or is such a qualifying individual, to be gainfully employed and to have earned income of not less than—

(A) One hundred sixty-six dollars ($166) if subdivision (c) (1) applies for the taxable year, or

(B) Three hundred thirty-three dollars ($333) if subdivision (c) (2) applies for the taxable year. In the case of any husband and wife, this paragraph shall apply with respect to only one spouse for any one month.

(e) For purposes of this section—

(1) An individual shall be treated as maintaining a household for any period only if over half the cost of maintaining the household for such period is furnished by such individual (or, if such individual is married during such period, is furnished by such individual and his spouse).

(2) If the taxpayer is married at the close of the taxable year, the credit shall be allowed under subdivision (a) only if the taxpayer and his spouse file a joint return for the taxable year.

(3) An individual legally separated from his spouse under a decree of divorce or of separate maintenance shall not be considered as married.

(4) If—

(A) An individual who is married and who files a separate return—

(i) Maintains as his home a household which constitutes for more than one-half of the taxable year the principal place of abode of a qualifying individual, and

(ii) Furnishes over half of the cost of maintaining such household during the taxable year, and

(B) During the last six months of such taxable year such individual's spouse is not a member of such household, such individual shall not be considered as married.

(5) If—

(A) A child (as defined in Section 17054(c) (4)) who is under the age of 15 or who is physically or mentally incapable of caring for himself receives over half of his support during the calendar year from his parents who are divorced or legally separated under a decree of divorce or separate maintenance or who are separated under a written separation agreement, and

(B) Such child is in the custody of one or both of his parents for more than one-half of the calendar year, in the case of any taxable year beginning in such calendar year such child shall be treated as being a qualifying individual described in subparagraph (A) or (B) of subdivision (b) (1), as the case may be, with respect to that parent who has custody for a longer period during such calendar year than the other parent, and shall not be treated as being a qualifying individual with respect to such other parent.

(6) (A) Except as provided in subparagraph (B), no credit shall

be allowed under subdivision (a) for any amount paid by the taxpayer to an individual bearing a relationship to the taxpayer described in subdivision (a) through (h), inclusive, of Section 17056 (relating to definition of dependent) or to a dependent described in subdivision (i) of such section.

(B) Subparagraph (A) shall not apply to any amount paid by the taxpayer to an individual with respect to whom, for the taxable year of the taxpayer in which the service is performed, neither the taxpayer nor his spouse is entitled to a credit under subdivision (c) Section 17054 (relating to credit for personal exemptions for dependents), but only if the service with respect to which such amount is paid constitutes employment within the meaning of Section 3121(b) of the Internal Revenue Code of 1954.

(7) The term "student" means an individual who during each of five calendar months during the taxable year is a full-time student at an educational organization.

(8) The term "educational organization" means an educational organization described in Section 17215.1(b)(2).

(f) The Franchise Tax Board shall prescribe such regulations as may be necessary to carry out the purposes of this section.

SEC. 8. Section 17055 of the Revenue and Taxation Code is amended to read:

17055. (a) Any individual, other than an active member of the armed forces of the United States or any auxiliary branch thereof, and his or her spouse, who is a nonresident for all or any portion of the taxable year shall deduct the minimum standard deduction provided by Section 17171 and the credits for personal exemptions and solar energy devices set forth in this chapter in the proportion that such individual's adjusted gross income from California sources bears to his adjusted gross income from all sources.

(b) An individual subject to the provisions of subdivision (a) must apportion the deduction provided for by Section 17171, regardless of the amount of his adjusted gross income.

SEC. 9. Section 17073 of the Revenue and Taxation Code is amended to read:

17073. (a) Except as provided in subdivision (b), for purposes of this part the term "taxable income" means gross income, minus the deductions allowed by this part, other than the standard deduction allowed by Article 4 (Section 17171 and following).

(b) In the case of an individual electing to use the standard deduction provided in Article 4 (Section 17171 and following), for purposes of this part the term "taxable income" means adjusted gross income, minus such standard deduction.

SEC. 10. Section 17132 of the Revenue and Taxation Code is amended to read:

17132. (a) Gross income does not include amounts received (whether in a single sum or otherwise) by the beneficiaries or the estate of an employee, if such amounts are paid by or on behalf of an employer and are paid by reason of the death of the employee.

(b) (1) The aggregate amounts excludable under subdivision (a) with respect to the death of any employee shall not exceed five thousand dollars ($5,000).

(2) Subdivision (a) shall not apply to amounts with respect to which the employee possessed, immediately before his death, a nonforfeitable right to receive the amounts while living.

This paragraph shall not apply to total distributions payable (as defined in Section 17503 (c) (3)) which are paid to a distributee within one taxable year of the distributee by reason of the employee's death—

(i) By a stock bonus, pension, or profit-sharing trust described in Section 17501 which is exempt from tax under Section 17631,

(ii) Under an annuity contract under a plan described in Section 17511, or

(iii) Under an annuity contract purchased by an employer which is an organization referred to in Section 23701d of this code but only with respect to that portion of such total distributions payable which bears the same ratio to the amount of such total distributions payable which is (without regard to this section) includable in gross income, as the amounts contributed by the employer for such annuity contract which are excludable from gross income under Section 17512 bear to the total amounts contributed by the employer for such annuity contract.

(3) Subdivision (a) shall not apply to amounts received by a surviving annuitant under a joint and survivor's annuity contract after the first day of the first period for which an amount was received as an annuity by the employee (or would have been received if the employee had lived).

(4) In the case of any amount to which Sections 17101 to 17112, inclusive (relating to annuities, etc.), apply, the amount which is excludable under subdivisions (a) (as modified by this subdivision) shall be determined by reference to the value of such amount as of the day on which the employee died. Any amount so excludable under subdivision (a) shall, for purposes of Sections 17101 to 17112, inclusive, be treated as additional consideration paid by the employee. Subdivision (a) shall not apply in the case of an annuity under Chapter 73 of Title 10 of the United States Code if the member or former member of the uniformed services by reason of whose death such annuity is payable died after attaining retirement age.

(c) For purposes of this section, the term "employee" does not include an individual who is an employee within the meaning of Section 17502.2(a) (relating to self-employed individuals).

SEC. 11. Section 17171 of the Revenue and Taxation Code is amended to read:

17171. (a) A taxpayer, at his election, may take a standard deduction as follows:

(1) In the case of a taxpayer, other than a head of a household or a surviving spouse (as defined in Section 17046) or a married couple filing a joint return, the standard deduction shall be one thousand

dollars ($1,000);

(2) In the case of a head of household or a surviving spouse (as defined in Section 17046) or a married couple filing a joint return, the standard deduction shall be two thousand dollars ($2,000).

(b) The standard deduction provided for in subdivision (a) shall be in lieu of all deductions other than those which under Section 17072 are to be subtracted from gross income in computing adjusted gross income.

(c) For each taxable year beginning on or after January 1, 1979, the Franchise Tax Board shall recompute the standard deductions prescribed in this section, as follows:

(1) The California Department of Industrial Relations shall transmit annually to the Franchise Tax Board the percentage change in the California Consumer Price Index for all items from June of the prior calendar year to June of the current calendar year, no later than August 1 of the current calendar year.

(2) The Franchise Tax Board shall compute an inflation adjustment factor by adding 100 percent to that portion of the percentage change figure which is furnished to them pursuant to paragraph (1) of this subdivision and dividing the result by 100.

(3) The Franchise Tax Board shall multiply the prior taxable year's standard deduction amounts by the inflation adjustment factor provided in paragraph (2), rounded off to the nearest ten dollars ($10).

SEC. 12. Section 17172 of the Revenue and Taxation Code is amended to read:

17172. (a) The standard deduction shall not be allowed to a husband or wife if the tax of the other spouse is determined on the basis of the taxable income computed without regard to the standard deduction.

(b) The standard deduction shall not be allowed in computing the taxable income of—

(1) An individual making a return under Section 17553(a) for a period of less than 12 months on account of a change in his annual accounting period; or

(2) An estate, trust or common trust fund.

SEC. 13. Section 17174 of the Revenue and Taxation Code is repealed.

SEC. 14. Section 17174 is added to the Revenue and Taxation Code, to read:

17174. If the taxpayer on making his return fails to signify an election to take the standard deduction, such failure shall be considered an election not to take the standard deduction.

SEC. 15. Section 17175 of the Revenue and Taxation Code is amended to read:

17175. Under regulations prescribed by the Franchise Tax Board, a change of an election for any taxable year to take, or not to take, the standard deduction, may be made after the filing of the return for such year. If the spouse of the taxpayer filed a separate return for

any taxable year corresponding, for purposes of Section 17172, to the taxable year of the taxpayer, the change shall not be allowed unless, in accordance with such regulations—

(a) The spouse makes a change of election with respect to the standard deduction for the taxable year covered in such separate return, consistent with the change of election sought by the taxpayer; and

(b) The taxpayer and his spouse consent in writing to the assessment, within such period as may be agreed on with the Franchise Tax Board, of any deficiency, to the extent attributable to such change of election, even though at the time of the filing of such consent the assessment of such deficiency would otherwise be prevented by the operation of any law or rule of law.

SEC. 16. Section 17176 of the Revenue and Taxation Code is repealed.

SEC. 17. Section 17177 of the Revenue and Taxation Code is repealed.

SEC. 18. Section 17216.2 of the Revenue and Taxation Code is amended to read:

17216.2. (a) The amount of any charitable contribution of property otherwise taken into account under Section 17214 shall be reduced by the sum of—

(1) The amount of gain which would have been included in taxable income, if the property contributed has been sold by the taxpayer at its fair market value (determined at the time of such contribution), except that this paragraph shall not apply if the amount of gain includable in taxable income is determined by applying paragraph (2) or (3) of subdivision (a) of Section 18162.5, and

(2) In the case of a charitable contribution—

(A) Of tangible personal property, if the use by the donee is unrelated to the purpose or function constituting the basis for its exemption under Section 23701 (or, in the case of a governmental unit, to any purpose or function described in Section 17214), or

(B) To or for the use of a private foundation (as defined in Section 509(a) of the Internal Revenue Code), other than a private foundation described in Section 170(b)(1)(E) of that code, the amount of gain which would have been included in taxable income under paragraph (2) or (3) of subdivision (a) of Section 18162.5 if the property contributed had been sold by the taxpayer at its fair market value (determined at the time of such contribution). For purposes of applying this subdivision (other than in the case of gain to which paragraph (1) of subdivision (d) of Section 17689.5, subdivision (a) of Section 18211, Section 18212, subdivision (c) of Section 18220, subdivision (a) of Section 18221, or subdivision (a) of Section 18219 applies), property which is property used in the trade or business (as defined in Section 18182) shall be treated as a capital asset.

(b) For purposes of subdivision (a), in the case of a charitable contribution of less than the taxpayer's entire interest in the property

contributed, the taxpayer's adjusted basis in such property shall be allocated between the interest contributed and any interest not contributed in accordance with regulations prescribed by the Franchise Tax Board.

SEC. 19. Section 17283 of the Revenue and Taxation Code is amended to read:

17283. No deduction shall be allowed for—

(a) Any amount paid out for new buildings or for permanent improvements or betterments made to increase the value of any property or estate. This subdivision shall not apply to—

(1) Expenditures for the development of mines or deposits deductible under Section 17690;

(2) Soil and water conservation expenditures deductible under Section 17224;

(3) Expenditures for farmers for fertilizer, etc., deductible under Section 17232;

(4) Research and experimental expenditures deductible under Section 17223; or

(5) Expenditures for removal of architectural and transportation barriers to the handicapped and elderly which the taxpayer elects to deduct under Section 17237.5 or Section 17238.

(b) Any amount expended in restoring property or in making good the exhaustion thereof for which an allowance is or has been made.

(c) Notwithstanding subdivision (a) or (b), regulations shall be prescribed by the Franchise Tax Board under this part corresponding to the regulations which granted the option to deduct as expenses intangible drilling and development costs in the case of oil and gas wells and which were recognized and approved by the United States Congress in House Concurrent Resolution 50, 79th Congress.

SEC. 20. Section 17299 of the Revenue and Taxation Code is amended to read:

17299. (a) Notwithstanding any other provisions in this part to the contrary, in the case of a taxpayer who derives rental income from substandard housing located in this state, no deduction shall be allowed for interest, taxes, depreciation, or amortization paid or incurred in the taxable year with respect to such substandard housing, except as provided in subdivision (c).

(b) Substandard housing means housing which (1) has been determined by a state or local government regulatory agency to violate state law or local codes dealing with health, safety, or building; and (2) after written notice of violation by the regulatory agency, specifying the applicability of this section, has not been brought to a condition of compliance within six months after the date of the notice or the time prescribed in the notice, whichever period is later; or on which good faith efforts for compliance have not been commenced, as determined by the regulatory agency. The regulatory agency may, for good cause shown, extend the

compliance date prescribed in a violation notice.

(c) When the period specified in subdivision (b) has expired without compliance, the regulatory agency shall mail to the taxpayer a notice of noncompliance. The notice of noncompliance shall be in such form and shall include such information as may be prescribed by the Franchise Tax Board, shall be mailed by certified mail to the taxpayer at his last known address, and shall advise the taxpayer (1) of an intent to notify the Franchise Tax Board of such noncompliance within 10 days unless an appeal is filed, (2) where an appeal may be filed, and (3) a general description of the tax consequences of such filing with the Franchise Tax Board. Appeals shall be made to the same body and in the same manner as appeals from other actions of the regulatory agency. If no appeal is made within 10 days or after disposition of the appeal if the regulatory agency is sustained, the regulatory agency shall notify the Franchise Tax Board of such noncompliance. No deduction shall be allowed for the items provided in subdivision (a) from the date of the notice of noncompliance until the date the regulatory agency determines that the substandard housing has been brought to a condition of compliance. The regulatory agency shall mail to the Franchise Tax Board and the taxpayer a notice of compliance, which notice shall be in such form and include such information as may be prescribed by the Franchise Tax Board. In the event the period of noncompliance does not cover an entire taxable year, the deductions shall be denied at the rate of one-twelfth for each full month during the period of noncompliance.

If the property is owned by more than one owner or if recorded title is in the name of a fictitious owner, the notice requirements provided in subdivision (b) and this subdivision shall be satisfied for each owner if the notices are mailed to one owner or to the fictitious name owner at the address appearing on the latest available property tax bill. However, notices made pursuant to this subdivision shall not relieve the regulatory agency from furnishing taxpayer identification information required to implement this section to the Franchise Tax Board.

(d) For the purposes of this section, a notice of noncompliance shall not be mailed by the regulatory agency to the Franchise Tax Board if:

(1) The rental housing was rendered substandard solely by reason of earthquake, flood or other natural disaster except where such condition remains for more than three years after the disaster,

(2) The owner of the rental housing has secured financing to bring such housing into compliance with those laws or codes which have been violated, causing such housing to be classified as substandard, and has commenced repairs or other work necessary to bring such housing into compliance or

(3) The owner of rental housing which is not within the meaning of housing accommodation as defined by subdivision (d) of Section 35805 of the Health and Safety Code has attempted to:

(A) Secure financing to bring such housing into compliance with those laws or codes which have been violated, causing such housing to be classified as substandard; and

(B) Such financing is denied solely because such housing is located in a neighborhood or geographical area in which financial institutions do not provide financing for rehabilitation of any such housing.

(e) The provisions of this section do not apply to deductions from income derived from property rendered substandard solely by reason of a change in applicable state or local housing standards unless such violations cause substantial danger to the occupants of such property, as determined by the regulatory agency which has served notice of violation pursuant to subdivision (b).

(f) The owner of rental housing found to be in noncompliance shall, upon total or partial divestiture of interest in such property, immediately notify the regulatory agency of the name and address of the person or persons to whom the property has been sold or otherwise transferred and the date of the sale or transference.

(g) By July 1st of each year, the regulatory agency shall report to the appropriate legislative body of its jurisdiction the following information, for the preceding calendar year, regarding its activities to secure code enforcement, which shall be public information:

(1) The number of written notices of violation issued for substandard dwellings under subdivision (a);

(2) The number of violations complied with within the period prescribed in subdivision (a);

(3) The number of notices of noncompliance issued pursuant to subdivision (c);

(4) The number of appeals from those notices pursuant to subdivision (c);

(5) The number of successful appeals by owners;

(6) The number of notices of noncompliance mailed to the Franchise Tax Board pursuant to subdivision (c);

(7) The number of cases in which a notice of noncompliance was not sent pursuant to the provision of subdivision (d);

(8) The number of extensions for compliance granted pursuant to subdivision (b) and the mean average length of such extensions;

(9) The mean average length of time from the issuance of a notice of violation to the mailing of a notice of noncompliance to the Franchise Tax Board where such notice is actually sent to the Franchise Tax Board;

(10) The number of cases where compliance is achieved after a notice of noncompliance has been mailed to the Franchise Tax Board; and

(11) The number of instances of disallowance of tax deductions by the Franchise Tax Board resulting from referrals made by the regulatory agency. This information may be filed in a supplemental report in succeeding years as it becomes available.

SEC. 21. Section 18242 of the Revenue and Taxation Code is

amended to read:

18242. (a) For purposes of this article, the term "averageable income" means the amount by which taxable income for the computation year (reduced as provided in subdivision (b)) exceeds 133⅓ percent of average base period income.

(b) The taxable income for the computation year shall be reduced by—

(1) The amount (if any) to which Section 17112.5 applies, and

(2) The amounts included in the income of a beneficiary of a trust under subdivision (a) of Section 17775.

(c) For purposes of this article—

(1) The term "average base period income" means one-fourth of the sum of the base period incomes for the base period.

(2) The base period income for any taxable year is the taxable income for such year—

(A) Decreased by the amounts included in the income of a beneficiary of a trust under subdivision (a) of Section 17775; and

(B) For taxable years beginning prior to January 1, 1967, increased by the amount of the deductions for personal exemption claimed for such year; and

(d) For purposes of this article—

(1) The term "computation year" means the taxable year for which the taxpayer chooses the benefits of this article.

(2) The term "base period" means the four taxable years immediately preceding the computation year.

(3) The term "base period year" means any of the four taxable years immediately preceding the computation year.

(4) The term "joint return" means the return of a husband and wife made under Section 18402.

SEC. 22. Section 18244 of the Revenue and Taxation Code is amended to read:

18244. (a) This article shall apply to the taxable year only if the taxpayer chooses to have the benefits of this article for such taxable year. Such choice may be made or changed at any time before the expiration of the period prescribed for making a claim for credit or refund of the tax imposed by this part for the taxable year.

(b) If the taxpayer chooses the benefits of this article for the taxable year, subdivision (b) of Section 17112.7 (relating to limitation of tax in case of certain distributions with respect to contributions by self-employed individuals) shall not apply to him for such year.

(c) (1) Paragraph (2) of this subdivision shall apply in the case of any individual who was married for any base period year or the computation year; except that such paragraphs shall not apply in respect of a base period year if—

(A) Such individual and his spouse make a joint return for the computation year, and

(B) Such individual was not married to any other spouse for such base period year.

(2) For purposes of this article, the base period income of an

individual for any base period year shall not be less than 50 percent of the base period income which would result from combining his income and deductions for such year—

(A) With the income and deductions for such year of the individual who is his spouse for the computation year, or

(B) If greater, with the income and deductions for such year of the individual who was his spouse for such base period year.

(3) For purposes of this subdivision, Section 17173 shall apply in determining whether an individual is married for any taxable year.

(d) In the case of joint return, the three thousand dollars ($3,000) figure contained in Section 18241 shall be applied to the aggregate averageable income.

(e) (1) Section 17112.5 (relating to penalties applicable to certain amounts received by owner-employees) shall be applied as if this article had not been enacted.

(2) Except as otherwise provided in this article, the order and manner in which items of income or limitations on tax shall be taken into account in computing the tax imposed by this part on the income of any eligible individual to whom Section 18241 applies for any computation year shall be determined under regulations prescribed by the Franchise Tax Board.

(f) In the case of any computation year or base period year which is a short taxable year, this article shall be applied in the manner provided in regulations prescribed by the Franchise Tax Board.

SEC. 23. Section 18435 of the Revenue and Taxation Code is amended to read:

18435. (a) Declarations of estimated tax required to be filed under Section 18414 shall be filed on or before the last day of the 10th month of the taxable year.

(b) (1) Declarations of estimated tax required to be filed under Section 18414.5 or Section 18415 from individuals regarded as neither farmers nor fishermen shall be filed on or before April 15 of the taxable year, except that if the requirements of Section 18414.5 or 18415 are first met—

(A) After April 1 and before June 2 of the taxable year, the declaration shall be filed on or before June 15 of the taxable year, or

(B) After June 1 and before September 2 of the taxable year, the declaration shall be filed on or before September 15 of the taxable year, or

(C) After September 1 of the taxable year, the declaration shall be filed on or before January 15 of the succeeding taxable year.

(2) Declarations of estimated tax required by Section 18414.5 or 18415 from individuals whose estimated gross income from farming or fishing (including oyster farming) for the taxable year is at least two-thirds of the total estimated gross income from all sources for the taxable year, or whose gross income from farming or fishing (including oyster farming) shown on the return of the individual for the preceding taxable year is at least two-thirds of the total gross income from all sources shown on such return, may, in lieu of the

time prescribed in paragraph (1), be filed at any time on or before January 15 of the succeeding taxable year.

(c) An amendment of a declaration may be filed in any interval between installment dates prescribed for that taxable year, but only one amendment may be filed in each such interval.

(d) The application of this section to taxable years of less than 12 months shall be in accordance with regulations prescribed by the Franchise Tax Board.

(e) In the application of this section to the case of a taxable year beginning on any date other than January 1, there shall be substituted, for the months specified in this section, the months which correspond thereto.

SEC. 24. Section 19051 of the Revenue and Taxation Code is amended to read:

19051. If the Franchise Tax Board or the board, as the case may be, finds that there has been an overpayment of any liability imposed under this part by a taxpayer for any year for any reason, the amount of the overpayment shall be credited against any amount then due from the taxpayer and the balance refunded to the taxpayer.

In the case of a joint return filed under Section 18402, the amount of the overpayment shall be credited against the amount then due from both taxpayers and the balance shall be refunded to both taxpayers in the names under which the return was paid.

SEC. 25. Section 19254 of the Revenue and Taxation Code is repealed.

SEC. 26. Section 19254 is added to the Revenue and Taxation Code, to read:

19254. (a) The Franchise Tax Board, for the purpose of administering its duties under this part, including ascertaining the correctness of any return; making a return where none has been made; determining or collecting the liability of any person in respect of any liability imposed by this part (or the liability at law or in equity of any transferee in respect of such liability); shall have the power to examine any books, papers, records, or other data, which may be relevant to such purpose.

(b) The Franchise Tax Board may require the attendance of the taxpayer or of any other person having knowledge in the premises and may take testimony and require material proof for its information and administer oaths to carry out the provisions of this part.

(c) The Franchise Tax Board may issue subpoenas or subpoenas duces tecum, which subpoenas must be signed by any member of the Franchise Tax Board and may be served on any person for any purpose.

SEC. 27. Section 20642 of the Revenue and Taxation Code is repealed.

SEC. 28 Section 20642 is added to the Revenue and Taxation Code, to read

20642. Except as otherwise expressly provided by this part, the

Franchise Tax Board shall administer and enforce this part and the provisions of Chapter 21 (commencing with Section 19251) of Part 10 shall apply to this part.

SEC. 29. Section 20645 of the Revenue and Taxation Code is amended to read:

20645. If the Franchise Tax Board determines that assistance or postponement has been erroneously granted under this part, or if a claimant is aggrieved by the denial in whole or in part for assistance or postponement, then the provisions in Chapters 17 (commencing with Section 18401), 18 (commencing with Section 18551), 19 (commencing with Section 18801), and 20 (commencing with Section 19051) of Part 10 shall apply, as if the amount in controversy was a tax, unless the context indicates otherwise. For the purposes of Chapter 21 (commencing with Section 19251) of Part 10 (relating to Disclosure of Information), a claim filed pursuant to this part shall be deemed a tax return and disclosure of information set forth therein is prohibited unless required for administrative purposes by the Franchise Tax Board or the Controller.

SEC. 30. Section 23771 of the Revenue and Taxation Code is amended to read:

23771. Every organization, otherwise exempt under Article 1 of this chapter, but having income of the character described in Article 2, shall file a return, verified by an executive officer under penalties of perjury in the form prescribed by the Franchise Tax Board, on or before the 15th day of the fifth month following the close of the income year, reporting its income from such activities and shall pay a tax as required by Section 23731 on its unrelated business taxable income as defined in Section 23732.

SEC. 31. Section 24436.5 of the Revenue and Taxation Code is amended to read:

24436.5. (a) In the case of a taxpayer who derives rental income from substandard housing located in this state, no deductions for interest, depreciation, taxes, or amortization under Section 24343, 24344, 24345, 24349, or 24354.2 shall be allowed which relate to such substandard housing.

(b) Substandard housing means housing which (1) has been determined by a state or local government regulatory agency to violate state law or local codes dealing with health, safety, or building; and (2) after written notice of violation by the regulatory agency, specifying the applicability of this section, has not been repaired or brought to a condition of compliance within six months after the date of the notice or the time prescribed in the notice, whichever period is longest; or on which good faith efforts for compliance have not been commenced, as determined by the regulatory agency. The regulatory agency may, for good cause shown, extend the compliance date prescribed in a violation notice.

(c) When the period specified in subdivision (b) has expired without compliance, the government regulatory agency shall mail to the taxpayer a notice of noncompliance. The notice of

noncompliance shall be in such form and shall include such information as may be prescribed by the Franchise Tax Board, shall be mailed by certified mail to the taxpayer at his last known address, and shall advise the taxpayer (1) of an intent to notify the Franchise Tax Board of such noncompliance within 10 days unless an appeal is filed, (2) where an appeal may be filed, and (3) a general description of the tax consequences of such filing with the Franchise Tax Board. Appeals shall be made to the same body and in the same manner as appeals from other actions of the regulatory agency. If no appeal is made within 10 days or after disposition of the appeal if the regulatory agency is sustained, the regulatory agency shall notify the Franchise Tax Board of such noncompliance. No deduction shall be allowed for the items provided in subdivision (a) from the date of the notice of noncompliance until the date the regulatory agency determines that the substandard housing has been brought to a condition of compliance. The regulatory agency shall mail to the Franchise Tax Board and the taxpayer a notice of compliance, which notice shall be in such form and include such information as may be prescribed by the Franchise Tax Board. In the event the period of noncompliance does not cover an entire income year, the deductions shall be denied at the rate of one-twelfth for each full month during the period of noncompliance.

If the property is owned by more than one owner or the recorded title is in the name of a fictitious owner, the notice requirements provided in subdivision (b) and this subdivision shall be satisfied for each owner if the notices are mailed to one owner or to the fictitious name owner at the address appearing on the latest available property tax bill. However, notices made pursuant to this subdivision shall not relieve the regulatory agency from furnishing taxpayer identification information required to implement this section to the Franchise Tax Board.

(d) For the purposes of this section, a notice of noncompliance shall not be mailed by the regulatory agency to the Franchise Tax Board if:

(1) The rental housing was rendered substandard solely by reason of earthquake, flood or other natural disaster except where such condition remains for more than three years after the disaster,

(2) The owner of the rental housing has secured financing to bring such housing into compliance with those laws or codes which have been violated, causing such housing to be classified as substandard, and has commenced repairs or other work necessary to bring such housing into compliance, or

(3) The owner of rental housing which is not within the meaning of housing accommodation, as defined in subdivision (d) of Section 35805 of the Health and Safety Code, has attempted to:

(A) Secure financing to bring such housing into compliance with those laws or codes which have been violated, causing such housing to be classified as substandard; and

(B) Such financing is denied solely because such housing is

located in a neighborhood or geographical area in which financial institutions do not provide financing for rehabilitation of any such housing.

(e) The provisions of this section do not apply to deductions from income derived from property rendered substandard solely by reason of a change in applicable state or local housing standards unless such violations cause substantial danger to the occupants of such property, as determined by the regulatory agency which has served notice of violation pursuant to subdivision (b).

(f) The owner of rental housing found to be in noncompliance shall, upon total or partial divestiture of interest in such property, immediately notify the regulatory agency of the name and address of the person or persons to whom the property has been sold or otherwise transferred and the date of the sale or transference.

(g) By July 1st of each year, the regulatory agency shall report to the appropriate legislative body of its jurisdiction the following information, for the preceding calendar year, regarding its activities to secure code enforcement, which shall be public information:

(1) The number of written notices of violation issued for substandard dwellings under subdivision (a);

(2) The number of violations complied with within the period prescribed in subdivision (a),

(3) The number of notices of noncompliance issued pursuant to subdivision (c);

(4) The number of appeals from those notices pursuant to subdivision (c);

(5) The number of successful appeals by owners;

(6) The number of notices of noncompliance mailed to the Franchise Tax Board pursuant to subdivision (c);

(7) The number of cases in which a notice of noncompliance was not sent pursuant to the provisions of subdivision (d);

(8) The number of extensions for compliance granted pursuant to subdivision (b) and the mean average length of such extensions;

(9) The mean average length of time from the issuance of a notice of violation to the mailing of a notice of noncompliance to the Franchise Tax Board where such notice is actually sent to the Franchise Tax Board;

(10) The number of cases where compliance is achieved after a notice of noncompliance has been mailed to the Franchise Tax Board; and

(11) The number of instances of disallowance of tax deductions by the Franchise Tax Board resulting from referrals made by the regulatory agency. This information may be filed in a supplemental report in succeeding years as it becomes available.

SEC. 32. Section 24452 of the Revenue and Taxation Code is amended to read:

24452 (a) For purposes of Sections 24451 to 24454, inclusive, the amount of any distribution shall be the amount of money received, plus whichever of the following is the lesser:

(1) The fair market value of the other property received; or

(2) The adjusted basis (in the hands of the distributing bank or corporation immediately before the distribution) of the other property received, increased in the amount of gain to the distributing bank or corporation which is recognized on the distribution.

(b) The amount of any distribution determined under subdivision (a) shall be reduced (but not below zero) by—

(1) The amount of any liability of the bank or corporation assumed by the shareholder in connection with the distribution, and

(2) The amount of any liability to which the property received by the shareholder is subject immediately before, and immediately after, the distribution.

(c) For purposes of Sections 24451 to 24454, inclusive, fair market value shall be determined as of the date of the distribution.

SEC. 33. Section 24454 of the Revenue and Taxation Code is amended to read:

24454. The basis of property received in a distribution to which Section 24451 applies shall be whichever of the following is the lesser:

(a) The fair market value of such property; or

(b) The adjusted basis (in the hands of the distributing bank or corporation immediately before the distribution) of such property, increased in the amount of gain to the distributing corporation which is recognized on the distribution.

SEC. 34. Section 24486 of the Revenue and Taxation Code is amended to read:

24486. In making the adjustments to the earnings and profits of a bank or corporation under Section 24484 or 24485, proper adjustment shall be made for—

(a) The amount of any liability to which the property distributed is subject,

(b) The amount of any liability of the corporation assumed by a shareholder in connection with the distribution, and

(c) Any gain to the corporation recognized on the distribution.

SEC. 35. Section 24517 is added to the Revenue and Taxation Code, to read:

24517. If—

(a) There is an involuntary conversion (within the meaning of Section 24943) of property of a distributing bank or corporation and there is a complete liquidation of such corporation which qualifies under Section 24511, and

(b) The disposition of the converted property (within the meaning of Section 24943) occurs during the 60-day period which ends on the day before the first day of the 12-month period, and

(c) Such bank or corporation elects the application of the section at such time and in such manner as the Franchise Tax Board may prescribe, then for purposes of this section such disposition shall be treated as a sale or exchange occurring within the 12-month period.

SEC. 36. Section 26071 of the Revenue and Taxation Code is

amended to read:

26071. If the Franchise Tax Board or the board finds that there has been an overpayment of any liability imposed by this part by a taxpayer for any year for any reason, the amount of the overpayment shall be credited against any amount then due from the taxpayer and the balance refunded to the taxpayer or its successor through reorganization, merger, or consolidation, or to its shareholders upon dissolution.

SEC. 37. Section 26423 of the Revenue and Taxation Code is repealed.

SEC. 38. Section 26423 is added to the Revenue and Taxation Code, to read:

26423. (a) The Franchise Tax Board, for the purpose of administering its duties under this part, including ascertaining the correctness of any return; making a return where none has been made, determining or collecting the liability of any person in respect of any liability imposed by this part (or the liability at law or in equity of any transferee in respect of such liability); shall have the power to examine any books, papers, records, or other data, which may be relevant to such purpose.

(b) The Franchise Tax Board may require the attendance of the taxpayer or of any other person having knowledge in the premises and may take testimony and require material proof for its information and administer oaths to carry out the provisions of this part.

(c) The Franchise Tax Board may issue subpoenas or subpoenas duces tecum, which subpoenas must be signed by any member of the Franchise Tax Board and may be served on any person for any purpose.

SEC. 39. Section 26452 of the Revenue and Taxation Code is amended to read:

26452. (a) The term "business affairs," as used in this article means the details relative to the business activities of the entity as disclosed by the return but shall exclude extraneous matters, such as the exact corporate title, corporate number, the date of commencement of business in this state, taxable year adopted, filing date of return, name, date and title of individuals signing affidavit to the return, due date of taxes, taxes unpaid, entity's address, private address of officers and directors.

(b) Extraneous matters shall not be disclosed unless the request for such information states the names of the entities as to which information is desired and only if there is no reason to believe that the information will be used for commercial list purposes.

SEC. 40. Section 3 of Chapter 1286 of the Statutes of 1978 is amended to read:

Sec. 3. On September 1, 1979, and on September 1 of each year thereafter, the Controller shall transfer from the General Fund to the Local Agency Code Enforcement and Rehabilitation Fund, which is hereby created, an amount equal to the net amount

collected during the preceding fiscal year due to the application of Sections 17299 and 24436.5 of the Revenue and Taxation Code as estimated by the Department of Finance and appropriated annually from the General Fund for purposes specified in this section. On October 1 of 1979, and each October 1 of each year thereafter, the Controller shall distribute the amounts in the fund, which is hereby continuously appropriated for such purpose, to each city, county, and city and county in proportion to the amounts in the fund having a source from each such entity, as estimated by the Department of Finance. Each entity receiving amounts pursuant to this section shall utilize such amounts for any or all the following purposes:

(a) To defray costs incurred in the enforcement of local housing code provisions;

(b) To fund housing rehabilitation programs for persons and families of low and moderate income, as defined in Section 50093 of the Health and Safety Code;

(c) To prevent or minimize displacement of tenants and homeowners as a result of local code enforcement activities.

SEC. 41. (a) The amendments to Section 20645 of the Revenue and Taxation Code contained in Section 29 of this act shall be applied to claims for postponement of taxes for the 1977–78 fiscal year and fiscal years thereafter.

(b) The amendment of Section 18435 of the Revenue and Taxation Code contained in Section 23 of this act shall apply to taxable years beginning on or after January 1, 1979.

(c) The amendment of Section 23771 of the Revenue and Taxation Code contained in Section 30 of this act shall apply to returns due for income years beginning on or after January 1, 1979.

(d) The amendments to Sections 24452, 24454, 24486 and 24517 of the Revenue and Taxation Code contained in Sections 32, 33, 34, and 35 of this act shall be applied to distributions or involuntary conversions on or after the effective date of federal Public Law 95-628 (November 10, 1978).

(e) Unless otherwise provided in this act, the provisions of this act which require the use of tax tables shall apply to the computation of taxes for taxable years beginning on or after January 1, 1979.

SEC. 42. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect.

CHAPTER 293

An act to amend Sections 54.1 and 54.2 of the Civil Code, and to add Section 17253.5 to the Revenue and Taxation Code, relating to handicapped persons.

[Approved by Governor July 24, 1979. Filed with Secretary of State July 24, 1979]

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

SECTION 1. Section 54.1 of the Civil Code is amended to read:

54.1. (a) Blind persons, visually handicapped persons, deaf persons, and other physically disabled persons shall be entitled to full and equal access, as other members of the general public, to accommodations, advantages, facilities, and privileges of all common carriers, airplanes, motor vehicles, railroad trains, motorbuses, streetcars, boats or any other public conveyances or modes of transportation, telephone facilities, hotels, lodging places, places of public accommodation, amusement or resort, and other places to which the general public is invited, subject only to the conditions and limitations established by law, or state or federal regulation, and applicable alike to all persons.

As used in this section, "telephone facilities" means tariff items and other equipment and services which have been approved by the Public Utilities Commission to be used by physically disabled persons in a manner feasible and compatible with the existing telephone network provided by the telephone companies.

(b) (1) Blind persons, visually handicapped persons, deaf persons, and other physically disabled persons shall be entitled to full and equal access, as other members of the general public, to all housing accommodations offered for rent, lease, or compensation in this state, subject to the conditions and limitations established by law, or state or federal regulation, and applicable alike to all persons.

(2) "Housing accommodations" means any real property, or portion thereof, which is used or occupied, or is intended, arranged, or designed to be used or occupied, as the home, residence, or sleeping place of one or more human beings, but shall not include any accommodations included within subdivision (a) or any single-family residence the occupants of which rent, lease, or furnish for compensation not more than one room therein.

(3) Nothing in this subdivision shall require any person renting, leasing or providing for compensation real property to modify his property in any way or provide a higher degree of care for a blind person, visually handicapped person, deaf person, or other physically disabled person than for a person who is not physically disabled.

(4) Except as provided in paragraph (5) of this subdivision, nothing in this part shall require any person renting, leasing, or providing for compensation real property, if such person refuses to accept tenants who have dogs, to accept as a tenant a physically disabled person who has a dog.

(5) It shall be deemed a denial of equal access to housing accommodations within the meaning of this subdivision for any person, firm, or corporation to refuse to lease or rent housing accommodations to a blind person or visually handicapped person on

the basis that such person uses the services of a guide dog, or to a deaf person on the basis that such person uses the services of a signal dog, or to refuse to permit such a blind person or visually handicapped person to keep a guide dog, or a deaf person to keep a signal dog, on the premises.

Except in the normal performance of duty as a mobility or signal aid, nothing contained in this paragraph shall be construed to prevent the owner of a housing accommodation from establishing such terms in a lease or rental agreement which reasonably regulates the presence of guide dogs or signal dogs on the premises of a housing accommodation, nor shall this paragraph be construed to relieve a tenant from any liability otherwise imposed by law for real and personal property damages caused by such a dog when proof of same exists.

As used in this subdivision, "guide dog" means any guide dog or seeing-eye dog which was trained by a person licensed under the provisions of Chapter 9.5 (commencing with Section 7200) of Division 3 of the Business and Professions Code

As used in this subdivision "signal dog" means any dog trained to alert a deaf person, or person whose hearing is impaired, to intruders or sounds.

(6) It shall be deemed a denial of equal access to housing accommodations within the meaning of this subdivision for any person, firm, or corporation to refuse to lease or rent housing accommodations to a blind person, visually handicapped person, deaf person, or other physically disabled person on the basis that such physically disabled person is partially or wholly dependent upon the income of his spouse, if the spouse is a party to the lease or rental agreement. Nothing in this subdivision shall, however, prohibit a lessor or landlord from considering the aggregate financial status of a physically disabled person and his spouse

(c) Persons licensed to train guide dogs for the blind pursuant to Chapter 9.5 (commencing with Section 7200) of Division 3 of the Business and Professions Code, may take dogs, for the purpose of training them as guide dogs, in any of the places specified in paragraphs (a) and (b), above. Such persons shall carry and display, upon request, identification in such form as shall be prescribed by the State Board of Guide Dogs for the Blind

SEC. 2. Section 54.2 of the Civil Code is amended to read

54 2. (a) Every totally or partially blind person, or deaf person, or person whose hearing is impaired, shall have the right to be accompanied by a guide dog or signal dog, especially trained for the purpose, in any of the places specified in Section 54 1 without being required to pay an extra charge for the guide dog or signal dog, provided that he shall be liable for any damage done to the premises or facilities by such dog

(b) Persons licensed to train guide dogs for the blind pursuant to Chapter 9 5 (commencing with Section 7200) of Division 3 of the Business and Professions Code, may take dogs, for the purpose of

training them as guide dogs, in any of the places specified in Section 54.1 without being required to pay an extra charge for the guide dog. Such a person shall, however, be liable for any damage done to the premises or facilities by such dog.

Such persons shall carry and display, upon request, identification in such form as shall be prescribed by the State Board of Guide Dogs for the Blind.

(c) As used in this section the terms "guide dog" and "signal dog", shall have the meanings specified in Section 54.1.

SEC. 3. Section 17253.5 is added to the Revenue and Taxation Code, to read:

17253.5. Notwithstanding any other provision of law, expenses incurred by a visually handicapped person or deaf person in connection with the care and maintenance of a guide dog or signal dog, including, but not limited to, veterinary fees, shall be deductible pursuant to Section 17253.

As used in this section the terms "guide dog" and "signal dog" shall have the meanings specified in Section 54.1 of the Civil Code.

CHAPTER 294

An act to amend Sections 6102, 6103, 6105, 6106, 6106.1, 6107, and 6111 of, and to repeal Section 9111 of, the Commercial Code, relating to bulk transfers, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 24, 1979 Filed with Secretary of State July 24, 1979]

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

SECTION 1. Section 6102 of the Commercial Code is amended to read:

6102. (1) A "bulk transfer" is any transfer in bulk and not in the ordinary course of the transferor's business of a substantial part of the materials, supplies, merchandise, or other inventory (Section 9109) of an enterprise subject to this division.

(2) A transfer of a substantial part of the equipment (Section 9109) of such an enterprise is also a bulk transfer.

(3) The enterprises subject to this division are all those whose principal business is the sale of merchandise, including those who manufacture what they sell, or that of a baker, cafe or restaurant owner, garage owner, or cleaner and dyer.

(4) Except as limited by the following section all bulk transfers of goods located within this state are subject to this division.

(5) The word "transfer" as used in this division does not include the creation or modification of a security interest.

SEC. 2. Section 6103 of the Commercial Code is amended to read:

6103. The following transfers are not subject to this division:

(1) A transfer subject to subdivision (h) of Section 3440 of the Civil Code;

(2) Assignments for the benefit of all the creditors of the transferor, and subsequent transfers by the assignee thereunder;

(3) Transfers of property subject to a lien or other security interest in settlement or realization of such lien or other security interest;

(4) Sales by executors, administrators, receivers, trustees in bankruptcy, or any public officer under judicial process;

(5) Sales made in the course of judicial or administrative proceedings for the dissolution or reorganization of a corporation and of which notice is sent to the creditors of the corporation pursuant to order of the court or administrative agency;

(6) Transfers of property which is exempt from execution;

(7) The transfer of goods in a warehouse where a warehouse receipt has been issued therefor by a warehouseman (Section 7102) and a copy of such receipt is kept at the principal place of business of the warehouseman and at the warehouse in which said goods are stored;

(8) A transfer which is subject to and complies with Article 5 (commencing with Section 24070) of Chapter 6 of Division 9 of the Business and Professions Code, except that such transfer shall be subject to subdivision (1) of Section 6105 insofar as it refers to Section 6107, Section 6107 other than paragraph (e) of subdivision (1) thereof, and subdivision (a) of Section 6111.

SEC. 3. Section 6105 of the Commercial Code is amended to read:

6105. (1) Any bulk transfer subject to this division except one made by auction sale (Section 6108) is fraudulent and void against any creditor of the transferor unless the transferee gives notice of the transfer in the manner and within the time hereafter provided (subdivision (6) of Section 6106, where applicable, and Section 6107).

(2) The term "noticed sale date" as used in this division means the date set forth in the notice provided for in subdivision (1) of Section 6107 on or after which the bulk transfer may be consummated.

SEC. 4. Section 6106 of the Commercial Code is amended to read:

6106. (1) This section applies only to a bulk transfer where the consideration is less than one million dollars ($1,000,000) and is substantially all cash or an obligation of the transferee to pay cash in the future to the transferor or a combination thereof.

(2) Upon every bulk transfer subject to this section except one made by sale at auction it is the duty of the transferee (or, if the transaction is handled through an escrow, the escrow agent) to apply the consideration in accordance with the provisions of this section so far as necessary to pay those debts of the transferor for which claims are due and payable on or before the noticed sale date and are filed in writing on or prior to the date specified as the last date to file claims with the person designated in the notice to receive claims. This duty of the transferee or escrow agent runs to each creditor

timely filing such a claim.

(3) If the transferor disputes whether a claim is due and payable on the noticed sale date or the amount of any claim, the transferee or escrow agent shall withhold from distribution the amount thereof (or the pro rata amount under subdivision (2) of Section 6106.1) and shall send a written notice to the claimant filing the claim on or before two business days after the distribution that the amount will be paid to the transferor (or to the other claimants in accordance with subdivision (2) of Section 6106.1, as the case may be) unless attached within 25 days from the mailing of the notice. Any portion of the amount withheld which is not attached by the claimant within such time shall be paid by the transferee or escrow agent to the transferor (or to the other claimants in accordance with subdivision (2) of Section 6106.1 if they have not been paid in full). An attachment of any amount so withheld shall be limited in its effect to the amount withheld for the attaching claimant and shall give the attaching claimant no greater priority or rights with respect to his claim than the claimant would have had if the claim had not been disputed. For purposes of this subdivision, a claimant may obtain the issuance of an attachment for a claim which is less than five hundred dollars ($500) and which otherwise meets the requirements of Section 483 010 of the Code of Civil Procedure or which is a secured claim or lien of the type described in Section 483.010 of the Code of Civil Procedure. The remedy in this subdivision shall be in addition to any other remedies the claimant may have, including any right to attach the property intended to be transferred or any other property.

(4) If the cash consideration payable is not sufficient to pay all of the claims filed in full, where no escrow has been established pursuant to Section 6106.1 the transferee shall follow the procedures specified in subdivisions (1) through (3) of Section 6106.1.

(5) The transferee or escrow agent, as the case may be, shall within 45 days after the transferee takes legal title to any of the goods either pay to the extent of the cash consideration the claims filed and not disputed (or the applicable portion thereof to the extent of the cash consideration under subdivision (2) of Section 6106.1) or institute an action in interpleader pursuant to subdivision (b) of Section 386 of the Code of Civil Procedure and deposit the consideration with the clerk of the court pursuant to subdivision (c) of that section. Such action shall be brought in the appropriate court for the county where the transferor had its principal place of business in this state. Sections 386.1 and 386.6 of the Code of Civil Procedure shall apply in such action

(6) The notice shall state, in addition to the matters required by Section 6107, the name and address of the person with whom claims may be filed and the last date for filing claims, which shall be the business day before the noticed sale date Claims shall be deemed timely filed only if actually received by the person designated in the notice to receive claims before the close of business on the day

specified in the notice as the last date for filing claims.

(7) Nothing contained in this section shall release any security interest or other lien on the property which is the subject of the bulk transfer except upon the voluntary release thereof by the secured party or lienholder.

SEC. 5. Section 6106.1 of the Commercial Code is amended to read:

6106.1. In any case where the notice of a bulk transfer subject to Section 6106 states that claims may be filed with a person who is an escrow agent, the intended transferee shall deposit with the escrow agent the full amount of the purchase price or consideration. If at the time the transfer is otherwise ready to be consummated the amount of cash deposited or agreed to be deposited at or prior to consummation in the escrow is insufficient to pay in full all of the claims filed with the escrow agent, the escrow agent shall:

(1) (a) Delay the distribution of the consideration and the passing of legal title for a period of not less than 25 days nor more than 30 days from the date the notice required in paragraph (b) of this subdivision is mailed; and

(b) Within five business days after the time the transfer would otherwise have been consummated, send a written notice to each claimant who has filed a claim stating the total consideration deposited or agreed to be deposited in the escrow, the name of each claimant who filed a claim against the escrow and the amount of each claim, the amount proposed to be paid to each claimant, the new date scheduled for the passing of legal title pursuant to paragraph (a) of this subdivision and the date on or before which distribution will be made to claimants which shall not be more than five days after the new date specified for the passing of legal title.

(c) If no written objection to the distribution described in the notice required by paragraph (b) of this subdivision is received by the transferee or escrow agent, as the case may be, prior to the new date specified in such notice for the passing of legal title, the transferee or escrow agent, as the case may be, shall not be liable to any person to whom the notice required by paragraph (b) was sent for any good faith error which may have been committed in allocating and distributing the consideration as stated in such notice.

(2) Distribute the consideration in the following order of priorities:

(a) All obligations owing to the United States, to the extent given priority by federal law

(b) Secured claims, including statutory and judicial liens, to the extent of the consideration fairly attributable to the value of the properties securing such claims and in accordance with the priorities provided by law; provided, however, that a secured creditor shall participate in the distribution pursuant to this subdivision only if a release of lien is deposited by such secured creditor conditioned only upon receiving an amount equal to such distribution

(c) Escrow and professional charges and broker's fees attributable

directly to the sale.

(d) Wage claims given priority by Section 1205 of the Code of Civil Procedure.

(e) All other tax claims.

(f) All other unsecured claims pro rata, including any deficiency claims of partially secured creditors.

(3) To the extent that an obligation of the transferee to pay cash in the future is a part of the consideration and the cash consideration is not sufficient to pay all claims filed in full, apply all principal and interest received on such obligation to the payment of claims in accordance with subdivision (2) until they are paid in full before making any payment to the transferor. In such case, the notice pursuant to subdivision (1) shall state the amount, terms and due dates of the obligation and the portion of the claims expected to be paid thereby.

No funds shall be drawn from the escrow, prior to the actual closing and completion of the escrow, for the payment, in whole or in part, of any commission, fee or other consideration as compensation for a service which is contingent upon the performance of any act, condition, or instruction set forth in an escrow.

SEC. 6. Section 6107 of the Commercial Code is amended to read:

6107. (1) The notice to creditors (Section 6105) shall state:

(a) That a bulk transfer is about to be made;

(b) The names and business addresses of the transferor and, except in the case of a sale at auction, the transferee, and all other business names and addresses used by the transferor within three years last past so far as known to the transferee;

(c) The location and general description of the property to be transferred;

(d) The place, and the date on or after which, the bulk transfer is to be consummated; and

(e) Whether or not the bulk transfer is subject to Section 6106, and if so subject, the matters required by subdivision (6) of Section 6106.

(2) The notice shall be

(a) Recorded in the office of the county recorder in the county or counties in which the property to be transferred is located at least 12 business days before the bulk transfer is to be consummated or the sale by auction is to be commenced; and

(b) Published at least once in a newspaper of general circulation published (i) in the judicial district in which the property is located and (ii) in the judicial district, if different, in which the chief executive office of the transferor, or, if the chief executive office is not in California, the principal business office in California, is located, if in either case there is one, and if there is none, then in a newspaper of general circulation in the county embracing such judicial district, at least 12 business days before the bulk transfer is to be consummated or the sale by auction is to be commenced; and

(c) Delivered or sent by registered or certified mail at least 12

business days before the bulk transfer is to be consummated or the sale by auction is to be commenced to the county tax collector in the county or counties in which the property to be transferred is located.

If the property to be transferred is located in more than one judicial district, the publication required by paragraph (b) of subdivision (2) shall be in a newspaper published in the judicial district where a greater portion of the property is located, on the date the notice is published, than in any other judicial district, or in the county embracing such judicial district, as the case may be. As used in this section, "business day" means any day other than a Saturday, Sunday or a day observed as a holiday by the California state government.

SEC. 7. Section 6111 of the Commercial Code is amended to read:

6111. (a) No action under this division shall be brought nor levy made more than one year after the date on which the transferee took possession of the goods unless the transfer has been concealed. If the transfer has been concealed, an action may be brought or levy made within one year after its discovery by the creditor bringing such action or making such levy or after it should have been discovered by such creditor in the exercise of reasonable diligence, whichever first occurs.

(b) If a bulk transfer is subject to and complies with Section 6106, no levy shall be made by a creditor of the transferor on the proceeds of sale in the hands of the transferee or escrow agent after the transferee takes legal title to the goods, except to the extent of that creditor's share of the proceeds pursuant to Section 6106 and 6106.1.

SEC. 8. Section 9111 of the Commercial Code is repealed.

SEC. 9. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect any other provision or application of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

SEC. 10. Section 8 of Chapter 490 of the Statutes of 1978 shall continue to govern the operative date of the amendment made by Section 7 of that act and reflected in Section 7 of this act.

SEC. 11. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In order that escrow companies may be aware of the priorities in which funds are to be transferred in bulk transfers which are currently pending it is necessary that this act go into immediate effect.

CHAPTER 295

An act to add Section 9889.63 to the Business and Professions Code, relating to air pollution.

[Became law without Governor's signature July 25, 2979. Filed with Secretary of State July 25, 1979]

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

SECTION 1. Section 9889.63 is added to the Business and Professions Code, to read:

9889.63. The motor vehicle inspection program implemented under this chapter shall not be extended into any portion of the Southeast Desert Air Basin, as described by regulation of the State Air Resources Board in Section 60109 of Title 17 of the California Administrative Code, as that section read on January 1, 1979, except by statute.

CHAPTER 296

An act to amend Sections 7504, 7514, 7514.1, and 7521 of the Business and Professions Code, and to amend Section 12031 of the Penal Code, relating to contract carriers, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 25, 1979 Filed with Secretary of State July 25, 1979]

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

SECTION 1. Section 7504 of the Business and Professions Code is amended to read:

7504. As used in this chapter, "licensee" means a person licensed under this chapter and includes, but is not limited to, private investigator, private patrol operator, insurance adjuster, repossessor, alarm company operator, and armored contract carrier.

SEC. 2. Section 7514 of the Business and Professions Code is amended to read:

7514. The director may adopt and enforce reasonable rules:

(a) Classifying licensees according to the type of business regulated by this chapter in which they are engaged, including but not limited to private investigators, persons employed by any lawful business as security guards or patrolpersons, insurance adjusters, repossessors, alarm company operators, and armored contract carriers and limiting the field and scope of the operations of a licensee to those in which he is classified and qualified to engage.

(b) Fixing the qualifications of licensees and managers, in

addition to those prescribed in this chapter, necessary to promote and protect the public welfare.

(c) Carrying out generally the provisions of this chapter, including regulation of the conduct of licensees.

(d) For a change in the classification of a licensee, or in the type of business organization upon application therefor by a licensee, and to prescribe the fee, if any, to be paid.

(e) Establishing the qualifications which any person employed by a private patrol operator or any lawful business as a security guard or patrolperson, or (subject to the provisions of subdivision (a) of Section 7514.1) employed by an armored contract carrier, or employed by an alarm company operator as an alarm agent must meet as a condition of becoming eligible to carry firearms pursuant to subdivision (d) of Section 12031 of the Penal Code and Section 7514.1.

(f) Requiring each uniformed employee of a private patrol operator and each armored vehicle guard, as defined in this chapter, and any other person employed and compensated by a private patrol operator or any lawful business as a security guard or patrolperson and who in the course of such employment carries a deadly weapon to be registered with the bureau upon application on a form prescribed by the director accompanied by the registration fee and by two classifiable sets of fingerprints of the applicant; establishing the term of the registration for a period of not less than two nor more than four years; and providing for the renewal thereof upon proper application and payment of the renewal fee. The director may, after opportunity for hearing, refuse such registration to any person who lacks good moral character, and may impose such reasonable additional requirements as are necessary to meet local needs and are not inconsistent with the provisions of this chapter.

(g) Requiring each alarm agent of an alarm company operator, as defined in this chapter, to be registered with the bureau upon application on a form prescribed by the director accompanied by the registration fee and by two classifiable sets of fingerprints of the applicant; establishing the term of the registration for a period of not less than two nor more than four years; and providing for the renewal thereof upon proper application and payment of the renewal fee. The director may, after opportunity for hearing, refuse such registration to any person who lacks good moral character, and may impose such reasonable additional requirements as are necessary to meet local needs and are not inconsistent with the provisions of this chapter.

(h) Establishing procedures whereby the local authorities of any city, county, or city and county may file charges with the director alleging that any registrant, or anyone who is an applicant for registration, with the bureau fails to meet standards for registration, and providing further for the investigation of such charges.

(i) Requiring private patrol operators and any lawful business to maintain detailed records identifying all firearms in their possession

or under their control, and the employees or persons authorized to carry or have access to such firearms.

(j) Establishing the qualifications which a uniformed employee of a licensee who operates a private patrol must meet as a condition of handling guard dogs.

SEC. 3. Section 7514.1 of the Business and Professions Code is amended to read:

7514.1. (a) Every private investigator, private patrol operator, alarm company operator, alarm agent employed by an alarm company operator, and any person employed and compensated by a private patrol operator, other lawful business or public agency as a security guard or patrolperson, and who in the course of such employment or business carries a deadly weapon, shall complete a course of training in the exercise of the powers to arrest and a course of training in the carrying and use of firearms. This subdivision shall not apply to armored vehicle guards hired prior to January 1, 1977. Armored vehicle guards hired on or after January 1, 1977, shall complete a course of training in the carrying and use of firearms, but shall not be required to complete a course of training in the exercise of the powers to arrest. The course of training in the carrying and use of firearms shall not be required of any employee who is not required or permitted by a licensee to carry or use firearms. The course in the carrying and use of firearms and the course of training in the exercise of the powers to arrest shall meet the standards which shall be prescribed by the Department of Consumer Affairs. The department shall encourage restraint and caution in the use of firearms.

(b) The department shall prescribe the minimum standards for a course of training in the exercise of powers of arrest.

(c) Except as provided in this subdivision with respect to armored vehicle guards, no uniformed employee of a licensee, who was licensed by the department on or before January 1, 1976, shall carry or use any firearm unless he has successfully completed the course of training prescribed in subdivision (a) on or before January 1, 1976. No uniformed employee of a licensee, who was licensed by the department after January 1, 1976, shall carry or use any firearm until he has successfully completed the course of training prescribed in subdivision (a). No armored vehicle guard hired on or after January 1, 1977, shall carry or use any firearm until he has successfully completed the course of training in the carrying and use of firearms prescribed in subdivision (a).

(d) The department shall report to the Legislature on or before March 1, 1977, concerning the nature and scope of the training offered pursuant to subdivision (a), the number of employees so trained and the conformity of the industry to the standards established by the department.

SEC. 4. Section 7521 of the Business and Professions Code is amended to read:

7521. (a) A private investigator within the meaning of this chapter is a person other than an insurance adjuster who, for any

consideration whatsoever engages in business or accepts employment to furnish, or agrees to make, or makes, any investigation for the purpose of obtaining, information with reference to:

Crime or wrongs done or threatened against the United States of America or any state or territory of the United States of America; the identity, habits, conduct, business, occupation, honesty, integrity, credibility, knowledge, trustworthiness, efficiency, loyalty, activity, movement, whereabouts, affiliations, associations, transactions, acts, reputation, or character of any person; the location, disposition, or recovery of lost or stolen property; the cause or responsibility for fires, libels, losses, accidents, or damage or injury to persons or to property; or securing evidence to be used before any court, board, officer, or investigating committee. For the purposes of this subdivision, a private investigator is any person, firm, company, association, partnership or corporation acting for the purpose of investigating, obtaining, and reporting to any private employer, its agent, supervisor, or manager, information concerning such employer's employees involving questions of integrity, honesty, breach of rules or other standards of performance of job duties.

This subdivision shall not apply to either of the following:

(1) A public utility regulated by the State Public Utilities Commission, or its employees;

(2) A theater exhibition business or its employees.

(b) A private patrol operator, or operator of a private patrol service, within the meaning of this chapter is a person, other than an armored contract carrier, who, for any consideration whatsoever:

Agrees to furnish, or furnishes, a watchman, guard, patrolman, or other person to protect persons or property or to prevent the theft, unlawful taking, loss, embezzlement, misappropriation, or concealment of any goods, wares, merchandise, money, bonds, stocks, notes, documents, papers, or property of any kind; or performs the service of such watchman, guard, patrolman, or other person, for any of said purposes.

(c) A person licensed as a private patrol operator only may not make any investigation or investigations except those that are incidental to the theft, loss, embezzlement, misappropriation, or concealment of any property, or any other thing enumerated in this section, which he has been hired or engaged to protect, guard, or watch.

(d) An insurance adjuster within the meaning of this chapter is a person other than a private investigator who, for any consideration whatsoever, engages in any of the activities enumerated in subdivision (a) in the course of adjusting or otherwise participating in the disposal of, any claim under or in connection with a policy of insurance or engages in soliciting insurance adjustment business.

(e) A repossessor within the meaning of this chapter is a person who, for any consideration whatsoever, engages in business or accepts employment to locate or recover personal property,

including but not limited to personal property registered under the provisions of the Vehicle Code, which has been sold under a conditional sales agreement or which is subject to a chattel mortgage. A licensee under this chapter shall not engage in business or accept employment to collect claims owed or due or asserted to be owed or due to another unless the licensee has complied with the provisions of Chapter 8 (commencing with Section 6850) of Division 3 in addition to complying with the provisions of this chapter, except that a repossessor licensed under this chapter may make a written demand for payment in lieu of repossession if the demand is made pursuant to an assignment for repossession and if under the terms of the assignment the fee or remuneration due to the repossessor is not based on a percentage of the amount collected.

(f) An alarm company operator within the meaning of this chapter shall mean and include any business operated for any consideration whatsoever, engaged in the installation, maintenance, alteration, or servicing of alarm systems or which responds to such alarm systems. "Alarm company operator," however, shall not include a business which merely sells from a fixed location or manufacture alarm systems unless such business services, installs, monitors or responds to alarm systems at the protected premises.

(g) An alarm agent within the meaning of this chapter is a person employed by an alarm company operator whose duties include altering, installing, maintaining, moving, repairing, replacing, or servicing an alarm system. The term "alarm system" shall mean any assembly of equipment and devices arranged to signal the presence of a hazard requiring urgent attention and to which police are expected to respond.

(h) An armored contract carrier within the meaning of this chapter is a contract carrier operating armored vehicles pursuant to California Highway Patrol and Public Utilities Commission authority.

(i) An armored vehicle guard within the meaning of this chapter is any person employed by an armored contract carrier who in the course of such employment carries a deadly weapon.

SEC. 5. Section 12031 of the Penal Code is amended to read:

12031. (a) Except as provided in subdivision (b), (c), or (d), every person who carries a loaded firearm on his person or in a vehicle while in any public place or on any public street in an incorporated city or in any public place or on any public street in a prohibited area of unincorporated territory is guilty of a misdemeanor.

(b) Subdivision (a) shall not apply to any of the following:

(1) Peace officers listed in Section 830.1 or 830.2, or subdivision (a) of Section 830.3, whether active or honorably retired, other duly appointed peace officers, full-time paid peace officers of other states and the federal government who are carrying out official duties while in California, or any person summoned by any such officers to assist in making arrests or preserving the peace while he is actually

engaged in assisting such officer.

The agency from which a peace officer is honorably retired may, upon initial retirement of the peace officer, or at any time subsequent thereto, deny or revoke, for good cause, the retired officer's privilege to carry a weapon as provided in this paragraph. Any peace officer who has been honorably retired shall be issued an identification certificate containing an endorsement by the issuing agency indicating whether or not the retired peace officer has the privilege to carry a weapon pursuant to this paragraph.

(2) Members of the military forces of this state or of the United States engaged in the performance of their duties.

(3) Persons who are using target ranges for the purpose of practice shooting with a firearm or who are members of shooting clubs while hunting on the premises of such clubs.

(4) The carrying of concealable weapons by persons who are authorized to carry such weapons pursuant to Article 3 (commencing with Section 12050) of Chapter 1 of Title 2 of Part 4 of the Penal Code.

(5) Armored vehicle guards, as defined in Section 7521 of the Business and Professions Code, (A) if hired prior to January 1, 1977; or (B) if hired on or after such date, if they have received a Firearms Qualification Card from the Department of Consumer Affairs, in each case while acting within the course and scope of their employment.

(c) Subdivision (a) shall not apply to any of the following who have completed a regular course in firearms training approved by the Commission on Peace Officer Standards and Training:

(1) Patrol special police officers appointed by the police commission of any city, county, or city and county under the express terms of its charter who also under the express terms of the charter (i) are subject to suspension or dismissal after a hearing on charges duly filed with the commission after a fair and impartial trial, (ii) must be not less than 18 years of age nor more than 40 years of age, (iii) must possess physical qualifications prescribed by the commission, and (iv) are designated by the police commission as the owners of a certain beat or territory as may be fixed from time to time by the police commission.

(2) The carrying of weapons by animal control officers or zookeepers, regularly compensated as such by a governmental agency when acting in the course and scope of their employment and when designated by a local ordinance or, if the governmental agency is not authorized to act by ordinance, by a resolution, either individually or by class, to carry such weapons, or by persons who are authorized to carry such weapons pursuant to Section 607f of the Civil Code, while actually engaged in the performance of their duties pursuant to such section.

(3) Harbor policemen designated pursuant to Section 663.5 of the Harbors and Navigation Code.

(d) Subdivision (a) shall not apply to any of the following who

have been issued a certificate pursuant to Section 12033. Such certificate shall not be required of any person who is a peace officer, who has completed all training required by law for the exercise of his power as a peace officer, and who is employed while not on duty as such peace officer.

(1) Guards or messengers of common carriers, banks, and other financial institutions while actually employed in and about the shipment, transportation, or delivery of any money, treasure, bullion, bonds, or other thing of value within this state.

(2) Guards of contract carriers operating armored vehicles pursuant to California Highway Patrol and Public Utilities Commission authority (i) if hired prior to January 1, 1977; or (ii) if hired on or after January 1, 1977, if they have completed a course in the carrying and use of firearms which meets the standards prescribed by the Department of Consumer Affairs.

(3) Private investigators, private patrol operators, and alarm company operators who are licensed pursuant to Chapter 11 (commencing with Section 7500) of Division 3 of the Business and Professions Code, while acting within the course and scope of their employment.

(4) Uniformed security guards or night watchmen employed by any public agency, while acting within the scope and in the course of their employment.

(5) Uniformed security guards, regularly employed and compensated as such by persons engaged in any lawful business, while actually engaged in protecting and preserving the property of their employers and uniformed alarm agents employed by an alarm company operator while on duty. Nothing in this paragraph shall be construed to prohibit cities and counties from enacting ordinances requiring alarm agents to register their name.

(6) Uniformed employees of private patrol operators and uniformed employees of private investigators licensed pursuant to Chapter 11 (commencing with Section 7500) of Division 3 of the Business and Professions Code while acting within the course and scope of their employment as private patrolmen or private investigators.

(e) In order to determine whether or not a firearm is loaded for the purpose of enforcing this section, peace officers are authorized to examine any firearm carried by anyone on his person or in a vehicle while in any public place or on any public street in an incorporated city or prohibited area of an unincorporated territory. Refusal to allow a peace officer to inspect a firearm pursuant to the provisions of this section constitutes probable cause for arrest for violation of this section.

(f) As used in this section "prohibited area" means any place where it is unlawful to discharge a weapon.

(g) A firearm shall be deemed to be loaded for the purposes of this section when there is an unexpended cartridge or shell, consisting of a case which holds a charge of powder and a bullet or shot, in, or

attached in any manner to, the firearm, including, but not limited to, in the firing chamber, magazine, or clip thereof attached to the firearm; except that a muzzle-loader firearm shall be deemed to be loaded when it is capped or primed and has a powder charge and ball or shot in the barrel or cylinder.

(h) Nothing in this section shall prevent any person engaged in any lawful business, including a nonprofit organization, or any officer, employee, or agent authorized by such person for lawful purposes connected with such business, from having a loaded firearm within such person's place of business, or any person in lawful possession of private property from having a loaded firearm on such property.

(i) Nothing in this section shall prevent any person from carrying a loaded firearm in an area within an incorporated city while engaged in hunting, during such time and in such area as the hunting is not prohibited by the city council.

(j) Nothing in this section is intended to preclude the carrying of any loaded firearm, under circumstances where it would otherwise be lawful, by a person who reasonably believes that the person or property of himself or another is in immediate danger and that the carrying of such weapon is necessary for the preservation of such person or property.

(k) Nothing in this section is intended to preclude the carrying of a loaded firearm by any person while engaged in the act of making or attempting to make a lawful arrest.

(*l*) Nothing in this section shall prevent any person from having a loaded weapon, if it is otherwise lawful, at his place of residence, including any temporary residence or campsite.

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:

A recent interpretation of the provisions of the Business and Professions Code would require, as of July 1, 1979, armored vehicle guards of contract carriers operating pursuant to California Highway Patrol and Public Utilities Commission authority to fulfill specified training requirements pursuant to Chapter 1426 of the Statutes of 1976 due to an inadvertent chaptering out of an express exemption of such personnel contained in Chapter 1426. To avoid a costly and unnecessary impact on such carriers, it is necessary that this act go into effect immediately.

CHAPTER 297

An act to amend Section 66452.6 of the Government Code, relating to subdivisions, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 25, 1979. Filed with Secretary of State July 25, 1979]

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

SECTION 1. Section 66452.6 of the Government Code is amended to read:

66452.6. (a) An approved or conditionally approved tentative map shall expire 12 months after its approval or conditional approval, or after such additional period of time as may be prescribed by local ordinance, not to exceed an additional 18 months.

(b) The period of time specified in subdivision (a) shall not include any period of time during which a water or sewer moratorium, imposed after approval of the tentative map, is in existence, provided however, that the length of such moratorium does not exceed five years.

Once such a moratorium is terminated, the map shall be valid for the same period of time as was left to run on the map at the time that the moratorium was imposed; provided, however, that if such remaining time is less than 120 days, the map shall be valid for 120 days following the termination of the moratorium.

This subdivision shall apply to a tentative map approved or conditionally approved prior to January 1, 1978, including any map which has expired during a moratorium which was imposed on or after April 1, 1977.

(c) The period of time specified in subdivision (a) shall not include any period of time during which a lawsuit has been filed and is pending in a court of competent jurisdiction involving the approval or conditional approval of a tentative map if a stay of such time period is approved by the local agency pursuant to this section. Within 10 days of the service of the initial petition or complaint in such lawsuit upon the local agency, the subdivider may apply to the local agency for a stay pursuant to the local agency's adopted procedures. Within 40 days after receiving such application, the local agency shall either stay the time period for up to five years or deny the requested stay. The local agency may, by ordinance, establish procedures for reviewing such requests, including, but not limited to, notice and hearing requirements, appeal procedures and other administrative requirements.

This subdivision may be applied to tentative maps approved or conditionally approved prior to the effective date of the act amending this section to add this subdivision, if the subdivider makes application for a stay to the local agency within 60 days after the

effective date of such act.

(d) The expiration of the approved or conditionally approved tentative map shall terminate all proceedings and no final map or parcel map of all or any portion of the real property included within such tentative map shall be filed without first processing a new tentative map.

(e) Upon application of the subdivider filed prior to the expiration of the approved or conditionally approved tentative map, the time at which such map expires may be extended by the legislative body or by an advisory agency authorized to approve or conditionally approve tentative maps for a period or periods not exceeding a total of two years. If the advisory agency denies a subdivider's application for extension, the subdivider may appeal to the legislative body within 15 days after the advisory agency has denied the extension.

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 that the changes made by this act apply to approved or conditionally approved tentative subdivision maps which would otherwise expire prior to January 1, 1980, it is necessary that this act take effect immediately.

CHAPTER 298

An act to amend Sections 228 and 229 of the Probate Code, relating to decedents' estates.

[Approved by Governor July 25, 1979 Filed with Secretary of State July 25, 1979.]

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

SECTION 1. Section 228 of the Probate Code is amended to read:

228. (a) If the decedent leaves no living spouse or issue and there are issue of the decedent's predeceased spouse, the portion of the decedent's estate attributable to the decedent's predeceased spouse shall go in equal shares to the children of the predeceased spouse and their descendants by right of representation, and if none, then one-half of such portion goes to the parents of the decedent in equal shares, or if either is dead to the survivor, or if both are dead in equal shares to the brothers and sisters of the decedent and their descendants by right of representation, and the other half goes to the parents of the predeceased spouse in equal shares, or if either is dead to the survivor, or if both are dead, in equal shares to the brothers and sisters of the predeceased spouse and to their descendants by right of representation.

(b) For the purposes of this section, the "portion of the decedent's

estate attributable to the decedent's predeceased spouse" shall mean:

(1) One-half of the community property in existence at the time of the death of the predeceased spouse.

(2) One-half of any community property, in existence at the time of death of the predeceased spouse, which was given to the decedent by the predeceased spouse by way of gift, descent, devise, or bequest.

(3) That portion of any community property in which the predeceased spouse had any incident of ownership and which vested in the decedent upon the death of the predeceased spouse by right of survivorship.

(4) That portion of any property which, because of the death of the predeceased spouse became vested in the decedent and was set aside as a probate homestead.

(c) That portion of the decedent's estate not otherwise subject to this section shall be distributed pursuant to the provisions of this article, except that if a portion of the decedent's estate would otherwise escheat to the state because there is no relative, including next of kin, such portion of the estate shall be distributed in equal shares to the children of the predeceased spouse and to their descendants by right of representation.

(d) If any of the property subject to the provisions of this section would otherwise escheat to this state because there is no relative, including next of kin, of one of the spouses to succeed to such portion of the estate, such property shall be distributed in accordance with the provisions of Section 296.4 of this code.

SEC. 2. Section 229 of the Probate Code is amended to read:

229. (a) If the decedent leaves no living spouse or issue and there are issue of the decedent's predeceased spouse, the portion of the decedent's estate attributable to the decedent's predeceased spouse shall go in equal shares to the children of the predeceased spouse and to their descendants by right of representation, and if none, then to the parents of the predeceased spouse, in equal shares, or if either is dead to the survivor, or if both are dead, in equal shares to the brothers and sisters of the predeceased spouse and to their descendants by right of representation.

(b) For the purposes of this section, the "portion of the decedent's estate attributable to the decedent's predeceased spouse" means any separate property of the predeceased spouse which came to the decedent by gift, descent, devise, or bequest of the predeceased spouse or which vested in the decedent upon the death of the predeceased spouse by right of survivorship.

(c) Notwithstanding subdivision (a), if the decedent leaves neither issue nor spouse, that portion of the decedent's estate created by gift, descent, devise, or bequest from the separate property of a parent or grandparent shall go to the parent or grandparent who made such gift, devise, or bequest or from whom the property descended, or if such parent or grandparent is dead, such property shall go in equal shares to the heirs of such deceased parent or

grandparent.

(d) If any of the property subject to the provisions of this section would otherwise escheat to this state because there is no relative, including next of kin, of one of the spouses to succeed to such portion of the estate, such property shall be distributed in accordance with the provisions of Section 296.4.

CHAPTER 299

An act to add Sections 657 and 35780.5 to the Vehicle Code, relating to vehicles.

[Approved by Governor July 25, 1979. Filed with Secretary of State July 25, 1979.]

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

SECTION 1. Section 657 is added to the Vehicle Code, to read:

657. A "truss" is an assemblage of beams, bars, or rods typically arranged in a triangle or combination of triangles to form a rigid framework and used as a structural support in buildings.

SEC. 2. Section 35780.5 is added to the Vehicle Code, to read:

35780.5. (a) The Department of Transportation may, upon application in writing from a company in the business of making or transporting trusses, as defined in Section 657, issue a special permit in writing authorizing the applicant to operate or move a vehicle carrying a load exceeding the maximum width specified by this code when the vehicle is actually being used to transport trusses upon a highway under the jurisdiction of the department, provided that the load does not exceed 12 feet in width and the company complies with the department's regulations governing the transportation of extra-legal loads.

(b) This section shall have no application to highways which are part of the national system of interstate and defense highways when such application would prevent this state receiving any federal funds for highway purposes, and in such event the provisions of law applicable to the maximum permissible width of any such load in effect on December 31, 1979, shall remain applicable to such load.

CHAPTER 300

An act to amend Section 11480 of, and to add and repeal Article 6 (commencing with Section 11260) to Chapter 5 of Division 10 of, the Health and Safety Code, relating to drugs, and making an appropriation therefor.

[Approved by Governor July 25, 1979. Filed with Secretary of State July 25, 1979.]

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

SECTION 1. Article 6 (commencing with Section 11260) is added to Chapter 5 of Division 10 of the Health and Safety Code, to read:

Article 6. Cannabis Therapeutic Research Program

11260. The Legislature finds and declares that the potential medicinal value of cannabis sativa has received insufficient study due to a lack of financial incentives for the undertaking of appropriate research by private drug manufacturing concerns. Individual physicians cannot feasibly utilize cannabis in clinical trials because of governmental controls which involve expensive, time consuming approval and monitoring procedures.

The Legislature further finds and declares that limited studies at the University of California at Los Angeles and elsewhere indicate that cannabis and certain of its derivatives possess valuable and in some cases unique therapeutic properties, including the ability to relieve nausea and vomiting which routinely accompany chemotherapy and irradiation used to treat cancer patients. Cannabis has been shown to be potentially effective in reducing intraocular pressure in glaucoma patients who do not respond well to conventional medications.

The Legislature further finds and declares that, in enabling individual physicians and their patients to participate in a state sponsored program for the investigational use of cannabis and its derivatives, qualified physicians and surgeons throughout the state will be able to study the benefits of the drug in a controlled clinical setting and additional knowledge will be gained with respect to dosage and effects. The Research Advisory Panel shall endeavor to include in the program onocologists in diverse geographic locations in California.

It is the intent of the Legislature in enacting this article to encourage research into the therapeutic applications of cannabis and its derivatives in cancer patients. This would allow qualified onocologists approved by the Research Advisory Panel to provide the drug on a compassionate basis to seriously ill persons not responding to conventional treatment who would otherwise have no lawful access to it. It is further the intent of the Legislature to facilitate clinical trials of cannabis and its derivatives, particularly with respect to persons suffering from cancer, and who would be benefitted by use of the drug.

This article is limited to clinical trials and research into therapeutic applications of cannabis and should not be construed as either encouraging or sanctioning the social use of marijuana.

11261. The Research Advisory Panel specified in Section 11480

shall establish a pilot program for research into the medical uses of cannabis sativa and its derivatives. Under the program, the Research Advisory Panel shall act as a sponsor of statewide investigational studies utilizing as drug investigators individual physicians and surgeons who elect to participate in accordance with the protocols developed by the Research Advisory Panel. Participating physicians and surgeons shall receive no compensation from the Research Advisory Panel, but may charge subjects for medical services provided in connection with the program.

The Research Advisory Panel shall endeavor to include in the program clinical trials with respect to patients suffering from cancer. If the Research Advisory Panel deems it appropriate, clinical trials for glaucoma patients may also be included in the pilot project in a later phase of the project.

Participants in the program are exempt from state prosecution for possession and distribution of marijuana, with respect to use of marijuana authorized by this article.

11262. The Research Advisory Panel shall adopt guidelines for review of applications for participation in the pilot program authorized by this article. The Research Advisory Panel shall develop one or more protocols governing investigational uses of cannabis or its derivatives included in the pilot program. Additionally, all investigational use of cannabis or its derivatives pursuant to the program shall be approved as specified in Section 26678 or 26679, and shall be subject, as applicable, to the provisions of Chapter 1.3 (commencing with Section 24170) of Division 20 and Article 4 (commencing with Section 26668) of Division 21 of this code and Title 2.1 (commencing with Section 3500) of Part 3 of the Penal Code.

The Research Advisory Panel shall approve participating physicians and surgeons for conduct of the actual clinical trials. The Research Advisory Panel is responsible for monitoring such clinical trials, overseeing the distribution of cannabis or its derivatives to participating physicians and surgeons, and maintaining records for purposes of the program based upon data supplied by participating physicians and surgeons.

11263. Any physician and surgeon may apply to the Research Advisory Panel to conduct clinical trials of cannabis or any of its derivatives. The application shall follow the guidelines of the Research Advisory Panel. No patient shall be included in an application, unless the patient's consent is first obtained. The applications, their contents, and related correspondence and records shall be confidential and are not subject to disclosure under Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code.

Each application shall be reviewed by the Research Advisory Panel in executive session, which may in its discretion require an appearance by the applicant or copies of pertinent medical records of proposed patient subjects.

The provisions of Chapter 4.5 (commencing with Section 11371) and Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code are not applicable to the pilot program conducted pursuant to this article.

11264. The Research Advisory Panel may contract for pharmaceutical formulation, testing for purity and potency, and distribution of cannabis and cannabinoids to be supplied to physicians and surgeons participating in the program. If possible, all such substances shall be obtained from the National Institute on Drug Abuse or any other federal agency authorized to supply cannabis for authorized research. However, in the event such supplies are unavailable or insufficient, the Research Advisory Panel may utilize cannabis and cannabinoids obtainable from other sources, including marijuana seized and forfeited to the state pursuant to Chapter 8 (commencing with Section 11470) of this division.

Any reasonable costs incurred by the Research Advisory Panel in obtaining or testing cannabis or cannabinoids shall be charged to participating physicians and surgeons, who may seek reimbursement from their research subjects.

11265. Each participating physician and surgeon shall account to the Research Advisory Panel for cannabis or cannabinoids supplied to the physician and surgeon pursuant to this article. The Research Advisory Panel shall provide forms for this purpose. Participating physicians and surgeons shall maintain such other records as the Research Advisory Panel may require for proper administration of this article. If the Research Advisory Panel determines that a participating physician and surgeon has not proceeded in the manner specified in the applicable protocol or has otherwise misused cannabis or cannabinoids supplied pursuant to this article, the Research Advisory Panel shall immediately terminate participation of the physician and surgeon in the pilot program.

11266. The pilot program shall be terminated, unless extended by the Legislature, four years after the date cannabis or its derivatives are first distributed to patients under the program or December 31, 1984, whichever first occurs. The Research Advisory Panel shall annually report to the Legislature on the status and results of the pilot program, with a final report to be submitted on or before January 30, 1985. The reports shall specify the number of participating physicians and patients, the amount of cannabis and its derivatives used in the program, the cost involved, and a summary of findings made concerning therapeutic uses of cannabis and its derivatives. The reports shall also contain recommendations concerning continuance of the pilot program.

11270. This article shall remain in effect only until June 30, 1985, and as of such date is repealed, unless a later enacted statute, which is chaptered before June 30, 1985, deletes or extends such date.

SEC. 2. Section 11480 of the Health and Safety Code is amended to read:

11480. The Legislature finds that there is a need to encourage further research into the nature and effects of marijuana and hallucinogenic drugs and to coordinate research efforts on such subjects.

There is a Research Advisory Panel which consists of a representative of the State Department of Health, a representative of the California State Board of Pharmacy, a representative of the Attorney General, a representative of the University of California who shall be a pharmacologist or physician or a person holding a doctorate degree in the health sciences, a representative of a private university in this state who shall be a pharmacologist or physician or a person holding a doctorate degree in the health sciences, a representative of a statewide professional medical society in this state who shall be engaged in the private practice of medicine and shall be experienced in treating controlled substance dependency, and a representative appointed by and serving at the pleasure of the Governor, who shall hold a doctorate degree in the health sciences and shall have experience in drug abuse or controlled substance research. The Governor shall annually designate the private university and the professional medical society represented on the panel. Members of the panel shall be appointed by the heads of the entities to be represented, and they shall serve at the pleasure of the appointing power.

The Research Advisory Panel shall appoint two special members to the Research Advisory Panel, who shall serve at the pleasure of the Research Advisory Panel only during the period Article 6 (commencing with Section 11260) of Chapter 5 of this division remains effective. Such additional members shall be physicians and surgeons, and who shall be board certified in onocology, ophthalmology, or psychiatry.

The panel shall annually select a chairman from among its members.

The panel may hold hearings on, and in other ways study, research projects concerning marijuana or hallucinogenic drugs in this state. Members of the panel shall serve without compensation, but shall be reimbursed for any actual and necessary expenses incurred in connection with the performance of their duties.

The panel may approve research projects, which have been registered by the Attorney General, into the nature and effects of marijuana or hallucinogenic drugs, and shall inform the Attorney General of the head of such approved research projects which are entitled to receive quantities of marijuana pursuant to Section 11478.

The panel may withdraw approval of a research project at any time, and when approval is withdrawn shall notify the head of the research project to return any quantities of marijuana to the Attorney General.

The panel shall report annually to the Legislature and the Governor those research projects approved by the panel, the nature of each research project, and, where available, the conclusions of the

research project.

SEC. 3. The sum of one hundred thousand dollars ($100,000) is hereby appropriated from the General Fund to the Research Advisory Panel for expenditure for the purposes of Article 6 (commencing with Section 11260) of Chapter 5 of Division 10 of the Health and Safety Code during the initial 12 months of development and conduct of the pilot research program authorized by such provisions.

CHAPTER 301

An act to add and repeal Section 16024.5 of the Education Code, and to amend Section 4 of Chapter 206 of the Statutes of 1978, Section 2 of Chapter 8 of the Statutes of 1977, as amended by Chapter 204 of the Statutes of 1978, relating to school buildings, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 25, 1979 Filed with Secretary of State July 25, 1979.]

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

SECTION 1. Section 16024.5 is added to the Education Code, to read:

16024.5. Notwithstanding Section 16024, any conditional apportionment made to a district subsequent to July 1, 1978, which became void as a result of failure to sell bonds in amounts prescribed by the board in a nine-month period, shall become reinstated and final without further action by the board if bonds in the amounts originally prescribed by the board are purchased by the Farmers Home Administration and placed on deposit in the state school building fund of the district.

This section shall remain in effect only until February 1, 1980, and as of such date is repealed, unless a later enacted statute, which is chaptered before February 1, 1980, deletes or extends such date.

SEC. 2. The San Juan Ridge Union Elementary School District recently built and occupied a new elementary school to replace other schools which did not meet Field Act standards. The new school served approximately 200 elementary school pupils of the district. In February of 1977 the new school was completely destroyed by fire, leaving pupils of the district with no school to attend for the remainder of the 1976–77 school year and for the 1977–78 school year.

Chapter 8 of the Statutes of 1977 and Chapter 204 of the Statutes of 1978 authorize the San Juan Ridge Union Elementary School District to house pupils in specified schools in the district during the construction of replacement facilities and exempt such schools, until June 30, 1979, from Field Act standards.

Since the enactment of Chapter 8 of the Statutes of 1977 and Chapter 204 of the Statutes of 1978, enrollment in the San Juan Ridge Union Elementary School District has dramatically increased so that the replacement facilities are inadequate to house pupils of the district.

The governing board of the district considered alternative means of educating pupils during the school building shortage. However, the board determined that the only feasible alternative is to house pupils temporarily in buildings that do not meet Field Act standards until additional facilities can be provided.

SEC. 2.5. Section 4 of Chapter 206 of the Statutes of 1978 is amended to read:

Sec. 4. The governing board of the Potter Valley Community Unified School District may continue to use the buildings referred to in Section 3 until June 30, 1980. During such period of continued use, the buildings shall not be subject to any of the provisions of Article 3 (commencing with Section 39140) or Article 6 (commencing with Section 39210) of Chapter 2 of Part 3 of Division 3 of the Education Code.

SEC. 3. Section 2 of Chapter 8 of the Statutes of 1977, as amended by Chapter 204 of the Statutes of 1978, is amended to read:

Sec. 2. The San Juan Ridge Union Elementary School District is hereby authorized to house pupils in the North San Juan Elementary School, the Birchville Elementary School, and the North Columbia School, and during the period of temporary use those schools shall not be subject to any of the provisions of Article 3 (commencing with Section 39140) and Article 6 (commencing with Section 39210) of Chapter 2 of Part 23 of the Education Code. The exemption provided by this section shall remain in effect until June 30, 1982.

SEC. 4. The Placer Union High School District, in 1976-77, levied a special tax pursuant to former Section 39230 of the Education Code. Proceeds thereof were used to complete renovation of Placer Union High School which was in need of rehabilitation and replacement of structurally inadequate school facilities. Not all of the proceeds collected were needed for complete renovation of the buildings of Placer Union High School. The Earl Crabbe Gymnasium at Placer Union High School was built in 1937, and is in need of renovation.

SEC. 5. Notwithstanding Section 39233 of the Education Code, the Placer Union High School District may use funds previously raised pursuant to former Section 39230 of the Education Code, but not required for completing the renovation and replacement of facilities not in compliance with the Field Act, for renovation of the Earl Crabbe Gymnasium at Placer Union High School.

SEC. 6. In the fiscal year 1978–79 the Board of Supervisors of El Dorado County failed to levy a tax upon the property in El Dorado Union High School District sufficient to raise for the district the amount to be withheld by the State Controller during the fiscal year 1978–79 under Section 16335 of the Education Code. Although the board of supervisors has agreed to levy the necessary tax during the

fiscal year 1979–80, the 1978–79 annual repayments of apportionments to be made under the State School Building Aid Law of 1952 remain outstanding. The adoption of Article XIII A of the California Constitution has made it impossible for the district to raise the necessary moneys.

SEC. 7. (a) The State Controller shall adjust the total amount of the deductions from apportionments made to the El Dorado Union High School District pursuant to Section 16335 of the Education Code for the 1978–79 fiscal year by the amount of money to be withheld by the State Controller during the fiscal year 1978–79, as required by Section 16335 of the Education Code, and as certified by the county auditor. The apportionments from the State School Fund for the district shall be increased by the amount of such adjustment.

(b) For the fiscal year 1979–80, the State Controller shall add to the amounts to be deducted under Section 16214 of the Education Code from the apportionments to El Dorado Union High School District the amounts of any reductions in any such deductions effected during the fiscal year 1978–79, pursuant to subdivision (a), but shall not add to the amounts so deducted any interest on account of the delay in repayment.

SEC. 8. The Black Butte Union Elementary School District has an enrollment of 208 pupils, but its facilities were originally designed for only 124 pupils. To alleviate the overcrowded conditions, Black Butte Union Elementary School has leased mobile classrooms for the past three years. Current law prohibits the school district from extending such lease beyond the initial three years if the leased facility does not meet Field Act standards. Black Butte Union Elementary School District has currently entered into a building program to purchase relocatable classrooms which meet Field Act standards. Until such purchases can be made, the school district must continue to use the leased mobile classrooms.

SEC. 9. The governing board of the Black Butte Union Elementary School District may continue to use the facilities referred to in Section 8 until June 30, 1980. During such period of continued use, the facilities shall not be subject to any of the provisions of Article 3 (commencing with Section 39140) or Article 6 (commencing with Section 39210) of Chapter 2 of Part 3 of the Education Code.

SEC. 10. The Lincoln Unified School District is hereby authorized to house pupils in the Career High School buildings and during the period of temporary use such school buildings shall not be subject to any of the provisions of Article 3 (commencing with Section 39140) and Article 6 (commencing with Section 39210) of Chapter 2 of Part 23 of the Education Code. The exemption provided by this section shall remain in effect until June 30, 1982.

SEC. 11. The Main Prairie Continuation High School of the Dixon Unified School District is hereby authorized to conduct classes in the arts and crafts building located at the Dixon May Fairgrounds and during the period of temporary use such school buildings shall not be

subject to any of the provisions of Article 3 (commencing with Section 39140) and Article 6 (commencing with Section 39210) of Chapter 2 of Part 23 of the Education Code. The exemption provided by this section shall remain in effect until June 30, 1982.

SEC. 12. Due to the unique circumstances concerning the building of school facilities in the small rural school districts named in Sections 2, 2.5, 3, 4, 5, 8, 10, and 11 of this act and the unique circumstances surrounding the financing of school buildings in the El Dorado Union High School District, the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

SEC. 13. 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:

Existing school facilities in the San Juan Ridge Union Elementary School District and the Lincoln Unified School District are insufficient to house the increased pupil population. Authorization for the districts to house pupils temporarily in school buildings that do not satisfy Field Act standards expires on June 30, 1979. In order to permit the districts to use such buildings after the expiration date so that necessary educational services can be provided without interruption, and in order to begin renovation on the existing gymnasium at Placer Union High School which is in need of immediate repair to make it safe for pupils at the school, it is necessary that this act take effect immediately.

Conditional apportionments granted to some school districts will become void pursuant to existing law. In order for these apportionments to be reinstated and made final before the apportionment becomes void, it is necessary that this act take effect immediately.

In the El Dorado Union High School District, the board of supervisors failed to levy a tax sufficient to provide the full amount of the 1978–79 annual repayments of apportionments made under the State School Building Aid Law of 1952. If this act does not take effect immediately, the State Controller would be required by Section 16214 of the Education Code to deduct the total amount of the annual repayment for such district in equal amounts from the February through May installments of the apportionments to be made to the district from the State School Fund. In order to defer the deduction at the earliest time possible and to avoid seriously depleting the general fund of such district and consequently affecting the educational opportunities afforded to the children of the district, it is necessary that this act take effect immediately.

The building program at Potter Valley Community Unified School District has not been completed. Authorization for the district to use two nonconforming buildings that do not satisfy Field Act standards expires at the end of the 1978–79 school year. In order to permit the district to use such buildings after the expiration date so that

necessary educational services can be provided without interruption, it is necessary that this act take effect immediately.

The Black Butte Union Elementary School District is presently leasing facilities which do not meet Field Act standards. The district is leasing these facilities and the lease expires June 30, 1979. In order to permit the district to re-lease such facilities beyond the three-year limitation after the expiration date of the present lease so that necessary educational services can be provided without interruption, it is necessary for this act to take effect immediately.

In order for the Main Prairie Continuation High School located in the Dixon Unified School District to continue to provide necessary educational services without interruption, it is necessary that this act take effect immediately.

CHAPTER 302

An act to amend Sections 1001.4, 1002.28, and 1005.4 of, to add Section 1003.16 to, and to repeal Section 1005.3 of, the Military and Veterans Code, relating to revenue debentures, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 25, 1979 Filed with Secretary of State July 25, 1979.]

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

SECTION 1. Section 1001.4 of the Military and Veterans Code is amended to read:

1001.4. All debentures shall bear the facsimile signature of the Director of Veterans Affairs and the Deputy Director of Veterans Affairs and shall be authenticated by the trustee. The seal of the Department of Veterans Affairs shall be impressed, mechanically reproduced or imprinted by facsimile upon each debenture. The interest coupons attached to any debenture shall bear a facsimile of the signature of the Director of Veterans Affairs. In case any such official whose signature or countersignature appears on the debentures or coupons shall cease to be such official before the debentures so signed or countersigned shall have been actually executed or delivered, such signature or countersignature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until the delivery of the debentures, and such debentures and coupons shall be issued and shall be as binding upon the department as though the person who signed such debentures or coupons had been such official on the date borne by the debentures or coupons and on the date of delivery. Any such debentures may be signed and sealed on behalf of the department by such person as at the actual date of execution of such debentures shall be the Director of Veterans Affairs or the Deputy Director of Veterans Affairs, as the

case may be, although on such date as may be borne by such debentures any such person shall not have been such official.

SEC. 2. Section 1002.28 of the Military and Veterans Code is amended to read:

1002.28. The State Treasurer shall act as trustee for the department and the holders of its bonds, to receive and disburse all the revenues applicable to the payment of the principal of or interest on the bonds, including any reserve fund, sinking fund or other fund established for the further securing of the bonds. The department may provide in any resolution of issuance for the appointment of a trustee, other than the State Treasurer, to represent and enforce rights of holders of bonds of the department if, and in the manner and under conditions, provided in the resolution authorizing the bonds, such trustee shall be a bank or trust company duly qualified to do business in this state.

SEC. 3. Section 1003.16 is added to the Military and Veterans Code, to read:

1003.16. (a) Notwithstanding any other provision of this chapter, and in lieu of a pledge of revenues as security for any debentures issued pursuant to this chapter, the department may assign or pledge an undivided interest in the assets of the Veterans' Farm and Home Building Fund of 1943 as security for such debentures. Such undivided interest so assigned or pledged shall not exceed the amount of principal and interest of the debentures secured thereby, and shall be secondary and subordinate to any interest or right of the people and the holders of general obligation bonds in the fund under any general obligation veterans bond act.

(b) In such event, the department shall deposit the proceeds of the sale of such debentures and the revenues therefrom in the Veterans' Farm and Home Building Fund of 1943, and money may be withdrawn therefrom in accordance with law upon requisition of the department for the purpose of carrying out the provisions of this chapter and of the Veterans' Farm and Home Purchase Act of 1943 and the Veterans' Farm and Home Purchase Act of 1974. The department may create such accounts or funds within the Veterans' Farm and Home Building Fund of 1943 as may be appropriate or desirable for carrying out the provisions of this section.

(c) Further, in such event, and notwithstanding the provisions of Section 1006.15, the interest rates on veterans' purchase contracts shall be established as provided in Section 987.87.

SEC. 4. Section 1005.3 of the Military and Veterans Code is repealed.

SEC. 5. Section 1005.4 of the Military and Veterans Code is amended to read:

1005.4. Whenever a bank or trust company is acting as trustee by reason of any default, or for the protection of the interests of the debenture holders, the bank or trust company as such trustee, shall take such action as the holders or registered owners of 20 percent in principal amount of all the debentures then outstanding shall request

in writing, provided that the bank or trust company as such trustee may request reasonable security before taking any action so requested.

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:

Under present provisions of the Veterans' Revenue Debenture Act of 1970, the Department of Veterans Affairs is required to issue revenue bonds pledged to different securities, which constitutes an unsound financial practice. Under this act, all veterans will be treated equally in the rate of interest charged pursuant to a Cal-Vet farm or home purchase contract, and potentially great savings may accrue to the department by eliminating the need for separate accounting systems for the different bonds. In order that these benefits may become realized as soon as possible, it is necessary that this act become effective immediately.

CHAPTER 303

An act to amend Section 1370 of the Health and Safety Code, relating to health care service plans.

[Approved by Governor July 25, 1979. Filed with Secretary of State July 25, 1979.]

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

SECTION 1. Section 1370 of the Health and Safety Code is amended to read:

1370. Every plan shall establish procedures in accordance with department regulations for continuously reviewing the quality of care, performance of medical personnel, utilization of services and facilities, and costs. Notwithstanding any other provision of law, there shall be no monetary liability on the part of, and no cause of action for damages shall arise against, any person who participates in quality of care or utilization reviews by peer review committees which are composed chiefly of physicians and surgeons or dentists, or both, for any act performed during such reviews if such person acts without malice, has made a reasonable effort to obtain the facts of the matter, and believes that the action taken is warranted by the facts, and neither the proceedings nor the records of such reviews shall be subject to discovery, nor shall any person in attendance at such reviews be required to testify as to what transpired thereat.

The above prohibition relating to discovery or testimony shall not apply to the statements made by any person in attendance at such a review who is a party to an action or proceeding the subject matter of which was reviewed, or to any person requesting hospital staff

privileges, or in any action against an insurance carrier alleging bad faith by the carrier in refusing to accept a settlement offer within the policy limits, or to the commissioner in conducting surveys pursuant to Section 1380.

This section shall not be construed to confer immunity from liability on any health care service plan. In any case in which, but for the enactment of the preceding provisions of this section, a cause of action would arise against a health care service plan, such cause of action shall exist notwithstanding the provisions of this section.

CHAPTER 304

An act to amend Section 65860 of the Government Code, relating to city zoning.

[Approved by Governor July 25, 1979 Filed with Secretary of State July 25, 1979]

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

SECTION 1. Section 65860 of the Government Code is amended to read:

65860. (a) County or city zoning ordinances shall be consistent with the general plan of the county or city by January 1, 1974. A zoning ordinance shall be consistent with a city or county general plan only if:

(i) The city or county has officially adopted such a plan, and

(ii) The various land uses authorized by the ordinance are compatible with the objectives, policies, general land uses, and programs specified in such a plan.

(b) Any resident or property owner within a city or a county, as the case may be, may bring an action in the superior court to enforce compliance with the provisions of subdivision (a). Any such action or proceedings shall be governed by Chapter 2 (commencing with Section 1084) of Title 1 of Part 3 of the Code of Civil Procedure. Any action or proceedings taken pursuant to the provisions of this subdivision shall be taken within 90 days of the enactment of any new zoning ordinance or the amendment of any existing zoning ordinance as to said amendment or amendments.

(c) In the event that a zoning ordinance becomes inconsistent with a general plan by reason of amendment to such a plan, or to any element of such a plan, such zoning ordinance shall be amended within a reasonable time so that it is consistent with the general plan as amended.

(d) Notwithstanding Section 65803, this section shall apply in a charter city of 2,000,000 or more population to a zoning ordinance adopted prior to January 1, 1979, which zoning ordinance shall be consistent with the general plan of such city by July 1, 1982

CHAPTER 305

An act to add Section 933.1 to the Penal Code, relating to grand juries.

[Approved by Governor July 25, 1979 Filed with Secretary of State July 25, 1979.]

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

SECTION 1. Section 933.1 is added to the Penal Code, to read:

933.1. A grand jury may at any time examine the books and records of any agency as defined in Section 33100 of the Health and Safety Code, and, in addition to any other investigatory powers granted by this chapter, may investigate and report upon the method or system of performing the duties of such agency.

CHAPTER 306

An act to amend Section 933.5 of the Penal Code, relating to grand juries.

[Approved by Governor July 25, 1979. Filed with Secretary of State July 25, 1979.]

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

SECTION 1. Section 933.5 of the Penal Code is amended to read:

933.5. A grand jury may at any time examine the books and records of any special-purpose assessing or taxing district located wholly or partly in the county or the local agency formation commission in the county, and, in addition to any other investigatory powers granted by this chapter, may investigate and report upon the method or system of performing the duties of such district or commission.

CHAPTER 307

An act to amend Sections 1941.1, 1941.2, and 1942 of the Civil Code, relating to landlord and tenant.

[Approved by Governor July 25, 1979. Filed with Secretary of State July 25, 1979]

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

SECTION 1. Section 1941.1 of the Civil Code is amended to read:

1941.1. A dwelling shall be deemed untenantable for purposes of Section 1941 if it substantially lacks any of the following affirmative standard characteristics:

(a) Effective waterproofing and weather protection of roof and exterior walls, including unbroken windows and doors.

(b) Plumbing or gas facilities which conformed to applicable law in effect at the time of installation, maintained in good working order.

(c) A water supply approved under applicable law, which is under the control of the tenant, capable of producing hot and cold running water, or a system which is under the control of the landlord, which produces hot and cold running water, furnished to appropriate fixtures, and connected to a sewage disposal system approved under applicable law.

(d) Heating facilities which conformed with applicable law at the time of installation, maintained in good working order.

(e) Electrical lighting, with wiring and electrical equipment which conformed with applicable law at the time of installation, maintained in good working order.

(f) Building, grounds and appurtenances at the time of the commencement of the lease or rental agreement in every part clean, sanitary, and free from all accumulations of debris, filth, rubbish, garbage, rodents and vermin, and all areas under control of the landlord kept in every part clean, sanitary, and free from all accumulations of debris, filth, rubbish, garbage, rodents, and vermin.

(g) An adequate number of appropriate receptacles for garbage and rubbish, in clean condition and good repair at the time of the commencement of the lease or rental agreement, with the landlord providing appropriate serviceable receptacles thereafter, and being responsible for the clean condition and good repair of such receptacles under his control.

(h) Floors, stairways, and railings maintained in good repair.

SEC. 2. Section 1941.2 of the Civil Code is amended to read:

1941.2. (a) No duty on the part of the landlord to repair a dilapidation shall arise under Section 1941 or 1942 if the tenant is in substantial violation of any of the following affirmative obligations, provided the tenant's violation contributes substantially to the existence of the dilapidation or interferes substantially with the landlord's obligation under Section 1941 to effect the necessary repairs:

(1) To keep that part of the premises which he occupies and uses clean and sanitary as the condition of the premises permits.

(2) To dispose from his dwelling unit of all rubbish, garbage and other waste, in a clean and sanitary manner.

(3) To properly use and operate all electrical, gas and plumbing fixtures and keep them as clean and sanitary as their condition permits.

(4) Not to permit any person on the premises, with his permission,

to willfully or wantonly destroy, deface, damage, impair or remove any part of the structure or dwelling unit or the facilities, equipment, or appurtenances thereto, nor himself do any such thing.

(5) To occupy the premises as his abode, utilizing portions thereof for living, sleeping, cooking or dining purposes only which were respectively designed or intended to be used for such occupancies.

(b) Paragraphs (1) and (2) of subdivision (a) shall not apply if the landlord has expressly agreed in writing to perform the act or acts mentioned therein.

SEC. 3. Section 1942 of the Civil Code is amended to read:

1942. (a) If within a reasonable time after written or oral notice to the landlord or his agent, as defined in subdivision (a) of Section 1962, of dilapidations rendering the premises untenantable which the landlord ought to repair, the landlord neglects to do so, the tenant may repair the same himself where the cost of such repairs does not require an expenditure more than one month's rent of the premises and deduct the expenses of such repairs from the rent when due, or the tenant may vacate the premises, in which case the tenant shall be discharged from further payment of rent, or performance of other conditions as of the date of vacating the premises. This remedy shall not be available to the tenant more than twice in any 12-month period.

(b) For the purposes of this section, if a tenant acts to repair and deduct after the 30th day following notice, he is presumed to have acted after a reasonable time. The presumption established by this subdivision is a rebuttable presumption affecting the burden of producing evidence and shall not be construed to prevent a tenant from repairing and deducting after a shorter notice if all the circumstances require shorter notice.

(c) The tenant's remedy under subdivision (a) shall not be available if the condition was caused by the violation of Section 1929 or 1941.2.

(d) The remedy provided by this section is in addition to any other remedy provided by this chapter, the rental agreement, or other applicable statutory or common law.

SEC. 4. The amendments to Section 1942 of the Civil Code made by the 1979–80 Regular Session of the Legislature shall not apply to any lease, option, or other agreement executed prior to January 1, 1980. Such amendments shall be applicable, however, to a lease or hiring of a dwelling which is renewed by agreement, or is presumed to have been renewed pursuant to Section 1945, on or after January 1, 1980.

CHAPTER 308

An act to amend Section 22825.1 of the Government Code, relating to state employees' health insurance, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 25, 1979. Filed with Secretary of State July 25, 1979]

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

SECTION 1. Section 22825.1 of the Government Code is amended to read:

22825.1. (a) Notwithstanding any other provision of this article, the employer's contribution, with respect to each state officer and employee or an annuitant who was in such employment or office including an academic position with a California state university or college or is a survivor of such person, shall be adjusted by the Legislature in the annual Budget Act. Annual adjustments of the dollar amounts therein shall be based upon the principle that the employer's contribution for each employee or annuitant shall be an amount equal to 100 percent of the weighted average of the premiums required for basic and related major medical plans with respect to employees or annuitants enrolled for self alone plus 90 percent of the weighted average of the additional premiums required for enrollment of family members in basic and major medical plans as applicable for the level of benefits offered by (1) the statewide service plan contracted by the state; (2) the statewide indemnity plan contracted by the state; (3) the two prepaid comprehensive medical-hospital plans with the largest number of enrollments contracted by the state, as determined by the board, whichever is less. There shall be only one such contribution with respect to all annuitants receiving allowances as survivors of the same employee or annuitant.

The employer's contribution under this section for each employee shall commence on the effective date of his enrollment.

The contribution of each employee and annuitant shall be the total cost per month of the benefit coverage afforded him under the plan or plans less the portion thereof to be contributed by the employer.

(b) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if such provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

SEC. 1.5. The provisions of Section 1 shall become operative on July 1, 1979.

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 for the provisions of this act to become operative at the beginning of the 1979–80 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 309

An act to amend Section 66465 of the Government Code, relating to land subdivisions.

[Approved by Governor July 25, 1979. Filed with Secretary of State July 25, 1979.]

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

SECTION 1. Section 66465 of the Government Code is amended to read:

66465. The subdivider shall present to the county recorder evidence that, at the time of the filing of the final or parcel map in the office of the county recorder, the parties consenting to such filing are all of the parties having a record title interest in the real property being subdivided whose signatures are required by this division, as shown by the records in the office of the recorder, otherwise the map shall not be filed.

For purposes of this section and Sections 66436, 66439, and 66447, a public entity which has obtained a prejudgment order for possession of property pursuant to Section 1255.410 of the Code of Civil Procedure shall be deemed to be the record title owner of the property or property interests described in the order, provided the order for possession has not been stayed or vacated pursuant to Section 1255.420, 1255.430, or 1255.440 of the Code of Civil Procedure, no motion therefor is pending before the court, and the time prescribed by Section 1255.420 of the Code of Civil Procedure for filing a motion for relief from the order has passed.

CHAPTER 310

An act to amend Sections 35539 and 35539.1 of the Water Code, relating to water districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 25, 1979 Filed with Secretary of State July 25, 1979]

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

SECTION 1. Section 35539 of the Water Code is amended to read:

35539. In addition to, and as an alternative to, the powers contained in this division, the board may by resolution determine and declare that it is necessary to levy a special assessment of an equal amount upon each acre of developed land, upon each acre of undeveloped land, or both, within the district or within zones established pursuant to Sections 35534 and 35535 in order to cause just and equitable sharing among the district's landowners of all or any portion of the district obligations for the next year in excess of receipts from water charges, as reflected in the district's annual estimate of obligations filed pursuant to Section 36552 or 37206, and such resolution shall declare that a public hearing shall be held thereon at a specified time and place at which all interested persons may appear and be heard.

SEC. 2. Section 35539.1 of the Water Code is amended to read:

35539.1. The resolution shall be published pursuant to Section 6066 of the Government Code in a newspaper of general circulation published in each county in which district lands are located. A copy of the resolution shall be mailed, postage prepaid, to each holder of title to land within the district as shown by the last equalized assessment roll of the district, or, if the district has theretofore elected to use the last equalized county assessment roll or rolls for district assessment purposes, a copy of the resolution shall be mailed, postage prepaid, to each holder of title to land of the county or counties in which district lands are located.

The hearing may be adjourned from time to time at the discretion of the board and at its conclusion the board may determine and by a new resolution declare the amount of and levy a special assessment upon each acre of developed land in an equal amount per acre, upon each acre of undeveloped land in an equal amount per acre, or both, within the district, or within zones, sufficient to defray all or any part of the district obligations for the next year in excess of receipts from water charges, as reflected in the district's annual statement of obligations filed pursuant to Section 36554 or 37206.

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:

Due to the adoption of Article XIII A of the California Constitution, the Kern Delta Water District has been required to discontinue collection of its special assessment under Section 35537 of the Water Code on an ad valorem basis. In order to solve its cash flow difficulties, the district has imposed a statutorily permissible flat rate acreage assessment on all developed land. Such assessment is inequitable in that not all developed acreage equally utilizes services of the district. This act would permit the district to more equitably

finance costs by permitting the imposition of a flat rate acreage assessment within zones designated by the level of services received from the district. In order to provide a more equitable assessment for the maximum protection of the public, it is necessary that this act go into immediate effect.

CHAPTER 311

An act relating to California State Polytechnic University, and making an appropriation therefor.

[Approved by Governor July 25, 1979. Filed with Secretary of State July 25, 1979.]

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

SECTION 1. Notwithstanding Section 90406 of the Education Code, the California State Polytechnic University may use proceeds from the sale of real property known as the Voorhis property to construct improvements on real property purchased with proceeds from the sale of such real property known as the Voorhis property. Such improvements may include, but are not limited to, fencing, irrigation systems, drainage systems, and an access road.

CHAPTER 312

An act to amend Sections 25800.2 and 51335.5 of the Water Code, relating to water districts.

[Approved by Governor July 25, 1979. Filed with Secretary of State July 25, 1979.]

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

SECTION 1. Section 25800.2 of the Water Code is amended to read:

25800.2. In the event the annual assessment for any parcel of land separately assessed, computed pursuant to Sections 25800 and 25801, is less than ten dollars ($10), a minimum annual assessment may be set by the board which shall not exceed ten dollars ($10) for each such separately assessed parcel of land, and upon a determination by the board that a minimum assessment shall be set, the secretary shall enter that assessment for each separately assessed parcel of land for which the annual assessment is less than the amount set by the board.

SEC. 2. Section 51335.5 of the Water Code is amended to read:

51335.5. In the event the assessment for any parcel of land separately assessed, based upon the rate fixed pursuant to Section

51335, is less than ten dollars ($10), a minimum assessment may be set by the board which shall not exceed ten dollars ($10) for each separately assessed parcel of land.

CHAPTER 313

An act to amend Sections 21681 and 21682 of the Public Utilities Code, relating to aviation, and making an appropriation therefor.

[Approved by Governor July 25, 1979. Filed with Secretary of State July 25, 1979]

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

SECTION 1. Section 21681 of the Public Utiliies Code is amended to read:

21681. For the purposes of this article:

(a) "Own and operate" means that the public entity must own property in fee simple or by a long-term lease of a minimum of 20 years, unless otherwise approved by the department, and must maintain dominion and control of the property. Operations of the airport will be for and on behalf of the public entity. All leases to the public entity of property must be approved by the department. A lease of the property to an agent or agency other than the public entity does not meet the criteria for participation in airport assistance funds.

(b) "Matching funds" means money provided by the public entity and which does not consist of funds previously received from state or federal agencies or public entity funds previously used to match federal or state funds. This definition shall be retroactive to July 1, 1967.

(c) "General aviation" means all aviation with the exception of air carrier and military aviation.

(d) "Public entity" means any city, county, airport district, airport authority, port district, port authority, public district, public authority, political subdivision or public corporation and the University of California.

(e) "Public agency" means the various agencies of the State of California and the federal government.

(f) "Airport and aviation purposes" means expenditures of a capital improvement nature, including the repair or replacement of a capital improvement, for any of the following purposes:

(1) Land acquisition for development and improvement of general aviation aircraft landing facilities.

(2) Grading and drainage necessary for the construction or reconstruction of runways or taxiways.

(3) Construction or reconstruction of runways or taxiways.

(4) Acquisition of "runway clear zones" as defined in current

regulations of the Federal Aviation Administration.

(5) Acquisition of easements through, or other interests in, airspace as may be reasonably required for safeguarding aircraft operations in the vicinity of an aircraft landing facility.

(6) Removal of natural obstructions from runway clear zones.

(7) Original installation of "segmented circle airport marker systems" as defined in current regulations of the Federal Aviation Administration.

(8) Original installation of runway, taxiway, boundary, or obstruction lights, together with directly related electrical equipment.

(9) Original erection of minimum security fencing around the perimeter of an aircraft landing facility.

(10) Grading and drainage necessary to provide for parking of transient general aviation aircraft.

(11) Construction or reconstruction of transient general aviation aircraft parking areas.

(12) Servicing of revenue or general obligation bonds issued to finance capital improvements for airport and aviation purposes.

(13) Air navigational facilities.

(14) Such other capital improvements as may from time to time be designated in rules and regulations promulgated by the department.

Expenditures which cannot be clearly identified as capital improvements must be submitted to the department for consideration and approval.

(g) "Operation and maintenance" means expenditures for wages or salaries, utilities, service vehicles, and all other noncapital expenditures which are included in insurance, professional services, supplies, construction equipment, upkeep and landscaping, and such other items of expenditure which may be designated as "operation and maintenance" in rules and regulations promulgated by the department.

(h) "Enplanement" means the boarding of an aircraft by a revenue passenger, including an original, stopover, or transfer boarding thereof. For purposes of this subdivision, a stopover is a deliberate and intentional interruption of a journey by a passenger scheduled to exceed four hours in the case of an intrastate or interstate passenger or not to exceed 24 hours in the case of an international passenger at a point between the point of departure and the point of destination, and a transfer is an occurrence at an intermediate point in an itinerary whereby a passenger or shipment changes from a flight of one carrier to another flight either of the same or a different carrier with or without a stopover.

SEC. 2. Section 21682 of the Public Utilities Code is amended to read:

21682. (a) The department shall, subject to the provisions of Section 21684, pay from the fund to each public entity owning and operating an airport or airports under a valid permit issued by the

department for every airport which has less than 85,000 annual enplanements the sum of five thousand dollars ($5,000) annually for each such airport, to be expended for airport and aviation purposes and operation and maintenance purposes. Payment under this section is conditioned upon each public entity proving to the satisfaction of the department that no more than 85,000 enplanements occurred at each airport for which funding is being sought. No payment made under this section is transferable, but shall be expended only upon the airport for which the payment is made; provided, that the department may grant a waiver in extenuating circumstances.

(b) The department shall, subject to the provisions of Section 21684, pay from the fund to the University of California the sum of five thousand dollars ($5,000) annually for each airport used by the general public and owned and operated by the university under a valid permit issued by the department, to be expended for airport and aviation purposes and operation and maintenance purposes. No payment made under this section is transferable, but shall be expended only upon the airport for which the payment is made; provided, that the department may grant a waiver in extenuating circumstances.

(c) If, in any year, there is insufficient money in the fund to make the payments specified in subdivisions (a) and (b), the department shall, subject to the provisions of Section 21684, pay to each such public entity an amount which is equal to the total amount of money in the fund multiplied by a percentage equivalent to the proportion which the airport or airports of the public entity for which payment is required to be made pursuant to subdivisions (a) and (b) bear to the total number of airports for which payment is required to be made pursuant to subdivisions (a) and (b).

(d) No payment shall be made under this section to any public entity for any airport on which general or commercial aviation activities are substantially restricted if the airport is licensed to conduct such activities by the department. The department shall determine whether or not general or commercial aviation activities are restricted.

(e) The Department of Transportation may make regulations to implement the provisions of this section.

CHAPTER 314

An act to repeal Section 13105.5 of the Health and Safety Code, relating to fire protection and control.

[Approved by Governor July 25, 1979 Filed with Secretary of State July 25, 1979]

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

SECTION 1. Section 13105.5 of the Health and Safety Code is repealed.

CHAPTER 315

An act to amend Section 7 of Chapter 784 of the Statutes of 1978, relating to liquid waste, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 25, 1979 Filed with Secretary of State July 25, 1979]

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

SECTION 1. Section 7 of Chapter 784 of the Statutes of 1978 is amended to read:

Sec. 7. The State Water Resources Control Board may perform any act necessary to implement the provisions of this act.

The State Water Resources Control Board shall have the sole responsibility for conduct of the permanent closure and maintenance of the Stringfellow Quarry Class I Hazardous Waste Disposal Site.

All activities of the State Water Resources Control Board or any other state agency, department, or commission, incident to site closure and maintenance, including but not limited to state acquisition of any real property interest in the site or surrounding area, and the drafting and letting of contracts for architectural, engineering, and construction services, shall be exempt from the requirements of the California Environmental Quality Act (commencing with Section 21000 of the Public Resources Code), the State Contract Act (commencing with Section 14250 of the Government Code), the provisions of Chapter 10 (commencing with Section 4525) of Division 5 of Title 1 of the Government Code relating to procurement of architectural and engineering services, and the State Administrative Manual, Sections 1200 to 1291, inclusive.

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:

The State of California has a responsibility to abate the threatened conditions of pollution and nuisance caused by the Stringfellow Quarry Class I Hazardous Waste Disposal Site as soon as possible in order to protect the health and safety of the people. It is necessary, therefore, that this act take effect immediately.

CHAPTER 316

An act to amend Section 53891 of the Government Code, relating to local agency financial reports.

[Approved by Governor July 25, 1979 Filed with Secretary of State July 25, 1979.]

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

SECTION 1. Section 53891 of the Government Code is amended to read:

53891. The officer of each local agency who has charge of the financial records shall furnish to the Controller a report of all the financial transactions of the local agency during the next preceding fiscal year. The report shall be furnished within 90 days after the close of each fiscal year and shall be in the form required by the Controller; provided, however, that in the case of local agencies filing annual financial materials with the California Health Facilities Commission or any successor thereto pursuant to Section 441.18 of the Health and Safety Code, the audited report shall be furnished within 120 days after the close of each fiscal year.

The Controller shall prescribe uniform accounting and reporting procedures which shall be applicable to all local agencies except cities, counties, and school districts, and except for local agencies which substantially follow a system of accounting prescribed by the Public Utilities Commission of the State of California or the Federal Power Commission. The procedures shall be adopted under the provisions of Chapter 4.5 (commencing with Section 11371) of Part 1, Division 3, Title 2 of this code and shall be published in the California Administrative Code. The Controller shall prescribe such procedures only after consultation with and approval of a local governmental advisory committee established pursuant to Section 12463.1 of this code. Approval of such procedures shall be by majority vote of the members present at a meeting of the committee called by the chairman thereof.

CHAPTER 317

An act to amend Section 31006 of, and to add Section 74509 to, the Water Code, relating to water districts.

[Approved by Governor July 25, 1979. Filed with Secretary of State July 25, 1979.]

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

SECTION 1. Section 31006 of the Water Code is amended to read:

31006. Notwithstanding any other provision of law, any district formed under this division may, by resolution of the board of the district spread on its minutes, change the name of the district. Such changed name need not include therein the word "county."

Certified copies of the resolution changing the name of the district shall be recorded in the office of the county recorder of every county, included in whole or in part, in the district and sent to the department, State Treasurer, and Secretary of State.

SEC. 2. Section 74509 is added to the Water Code, to read:

74509. Notwithstanding any other provision of law, a district may, by resolution of the board of the district, change the name of the district. Such changed name shall include the words "Water Conservation District."

CHAPTER 318

An act to amend Sections 16522, 17091, 20222, 20722, 20723, 20751, 20752, 20754, 20755, 20756, 20757, 20758, 21051, 21058, 21174, 21283, 21285, 21286, 21288, 21289, 21290.5, 21563, 21563.5, and 21703 of, to add Sections 16522.5 and 21287 to, and to repeal Section 20753 of, the Food and Agricultural Code, relating to livestock, and making an appropriation therefor.

[Approved by Governor July 25, 1979 Filed with Secretary of State July 25, 1979.]

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

SECTION 1. Section 16522 of the Food and Agricultural Code is amended to read:

16522. Evidence of ownership of an animal or hide may include any of the following:

(a) A recorded brand registered in the name of the person in possession of the animal or hide.

(b) A brand inspection certificate.

(c) A bill of sale from the owner of the brand on the animal or hide.

(d) In the case of an unbranded animal or hide, a bill of sale which gives a description of the breed, sex, color, and natural markings, if any.

(e) A dairy exemption number.

SEC. 1.5. Section 16522.5 is added to the Food and Agricultural Code, to read:

16522.5. A dairy exemption number shall be evidence of ownership of cull beef cows and bulls of a recognized dairy breed presented for sale at a registered or posted saleyard, or licensed

slaughter plant for immediate slaughter. Any person owning a dairy farm as defined in Section 32505 may apply to the director for an exemption number. The director may refuse to issue such number to persons convicted of violating any provision of the Food and Agricultural Code, or to persons convicted of theft.

The dairy exemption number shall be written on the bill of consignment, defined in Section 21703, when the cattle and consignment slip are presented to an inspector at the registered or posted saleyard, or licensed slaughter plant. An exemption number shall be deemed to meet the identification information requirements of Section 21703. The cows shall be consigned, owned, and sold in the name of the person having the exemption number.

The director may revoke the dairy exemption number of any person who violates any provision of the Food and Agricultural Code, or who is convicted of theft.

SEC. 1.7. Section 17091 of the Food and Agricultural Code is amended to read:

17091. If the animal at any time while in the possession of an inspector is in a condition which requires immediate disposal, the animal may be disposed of by the director. The proceeds from the salvage, if any, in excess of expenses which were incurred in the handling of the animal shall be paid to the person proving ownership pursuant to Section 17096.

SEC. 2. Section 20222 of the Food and Agricultural Code is amended to read:

20222. Any person who uses an unrecorded, forfeited or canceled brand shall pay a penalty of thirty dollars ($30) which is in addition to any other penalty which is provided by law.

SEC. 3. Section 20722 of the Food and Agricultural Code is amended to read:

20722. If the renewal fee which is required by Article 6 (commencing with Section 20751) of this chapter is not paid by April 30th following the recordation of the brand, or by April 30th of the year which follows the last year for which renewal fee has been paid, the right to use the brand is suspended as of April 1st of such year.

SEC. 4. Section 20723 of the Food and Agricultural Code is amended to read:

20723. If the right to use a brand is suspended for more than one year, it becomes forfeited on April 1st following the year of suspension. The brand may, thereafter, be rerecorded by the former owner or it may be applied for by any other person pursuant to this chapter.

SEC. 5. Section 20751 of the Food and Agricultural Code is amended to read:

20751. The fee for each application for recording a brand is fifteen dollars ($15).

SEC. 6. Section 20752 of the Food and Agricultural Code is amended to read:

20752. The fee entitles the applicant to the recordation of one

brand, one duplicate brand registration certificate, and the right to use the brand until the following April 1st. The fee for each additional duplicate is seven dollars ($7).

SEC. 7. Section 20753 of the Food and Agricultural Code is repealed.

SEC. 8. Section 20754 of the Food and Agricultural Code is amended to read:

20754. Except as otherwise provided in Section 20755, the owner of a brand shall, on or before April 30th after its recordation, pay to the bureau a biennial period renewal fee of thirty dollars ($30) for the right to continue to use the brand.

SEC. 9. Section 20755 of the Food and Agricultural Code is amended to read:

20755. The owner of a recorded brand may, on or before April 30th of any year, pay in advance to the bureau a sum which is a multiple of fifteen dollars ($15). The payment entitles him to use the brand for any number of years, but not to exceed 10 years, at the rate of fifteen dollars ($15) per year from and after April 1st of such year. If such advance payment is made, annual renewals for each of the years within the period for which advance payment has been made are not required.

SEC. 10. Section 20756 of the Food and Agricultural Code is amended to read:

20756. If the right to use a brand is suspended for failure to pay the renewal fee, it may be reinstated within the brand registration fiscal year in which the suspension occurs upon the payment of a reinstatement fee of thirty dollars ($30).

SEC. 11. Section 20757 of the Food and Agricultural Code is amended to read:

20757. (a) Except as provided in subdivision (b), the fee for rerecording a forfeited or canceled brand shall be thirty dollars ($30). This amount shall accompany the application to rerecord.

(b) When a thirty dollar ($30) penalty has been paid pursuant to Section 20222, within 30 days of the date the application to rerecord is received by the director, the fee to rerecord shall be fifteen dollars ($15).

SEC. 12. Section 20758 of the Food and Agricultural Code is amended to read:

20758. The fee for recording the transfer of a brand, including a new certificate, is fifteen dollars ($15).

SEC. 13. Section 21051 of the Food and Agricultural Code is amended to read:

21051. Except as otherwise provided in this chapter, cattle shall be inspected as follows:

(a) Prior to movement or branding, whichever occurs first, when cattle are sold or ownership is transferred.

(b) Prior to transportation out of an area which has modified point-of-origin inspection.

(c) Prior to transportation out of the state.

(d) Upon entry into a registered feedlot.

(e) Prior to slaughter.

(f) Prior to release or sale from a public stockyard, public saleyard, or public or private cattle sales market.

(g) Prior to release from a posted stockyard or posted saleyard.

(h) Prior to transportation out of a full point-of-origin area.

SEC. 14. Section 21058 of the Food and Agricultural Code is amended to read:

21058. All cattle shipped pursuant to Section 21057 shall be accompanied by one of the following:

(a) Bill of sale on an approved form giving the date of sale, the loading point, the name and address of the owner or consignor or both, the destination, the number of animals, the certificate number on which the animals were inspected into the feedlot, the lot number, if any, the name and address of the buyer, the name of the transporter or carrier and the license number of the vehicle used to transport the animals, and the signature of the owner or his authorized agent.

(b) Saleyard invoice meeting the requirements of Section 21744 and 21745.

(c) Certificate of consignment on an approved form giving the date of sale, the loading point, the name and address of the owner or consignor or both, the destination, the number of animals, the certificate number on which the animals were inspected into the feedlot, the lot number, if any, the name and address of the buyer, the name of the transporter or carrier and the license number of the vehicle used to transport the animals, and the signature of the owner or his authorized agent.

SEC. 14.5. Section 21174 of the Food and Agricultural Code is amended to read:

21174. If, upon inspection, there is found any animal which does not bear the recorded brand of the person that presents the animal for inspection, such person shall show the inspector a bill of sale, certificate of inspection, dairy exemption number, or other proof of ownership of such animal.

SEC. 15. Section 21283 of the Food and Agricultural Code is amended to read:

21283. Except as otherwise provided in this article, the fee shall be paid at the point of inspection and is thirty-five cents ($0.35) for each animal which is inspected.

SEC. 16. Section 21285 of the Food and Agricultural Code is amended to read:

21285. The fee is thirty-five cents ($0.35) for the inspection before sale of each animal at a public saleyard which is posted by the Secretary of Agriculture of the United States or at a public saleyard if the animal originated in another state and it was shipped to this state, consigned to such public stockyard or public saleyard.

SEC. 17. Section 21286 of the Food and Agricultural Code is amended to read:

21286. The fee is thirty-five cents ($0.35) for the inspection of each animal which originated in another state and was shipped to this state for slaughter, if such animal is unloaded in an enclosure which is used exclusively by the slaughterer that is located within one mile of the slaughterhouse and the cattle are driven, not transported, from the enclosure to the slaughterhouse.

SEC. 17.5. Section 21287 is added to the Food and Agricultural Code, to read:

21287. The fee is thirty cents ($0.30) for the inspection of each animal which originated in another state and is shipped to this state for feeding in a registered feedlot.

SEC. 18. Section 21288 of the Food and Agricultural Code is amended to read:

21288. The fee for the inspection of cattle, other than suckling calves which are accompanying their mothers, is thirty-two cents ($0.32) if the cattle are transported for purposes other than sale or slaughter and no change of ownership is involved. The fee which is prescribed by this section applies to pasture cattle which are transported out of a modified point-of-origin area or out of this state.

SEC. 19. Section 21289 of the Food and Agricultural Code is amended to read:

21289. The fee for the inspection of cattle is thirty-nine cents ($0.39) for each animal which orginated in any county or geographical area where a full point-of-origin inspection is maintained pursuant to Article 4 (commencing with Section 21141) of this chapter. A fee shall not be charged for any suckling calves which are accompanying their mothers if they are not shipped for sale or slaughter and no change of ownership is involved.

SEC. 20. Section 21290.5 of the Food and Agricultural Code is amended to read:

21290.5. Any person who receives cattle from any cattle sale market, either public or private, including any public stockyard where sales of cattle are held, may, upon request and upon payment of a fee of thirty-two cents ($0.32) per head before accepting delivery of any cattle from such market or stockyard, have a reinspection of such cattle.

SEC. 21. Section 21563 of the Food and Agricultural Code is amended to read:

21563. Except as otherwise provided in this article, the fee shall be paid at the point of inspection and is thirty-five cents ($0.35) for each carcass or hide which is inspected.

SEC. 22. Section 21563.5 of the Food and Agricultural Code is amended to read:

21563.5. The fee for the inspection of each carcass or hide shall be thirty-nine cents ($0.39) for each carcass and hide originating in those counties or geographical areas where a point-of-origin inspection is maintained pursuant to Article 4 (commencing with Section 21141) of Chapter 6 of Division 10.

SEC. 23. Section 21703 of the Food and Agricultural Code is

amended to read:

21703. Except as provided in Section 21058, bills of sale or consignment required by any provision of Division 9 (commencing with Section 16301) or Division 10 (commencing with Section 20001) shall be made on the "Bill of Sale or Consignment" form approved by the director, and shall state all of the following information for animals sold or consigned:

(a) The date of sale or consignment.

(b) The loading point.

(c) The name and address of the owner or the consignor, or both.

(d) The destination.

(e) The number and description of the animals including their brands, if any.

(f) The name and address of the buyer or consignee, or both.

(g) The name of the transporter or carrier and the license number of the vehicle used to transport the animals.

(h) The signature of the owner or his authorized agent.

CHAPTER 319

An act to amend Section 2931 of the Penal Code, relating to prisoners.

[Approved by Governor July 25, 1979 Filed with Secretary of State July 25, 1979]

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

SECTION 1. Section 2931 of the Penal Code is amended to read:

2931. (a) In any case in which an inmate was sentenced to the state prison pursuant to Section 1170, or if he committed a felony before July 1, 1977, and he would have been sentenced under Section 1170 if the felony had been committed after July 1, 1977, the Department of Corrections shall have the authority to reduce the term prescribed under such section by one-third for good behavior and participation consistent with subdivision (d) of Section 1170.2. A document shall be signed by a prison official and given to the inmate, at the time of compliance with Section 2930, outlining the conditions which the inmate shall meet to receive the credit. The conditions specified in such document may be modified upon any of the following:

(1) Mutual consent of the prisoner and the Department of Corrections.

(2) The transfer of the inmate from one institution to another.

(3) The department's determination of the prisoner's lack of adaptability or success in a specific program or assignment. In such case the inmate shall be entitled to a hearing regarding the department's decision.

(4) A change in custodial status.

(b) Total possible good behavior and participation credit shall result in a four-month reduction for each eight months served in prison or in a reduction based on this ratio for any lesser period of time. Three months of this four-month reduction, or a reduction based on this ratio for any lesser period, shall be based upon forebearance from any or all of the following activities:

(1) Assault with a weapon; or escape.

(2) Physically assaultive behavior; possession of a weapon without permission; possession of controlled substances without prescription; attempt to escape; or urging others by words or acts, with the intent to cause a riot, to commit acts of force or violence, at a time and place under circumstances which produce a clear and present and immediate danger of a riot which results in acts of force or violence; or active participation in a riot that results in acts of force or violence.

(3) Intentional destruction of state property valued in excess of fifty dollars ($50); falsification of a significant record or document; possession of escape tools without permission; or manufacture, sale or unauthorized possession or use of alcoholic beverages or any substance defined as a poison in Schedule D of Section 4160 of the Business and Professions Code; or urging of others by words or acts, with the intent to cause a riot, to commit acts of force or violence at a time and place under circumstances which present a clear and present and immediate danger of a riot, or committing any act, with the intent to precipitate a riot, at a time and place under circumstances which present a clear and present and immediate danger of a riot. Activities specified in paragraph (1) may result in a maximum denial of good behavior credit of 45 days for each such prohibited activity. Activities specified in paragraph (2) may result in a maximum denial of good behavior credit of 30 days for each such prohibited activity. Activities specified in paragraph (3) may result in a maximum denial of good behavior credit of 15 days for each such prohibited activity. Nothing in this section shall prevent the Department of Corrections from seeking criminal prosecution for violations of law.

(c) One of the four months reduction, or a formula based on this ratio for a lesser period, shall be based solely upon participation in work, educational, vocational, therapeutic or other prison activities. Failure to succeed after demonstrating a reasonable effort in the specified activity shall not result in loss of participation credit. Failure to participate in the specified activities can result in a maximum loss of credit of 30 days for each failure to participate. However, those confined either by choice or due to behavior problems shall be given specified activities commensurate with the custodial status.

CHAPTER 320

An act to amend Section 21230 of the Government Code, relating to retirement of public employees.

[Became law without Governor's signature July 26, 1979. Filed with Secretary of State July 26, 1979.]

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

SECTION 1. Section 21230 of the Government Code is amended to read:

21230. Notwithstanding Section 21224, the adjustments in allowances for local members provided by this article for time commencing on and after the annual adjustment date next following January 1, 1975, shall be subject to the following limitations:

(a) No adjustment shall be made for any year for which the adjustment is less than 1 percent of the base allowance.

(b) No monthly allowance in any year may exceed an amount equal to the base allowance increased by 3, 4, or 5 percent per year compounded for the number of years intervening between the end of the base year and the beginning of the calendar year in which the adjustment is made. A contracting agency shall designate the applicable percentage and may amend its contract to increase the percentage.

(c) No monthly allowance in any year shall be less than the base allowance.

(d) No adjustment shall be made in any year in which the actuarial interest rate is less than 5.25 percent.

Provided, however, that adjusted allowances in years following the year in which the contract of an agency subject to this section is terminated may not exceed the adjusted allowance in the year of contract termination or the amount determined in accordance with subdivision (b) of Section 21224, whichever is the greater.

For the purposes of this section, all contributions, liabilities, actuarial interest rates, and other valuation factors shall be determined on the basis of actuarial assumptions and methods which, in the aggregate, are reasonable and which, in combination, offer the actuary's best estimate of anticipated experience under the system.

The additional employer contributions required as a result of making this section applicable shall be computed as a level percentage of member compensation. The additional contribution rate required at the time this section is added to a contract shall not be less than the sum of (1) the actuarial normal cost, plus (2) the additional contribution required to amortize the increase in accrued liability attributable to benefits elected under this section over a period of not more than 30 years from the date this section becomes effective in the public agency's contract.

This section shall not apply to 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 January 1, 1975, by express provision in such contract making the contracting agency subject to the provisions of this section.

CHAPTER 321

An act relating to school buildings and facilities, and making an appropriation therefor.

[Became law without Governor's signature July 26, 1979. Filed with Secretary of State July 26, 1979.]

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

SECTION 1. A sum not to exceed seventeen thousand sixty-eight dollars and eighteen cents ($17,068.18) is hereby appropriated from the General Fund to the Superintendent of Public Instruction for allocation to the San Juan Union Elementary School District for actual expenditures for the repair of structural damage suffered at the San Juan Elementary School when a major support beam in the school's multi-purpose room failed in February 1977.

SEC. 2. Due to the unique circumstances concerning the school subject to the provisions of this act, the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the Constitution.

CHAPTER 322

An act to amend Sections 3226, 3356, and 3744 of, to add Sections 3423, 3423.2, 3423.3, 3423.4, 3423.6, 3423.8, and 3423.9 to, and to repeal Section 3423 of, the Public Resources Code, to amend Sections 6757, 7872, 8996, 16063, 18881, 26161, 30322, and 32363 of the Revenue and Taxation Code, and to amend Section 1703 of the Unemployment Insurance Code, relating to taxation.

[Approved by Governor July 26, 1979 Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 3226 of the Public Resources Code is amended to read:

3226. Within 30 days after service of an order, pursuant to Sections 3224 and 3225, or Section 3237, or if there has been an appeal from the order to the director, within 30 days after service of the

decision of the director, or if a review has been taken of the order of the director, within 10 days after affirmance of the order, the owner or operator shall commence in good faith the work ordered and continue it until completion. If the work has not been commenced and continued to completion, the supervisor shall appoint necessary agents who shall enter the premises and perform the work. An accurate account of the expenditures shall be kept. Any amount so expended shall constitute a lien against real or personal property of the owner or operator pursuant to the provisions of Section 3423.

Notwithstanding any other provisions of Section 3224, 3225, or 3237, if the supervisor determines that an emergency exists, he may order or undertake such actions as he deems necessary to protect life, health, property, or natural resources.

SEC. 2. Section 3356 of the Public Resources Code is amended to read:

3356. If a review is not taken within 10 days, or if taken, in case the decision of the director is affirmed, any charge, including penalty and interest thereon, imposed by the director shall constitute a lien which upon recordation or filing pursuant to subdivision (c) or (d) of Section 3423, attaches to real or personal property. The lien upon the property shall be enforced in the same manner as are other liens on real property and personal property of the debtor. Upon the request of the supervisor, the State Controller shall bring an action for the enforcement of the lien in the manner provided in this chapter.

SEC. 3. Section 3423 of the Public Resources Code is repealed.

SEC. 4. Section 3423 is added to the Public Resources Code, to read:

3423. (a) If any person fails to pay any charge or penalty imposed under this chapter at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien upon all property and rights to property whether real or personal, tangible or intangible, including all after-acquired property and rights to property, belonging to such person and located in the state. Such lien shall not continue for more than 10 years unless recorded or filed as provided in this section.

For the purpose of this section only, "due and payable" means the date the charges required to be paid pursuant to Section 3420 are assessed under this chapter.

(b) With respect to real property or any rights therein, at any time after creation of the lien pursuant to subdivision (a), the Controller may record in the office of the county recorder of the county in which such real property is located a notice of state tax lien as specified in subdivision (d).

The lien created by subdivision (a) shall not be valid as to real property against the right, title or interest of:

(1) A successor in interest of the taxpayer without knowledge

of the lien;

(2) A holder of a security interest;

(3) A mechanic's lienor; or

(4) A judgment lien creditor,

where such right, title or interest was acquired or perfected prior to recording of a notice of state tax lien as provided in this subdivision.

(c) With respect to personal property, whether tangible or intangible, at any time after creation of the lien pursuant to subdivision (a) the Controller may file a notice of state tax lien with the Secretary of State pursuant to Chapter 14.5 (commencing with Section 7220) of Division 7 of Title 1 of the Government Code.

The lien created by subdivision (a) shall not be valid as to personal property against:

(1) The holder of a security interest therein whose interest is perfected pursuant to Section 9303 of the Uniform Commercial Code prior to the time the notice of the state tax lien is filed as herein provided;

(2) Any person, other than a person liable for the tax, who acquires his interest in the property under the law of this state without knowledge of the lien or who perfects his interest in accordance with the law of this state prior to the time that the notice of state tax lien is filed as herein provided;

(3) A buyer in the ordinary course of business, as defined in subdivision (9) of Section 1201 of the Uniform Commercial Code, who, under Section 9307 of such code, would take free of a security interest created by his seller;

(4) Any person, other than a person liable for the tax, who, notwithstanding the prior filing of the notice of state tax lien:

(A) Is holder in due course of a negotiable instrument, as defined in Section 3302 of the Uniform Commercial Code;

(B) Is a holder to whom a negotiable document of title has been duly negotiated as provided in Section 7501 of the Uniform Commercial Code;

(C) Is a bona fide purchaser of a security, as defined in Section 8302 of the Uniform Commercial Code;

(D) Is a purchaser of chattel paper, as defined in Section 9105(1)(b) of the Uniform Commercial Code, or an instrument, as defined in Section 9105(1)(i) of such code, who gives new value and takes possession of it in the ordinary course of business;

(E) Is a holder of a purchase money security interest, as defined in Section 9107 of the Uniform Commercial Code;

(F) Is a collecting bank holding a security interest in items being collected, accompanying documents and proceeds, pursuant to Section 4208 of the Uniform Commercial Code;

(G) Acquires a security interest in a deposit account, as defined in Section 9105(1)(e) of the Uniform Commercial Code, or in the beneficial interest in a trust or estate;

(H) Acquires any right or interest in letters of credit, advices of credit or money;

(I) Acquires without actual knowledge of the state tax lien a security interest in or a claim in or under any policy of insurance including unearned premiums;

(J) Acquires any right or interest in property subject to a certificate of title statute of another jurisdiction under the law of which indication of a security interest on the certificate of title is required as a condition of perfection of such security interest.

(d) The notice of state tax lien recorded or filed pursuant to subdivision (b) or (c) shall include the name and last known address of the person liable for the tax, the amount of the tax, a statement that the tax shall be a lien upon all real or personal property and rights to such property, including all after-acquired property and rights to property belonging to such person, and a statement that the Controller has complied with all the provisions of this part in the computation and levy of the amount assessed.

(e) Any lien arising pursuant to this section shall continue for 10 years from the date of recording or filing of a notice of state tax lien pursuant to subdivision (b) or (c), unless sooner released or otherwise discharged. The lien may, within 10 years from the date of the recording or filing of the notice of state tax lien or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by recording or filing a new notice of state tax lien in the office of the county recorder of any county or with the Secretary of State as provided in subdivision (b) or (c), and from the time of such recording or filing the lien shall be extended for 10 years unless sooner released or otherwise discharged.

(f) Notwithstanding the provisions of Sections 688 and 688.1 of the Code of Civil Procedure, in the event the taxpayer is a party to an action or special proceeding in which the taxpayer may become entitled to property or a money judgment, a lien created pursuant to subdivision (a) shall extend to the taxpayer's cause of action and any judgment in favor of the taxpayer subsequently procured in such action or proceeding. Notice of such a lien shall be given to all parties who prior thereto have made an appearance in the action and to judgment creditors who prior thereto have been granted a lien or an order permitting intervention under Section 688.1 of the Code of Civil Procedure. Such lien shall have priority from the time of filing of the notice in the action. No compromise, dismissal, settlement, or satisfaction shall be entered into by or on behalf of the taxpayer with any other party, lienor or intervenor in the action without the consent of the Controller unless the lien is sooner satisfied or discharged. The judge or clerk of the court shall endorse upon the judgment recovered in such action or proceeding a statement of the existence of the lien, the time of the filing of the notice in the action and the place where entered, and any abstract issued upon the judgment shall contain, in addition to the matters set forth in Sections 674 and 688.1 of the Code of Civil Procedure, a statement of the lien in favor of the Controller.

(g) Any lien, and any rights or causes of action under such lien,

heretofore recorded in any county pursuant to former Section 3423, shall continue in full force and effect for a period of 10 years from the date of last recordation or extension thereof and may, within said period of 10 years, be further extended in the manner provided for in subdivision (e) of this section. Upon recordation of an extension, the lien shall have the same effect as a lien filed pursuant to this section. Such extended lien shall have the same priority as it originally had under the law in effect prior to January 1, 1980.

SEC. 5. Section 3423.2 is added to the Public Resources Code, to read:

3423.2. A warrant may be issued by the State Controller or his duly authorized representative for the collection of any charges, interest and penalties and for the enforcement of any such lien directed to the sheriff or constable and shall have the same effect as a writ of execution. It may and shall be levied and sale made pursuant to it in the manner and with the same effect as a levy of and a sale pursuant to a writ of execution.

SEC. 6. Section 3423.3 is added to the Public Resources Code, to read:

3423.3. Notwithstanding any provisions of law to the contrary, the owner of said land may redeem from any execution sale within a period of three years upon payment of interest, penalties and charges as provided in the case of other sales of real property under execution.

SEC. 7. Section 3423.4 is added to the Public Resources Code, to read:

3423.4. The sheriff or constable shall receive, upon the completion of his services pursuant to a warrant, and the Controller is authorized to pay to him the same fees and commissions and expenses in connection with services pursuant to said warrant as are provided by law for similar services pursuant to a writ of execution; provided, that fees for publication in a newspaper shall be subject to approval by the Controller rather than by the court; said fees, commissions and expenses shall be an obligation of the person or persons liable for the payment of said charges and may be collected from such person or persons by virtue of the warrant or in any other manner provided in this article for the collection of such charges.

SEC. 8. Section 3423.6 is added to the Public Resources Code, to read:

3423.6. In the event that the lien of the charges, penalties or interest attaches to real property from which the oil or gas is extracted and more than one parcel of property is included within the lien, the Controller may release by certificate pursuant to Section 3423.8 from the lien of said charges, interest, penalties and costs, upon payment by the owner of any parcel or parcels of property of his proportionate share of the assessment of the oil or gas extracted from all land included within said lien owned by him.

SEC. 9. Section 3423.8 is added to the Public Resources Code, to read:

3423.8. The Controller may at any time release all or any portion of the property subject to the lien from the lien or subordinate the lien to other liens if he determines that the charges are sufficiently secured by a lien on other property of the taxpayer or that the release or subordination of the lien will not endanger or jeopardize the collection of such charges. A certificate by the Controller to the effect that any property has been released from the lien herein provided for or that such lien has been subordinated to other liens shall be conclusive evidence that the property has been released or that the lien has been subordinated as provided in the certificate.

SEC. 10. Section 3423.9 is added to the Public Resources Code, to read:

3423.9. It is expressly provided that the remedies provided herein of the state shall be cumulative and that no action by the Controller shall be construed to be an election on the part of the state, or of any of its officers, to pursue any remedy hereunder to the exclusion of any other remedy for which provision is made in this article.

SEC. 11. Section 3744 of the Public Resources Code is amended to read:

3744. Within 30 days after service of an order, pursuant to Section 3743, or if there has been an appeal from the order to the board, within 30 days after service of the decision of the board, or if a review has been taken of the order of the board, within 10 days after affirmance of the order, the owner or operator shall commence in good faith the work ordered and continue it until completion. If the work has not been commenced and continued to completion, the supervisor shall appoint necessary agents who shall enter the premises and perform the work. An accurate account of the expenditures shall be kept. Any amount so expended shall constitute a lien against the real or personal property of the owner or operator upon which the work is done and such lien shall have the force, effect, and priority of a judgment lien pursuant to the provisions of Section 3772.

SEC. 12. Section 6757 of the Revenue and Taxation Code is amended to read:

6757. (a) If any person fails to pay any amount imposed under this part at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien upon all property and rights to property whether real or personal, tangible or intangible, including all afteracquired property and rights to property, belonging to such person and located in the state. Such lien shall not continue for more than 10 years unless recorded or filed as provided in this section.

For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts disclosed on a return received by the board before the date the return is delinquent, the date the return would have been delinquent;

(2) For amounts disclosed on a return filed on or after the date the return is delinquent, the date the return is received by the board;

(3) For amounts determined under Section 6536 (pertaining to jeopardy assessments), the date the notice of the board's finding is mailed or issued;

(4) For all other amounts, the date the assessment is final.

(b) With respect to real property or any rights therein, at any time after creation of the lien pursuant to subdivision (a), the board may record in the office of the county recorder of the county in which such real property is located a notice of state tax lien as specified in subdivision (d).

The lien created by subdivision (a) shall not be valid against the right, title or interest of:

(1) A successor in interest of the taxpayer without knowledge of the lien;

(2) A holder of a security interest;

(3) A mechanic's lienor; or

(4) A judgment lien creditor;

where such right, title or interest was acquired or perfected prior to recording of a notice of state tax lien as provided in this subdivision.

(c) With respect to personal property, whether tangible or intangible, at any time after creation of the lien pursuant to subdivision (a) the board may file a notice of state tax lien with the Secretary of State pursuant to Chapter 14.5 (commencing with Section 7220) of Division 7 of Title 1 of the Government Code.

The lien created by subdivision (a) shall not be valid as to personal property against:

(1) The holder of a security interest therein whose interest is perfected pursuant to Section 9303 of the Uniform Commercial Code prior to the time the notice of the state tax lien is filed as herein provided;

(2) Any person, other than a person liable for the tax, who acquires his interest in the property under the law of this state without knowledge of the lien or who perfects his interest in accordance with the law of this state prior to the time that the notice of state tax lien is filed with the Secretary of State;

(3) A buyer in the ordinary course of business, as defined in subdivision (9) of Section 1201 of the Uniform Commercial Code, who, under Section 9307 of such code, would take free of a security interest created by his seller;

(4) Any person, other than a person liable for the tax, who, notwithstanding the prior filing of the notice of state tax lien:

(A) Is a holder in due course of a negotiable instrument, as defined in Section 3302 of the Uniform Commercial Code;

(B) Is a holder to whom a negotiable document of title has been duly negotiated as provided in Section 7501 of the Uniform Commercial Code;

(C) Is a bona fide purchaser of a security, as defined in Section 8302 of the Uniform Commercial Code;

(D) Is a purchaser of chattel paper, as defined in Section 9105(1)(b) of the Uniform Commercial Code, or an instrument, as defined in Section 9105(1)(i) of such code, who gives new value and takes possession of it in the ordinary course of business;

(E) Is a holder of a purchase money security interest, as defined in Section 9107 of the Uniform Commercial Code;

(F) Is a collecting bank holding a security interest in items being collected, accompanying documents and proceeds, pursuant to Section 4208 of the Uniform Commercial Code;

(G) Acquires a security interest in a deposit account, as defined in Section 9105(1)(e) of the Uniform Commercial Code, or in the beneficial interest in a trust or estate;

(H) Acquires any right or interest in letters of credit, advices of credit or money;

(I) Acquires without actual knowledge of the state tax lien a security interest in or a claim in or under any policy of insurance including unearned premiums;

(J) Acquires any right or interest in property subject to a certificate of title statute of another jurisdiction under the law of which indication of a security interest on the certificate of title is required as a condition of perfection of such security interest.

(d) The notice of state tax lien recorded or filed pursuant to subdivision (b) or (c) shall include the name and last known address of the person liable for the tax, the amount of the tax, a statement that the tax shall be a lien upon all real or personal property and rights to such property, including all afteracquired property and rights to property belonging to such person, and a statement that the board has complied with all the provisions of this part in the computation and levy of the amount assessed.

(e) Any lien arising pursuant to this section shall continue for 10 years from the date of recording or filing of a notice of state tax lien pursuant to subdivision (b) or (c), unless sooner released or otherwise discharged. The lien may, within 10 years from the date of the recording or filing of the notice of state tax lien or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by recording or filing a new notice of state tax lien in the office of the county recorder of any county or with the Secretary of State as provided in subdivision (b) or (c), and from the time of such recording or filing the lien shall be extended for 10 years unless sooner released or otherwise discharged.

(f) Notwithstanding the provisions of Sections 688 and 688.1 of the Code of Civil Procedure, in the event the taxpayer is a party to an action or special proceeding in which the taxpayer may become entitled to property or a money judgment, a lien created pursuant to subdivision (a) shall extend to the taxpayer's cause of action and any judgment in favor of the taxpayer subsequently procured in such action or proceeding. Notice of such a lien shall be given to all parties who prior thereto have made an appearance in the action. Such lien shall have priority from the time of filing of the notice in the action.

No compromise, dismissal, settlement, or satisfaction shall be entered into by or on behalf of the taxpayer with any other party, lienor or intervenor in the action without the consent of the board unless the lien is sooner satisfied or discharged. The judge or clerk of the court shall endorse upon the judgment recovered in such action or proceeding a statement of the existence of the lien, the time of the filing of the notice in the action, and the place where entered, and any abstract issued upon the judgment shall contain, in addition to the matters set forth in Sections 674 and 688.1 of the Code of Civil Procedure, a statement of the lien in favor of the board.

(g) Any lien, and any rights or causes of action under such lien, heretofore recorded in any county pursuant to former Section 6757 or filed with the Secretary of State pursuant to former Section 6757.5, shall continue in full force and effect for a period of 10 years from the date of last recordation or filing or extension thereof and may, within such period of 10 years, be further extended in the manner provided for in subdivision (e) of this section. Upon recordation or filing of an extension, the lien shall have the same effect as a lien filed pursuant to this section. Such extended lien shall have the same priority as it originally had under the law in effect prior to July 1, 1978.

SEC. 13. Section 7872 of the Revenue and Taxation Code is amended to read:

7872. (a) If any person fails to pay any amount imposed under this part at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien upon all property and rights to property whether real or personal, tangible or intangible, including all afteracquired property and rights to property, belonging to such person and located in the state. Such lien shall not continue for more than 10 years unless recorded or filed as provided in this section.

For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts disclosed on a return received by the Controller before the date the return is delinquent, the date the return would have been delinquent;

(2) For amounts disclosed on a return filed on or after the date the return is delinquent, the date the return is received by the Controller;

(3) For amounts determined under Section 7698 (pertaining to jeopardy assessments), the date the notice of the Controller's finding is mailed or issued;

(4) For all other amounts, the date the assessment is final.

(b) With respect to real property or any rights therein, at any time after creation of the lien pursuant to subdivision (a), the Controller may record in the office of the county recorder of the county in which such real property is located a notice of state tax lien as specified in subdivision (d).

The lien created by subdivision (a) shall not be valid as to real property against the right, title or interest of:

(1) A successor in interest of the taxpayer without knowledge of the lien;

(2) A holder of a security interest;

(3) A mechanic's lienor; or

(4) A judgment lien creditor,

where such right, title or interest was acquired or perfected prior to recording of a notice of state tax lien as provided in this subdivision.

(c) With respect to personal property, whether tangible or intangible, at any time after creation of the lien pursuant to subdivision (a) the Controller may file a notice of state tax lien with the Secretary of State pursuant to Chapter 14.5 (commencing with Section 7220) of Division 7 of Title 1 of the Government Code.

The lien created by subdivision (a) shall not be valid as to personal property against:

(1) The holder of a security interest therein whose interest is perfected pursuant to Section 9303 of the Uniform Commercial Code prior to the time the notice of the state tax lien is filed as herein provided;

(2) Any person, other than a person liable for the tax, who acquires his interest in the property under the law of this state without knowledge of the lien or who perfects his interest in accordance with the law of this state prior to the time that the notice of state tax lien is filed as herein provided;

(3) A buyer in the ordinary course of business, as defined in subdivision (9) of Section 1201 of the Uniform Commercial Code, who, under Section 9307 of such code, would take free of a security interest created by his seller;

(4) Any person, other than a person liable for the tax, who, notwithstanding the prior filing of the notice of state tax lien:

(A) Is a holder in due course of a negotiable instrument, as defined in Section 3302 of the Uniform Commercial Code;

(B) Is a holder to whom a negotiable document of title has been duly negotiated as provided in Section 7501 of the Uniform Commercial Code;

(C) Is a bona fide purchaser of a security, as defined in Section 8302 of the Uniform Commercial Code;

(D) Is a purchaser of chattel paper, as defined in Section 9105(1)(b) of the Uniform Commercial Code, or an instrument, as defined in Section 9105(1)(i) of such code, who gives new value and takes possession of it in the ordinary course of business;

(E) Is a holder of a purchase money security interest, as defined in Section 9107 of the Uniform Commercial Code;

(F) Is a collecting bank holding a security interest in items being collected, accompanying documents and proceeds, pursuant to Section 4208 of the Uniform Commercial Code;

(G) Acquires a security interest in a deposit account, as defined in Section 9105(1)(e) of the Uniform Commercial Code, or in the

beneficial interest in a trust or estate,

(H) Acquires any right or interest in letters of credit, advices of credit or money;

(I) Acquires without actual knowledge of the state tax lien a security interest in or a claim in or under any policy of insurance including unearned premiums;

(J) Acquires any right or interest in property subject to a certificate of title statute of another jurisdiction under the law of which indication of a security interest on the certificate of title is required as a condition of perfection of such security interest.

(d) The notice of state tax lien recorded or filed pursuant to subdivision (b) or (c) shall include the name and last known address of the person liable for the tax, the amount of the tax, a statement that the tax shall be a lien upon all real or personal property and rights to such property, including all after-acquired property and rights to property belonging to such person, and a statement that the Controller has complied with all the provisions of this part in the computation and levy of the amount assessed.

(e) Any lien arising pursuant to this section shall continue for 10 years from the date of recording or filing of a notice of state tax lien pursuant to subdivision (b) or (c), unless sooner released or otherwise discharged. The lien may, within 10 years from the date of the recording or filing of the notice of state tax lien or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by recording or filing a new notice of state tax lien in the office of the county recorder of any county or with the Secretary of State as provided in subdivision (b) or (c), and from the time of such recording or filing the lien shall be extended for 10 years unless sooner released or otherwise discharged.

(f) Notwithstanding the provisions of Sections 688 and 688.1 of the Code of Civil Procedure, in the event the taxpayer is a party to an action or special proceeding in which the taxpayer may become entitled to property or a money judgment, a lien created pursuant to subdivision (a) shall extend to the taxpayer's cause of action and any judgment in favor of the taxpayer subsequently procured in such action or proceeding. Notice of such a lien shall be given to all parties who prior thereto have made an appearance in the action. Such lien shall have priority from the time of filing of the notice in the action. No compromise, dismissal, settlement, or satisfaction shall be entered into by or on behalf of the taxpayer with any other party, lienor or intervenor in the action without the consent of the Controller unless the lien is sooner satisfied or discharged. The judge or clerk of the court shall endorse upon the judgment recovered in such action or proceeding a statement of the existence of the lien, the time of the filing of the notice in the action, and the place where entered, and any abstract issued upon the judgment shall contain, in addition to the matters set forth in Sections 674 and 688.1 of the Code of Civil Procedure, a statement of the lien in favor of the Controller.

(g) Any lien, and any rights or causes of action under such lien,

heretofore recorded in any county pursuant to former Section 7872 or arising pursuant to former Section 7871, shall continue in full force and effect for a period of 10 years from the date of last recordation or filing or extension thereof and may, within such period of 10 years, be further extended in the manner provided for in subdivision (e) of this section. Upon recordation or filing of an extension, the lien shall have the same effect as a lien filed pursuant to this section. Such extended lien shall have the same priority as it originally had under the law in effect prior to July 1, 1978.

SEC. 14. Section 8996 of the Revenue and Taxation Code is amended to read:

8996. (a) If any person fails to pay any amount imposed under this part at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien upon all property and rights to property whether real or personal, tangible or intangible, including all afteracquired property and rights to property, belonging to such person and located in the state. Such lien shall not continue for more than 10 years unless recorded or filed as provided in this section.

For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts disclosed on a return received by the board before the date the return is delinquent, the date the return would have been delinquent;

(2) For amounts disclosed on a return filed on or after the date the return is delinquent, the date the return is received by the board;

(3) For amounts determined under Section 8826 (pertaining to jeopardy assessments), the date the notice of the board's finding is mailed or issued;

(4) For all other amounts, the date the assessment is final.

(b) With respect to real property or any rights therein, at any time after creation of the lien pursuant to subdivision (a), the board may record in the office of the county recorder of the county in which such real property is located a notice of state tax lien as specified in subdivision (d).

The lien created by subdivision (a) shall not be valid against the right, title or interest of:

(1) A successor in interest of the taxpayer without knowledge of the lien;

(2) A holder of a security interest;

(3) A mechanic's lienor; or

(4) A judgment lien creditor,

where such right, title or interest was acquired or perfected prior to recording of a notice of state tax lien as provided in this subdivision

(c) With respect to personal property, whether tangible or intangible, at any time after creation of the lien pursuant to subdivision (a) the board may file a notice of state tax lien with the Secretary of State pursuant to Chapter 14 5 (commencing with

Section 7220) of Division 7 of Title 1 of the Government Code.

The lien created by subdivision (a) shall not be valid as to personal property against:

(1) The holder of a security interest therein whose interest is perfected pursuant to Section 9303 of the Uniform Commercial Code prior to the time the notice of the state tax lien is filed as herein provided;

(2) Any person, other than a person liable for the tax, who acquires his interest in the property under the law of this state without knowledge of the lien or who perfects his interest in accordance with the law of this state prior to the time that the notice of state tax lien is filed with the Secretary of State;

(3) A buyer in the ordinary course of business, as defined in subdivision (9) of Section 1201 of the Uniform Commercial Code, who, under Section 9307 of such code, would take free of a security interest created by his seller;

(4) Any person, other than a person liable for the tax, who, notwithstanding the prior filing of the notice of state tax lien:

(A) Is a holder in due course of a negotiable instrument, as defined in Section 3302 of the Uniform Commercial Code;

(B) Is a holder to whom a negotiable document of title has been duly negotiated as provided in Section 7501 of the Uniform Commercial Code;

(C) Is a bona fide purchaser of a security, as defined in Section 8302 of the Uniform Commercial Code;

(D) Is a purchaser of chattel paper, as defined in Section 9105(1)(b) of the Uniform Commercial Code, or an instrument, as defined in Section 9105(1)(i) of such code, who gives new value and takes possession of it in the ordinary course of business;

(E) Is a holder of a purchase money security interest, as defined in Section 9107 of the Uniform Commercial Code;

(F) Is a collecting bank holding a security interest in items being collected, accompanying documents and proceeds, pursuant to Section 4208 of the Uniform Commercial Code;

(G) Acquires a security interest in a deposit account, as defined in Section 9105(1)(e) of the Uniform Commercial Code, or in the beneficial interest in a trust or estate;

(H) Acquires any right or interest in letters of credit, advices of credit or money;

(I) Acquires without actual knowledge of the state tax lien a security interest in or a claim in or under any policy of insurance including unearned premiums;

(J) Acquires any right or interest in property subject to a certificate of title statute of another jurisdiction under the law of which indication of a security interest on the certificate of title is required as a condition of perfection of such security interest.

(d) The notice of state tax lien recorded or filed pursuant to subdivision (b) or (c) shall include the name and last known address of the person liable for the tax, the amount of the tax, a statement

that the tax shall be a lien upon all real or personal property and rights to such property, including all afteracquired property and rights to property belonging to such person, and a statement that the board has complied with all the provisions of this part in the computation and levy of the amount assessed.

(e) Any lien arising pursuant to this section shall continue for 10 years from the date of recording or filing of a notice of state tax lien pursuant to subdivision (b) or (c), unless sooner released or otherwise discharged. The lien may, within 10 years from the date of the recording or filing of the notice of state tax lien or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by recording or filing a new notice of state tax lien in the office of the county recorder of any county or with the Secretary of State as provided in subdivision (b) or (c), and from the time of such recording or filing the lien shall be extended for 10 years unless sooner released or otherwise discharged.

(f) Notwithstanding the provisions of Sections 688 and 688.1 of the Code of Civil Procedure, in the event the taxpayer is a party to an action or special proceeding in which the taxpayer may become entitled to property or a money judgment, a lien created pursuant to subdivision (a) shall extend to the taxpayer's cause of action and any judgment in favor of the taxpayer subsequently procured in such action or proceeding. Notice of such a lien shall be given to all parties who prior thereto have made an appearance in the action. Such lien shall have priority from the time of filing of the notice in the action. No compromise, dismissal, settlement, or satisfaction shall be entered into by or on behalf of the taxpayer with any other party, lienor or intervenor in the action without the consent of the board unless the lien is sooner satisfied or discharged. The judge or clerk of the court shall endorse upon the judgment recovered in such action or proceeding a statement of the existence of the lien, the time of the filing of the notice in the action, and the place where entered, and any abstract issued upon the judgment shall contain, in addition to the matters set forth in Sections 674 and 688.1 of the Code of Civil Procedure, a statement of the lien in favor of the board.

(g) Any lien, and any rights or causes of action under such lien, theretofore recorded in any county pursuant to former Section 8996 or arising pursuant to former Section 8991, shall continue in full force and effect for a period of 10 years from the date of last recordation or filing or extension thereof and may, within such period of 10 years, be further extended in the manner provided for in subdivision (e) of this section Upon recordation or filing of an extension, the lien shall have the same effect as a lien filed pursuant to this section. Such extended lien shall have the same priority as it originally had under the law in effect prior to July 1, 1978.

SEC. 15. Section 16063 of the Revenue and Taxation Code is amended to read:

16063. (a) If any donor or donee fails to pay any tax, interest, or penalty imposed under this part at the time that it becomes due and

payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien upon all property and rights to property whether real or personal, tangible or intangible, including all afteracquired property and rights to property, belonging to such donor or donee and located in the state. Such lien shall not continue for more than 10 years from and after the time a deficiency determination is issued pursuant to the provisions of this part unless recorded or filed as provided in this section.

For the purpose of this section, "due and payable" means the time the gift is made.

(b) With respect to real property or any rights therein, at any time after creation of the lien pursuant to subdivision (a), the Controller may record in the office of the county recorder of the county in which such real property is located a notice of state tax lien as specified in subdivision (d).

The lien created by subdivision (a) shall not be valid as to real property against the right, title or interest of:

(1) A successor in interest of the taxpayer without knowledge of the lien;

(2) A holder of a security interest;

(3) A mechanic's lienor; or

(4) A judgment lien creditor,

where such right, title or interest was acquired or perfected prior to recording of a notice of state tax lien as provided in this subdivision.

(c) With respect to personal property, whether tangible or intangible, at any time after creation of the lien pursuant to subdivision (a) the Controller may file a notice of state tax lien with the Secretary of State pursuant to Chapter 14.5 (commencing with Section 7220) of Division 7 of Title 1 of the Government Code.

The lien created by subdivision (a) shall not be valid as to personal property against:

(1) The holder of a security interest therein whose interest is perfected pursuant to Section 9303 of the Uniform Commercial Code prior to the time the notice of the state tax lien is filed as herein provided;

(2) Any person, other than a person liable for the tax, who acquires his interest in the property under the law of this state without knowledge of the lien or who perfects his interest in acccordance with the law of this state prior to the time that the notice of state tax lien is filed as herein provided;

(3) A buyer in the ordinary course of business, as defined in subdivision (9) of Section 1201 of the Uniform Commercial Code, who, under Section 9307 of such code, would take free of a security interest created by his seller;

(4) Any person, other than a person liable for the tax, who, notwithstanding the prior filing of the notice of state tax lien:

(A) Is a holder in due course of a negotiable instrument, as defined in Section 3302 of the Uniform Commercial Code;

(B) Is a holder to whom a negotiable document of title has been duly negotiated as provided in Section 7501 of the Uniform Commercial Code;

(C) Is a bona fide purchaser of a security, as defined in Section 8302 of the Uniform Commercial Code;

(D) Is a purchaser of chattel paper, as defined in Section 9105(1)(b) of the Uniform Commercial Code, or an instrument, as defined in Section 9105(1)(i) of such code, who gives new value and takes possession of it in the ordinary course of business;

(E) Is a holder of a purchase money security interest, as defined in Section 9107 of the Uniform Commercial Code;

(F) Is a collecting bank holding a security interest in items being collected, accompanying documents and proceeds, pursuant to Section 4208 of the Uniform Commercial Code;

(G) Acquires a security interest in a deposit account, as defined in Section 9105(1)(e) of the Uniform Commercial Code, or in the beneficial interest in a trust or estate;

(H) Acquires any right or interest in letters of credit, advices of credit or money;

(I) Acquires without actual knowledge of the state tax lien a security interest in or a claim in or under any policy of insurance including unearned premiums;

(J) Acquires any right or interest in property subject to a certificate of title statute of another jurisdiction under the law of which indication of a security interest on the certificate of title is required as a condition of perfection of such security interest.

(d) The notice of state tax lien recorded or filed pursuant to subdivision (b) or (c) shall include the name and last known address of the person liable for the tax, the amount of the tax, a statement that the tax shall be a lien upon all real or personal property and rights to such property, including all afteracquired property and rights to property belonging to such person, and a statement that the Controller has complied with all the provisions of this part in the computation and levy of the amount assessed.

(e) Any lien arising pursuant to this section shall continue for 10 years from the date of recording or filing of a notice of state tax lien pursuant to subdivision (b) or (c), unless sooner released or otherwise discharged. The lien may, within 10 years from the date of the recording or filing of the notice of state tax lien or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by recording or filing a new notice of state tax lien in the office of the county recorder of any county or with the Secretary of State as provided in subdivision (b) or (c), and from the time of such recording or filing the lien shall be extended for 10 years unless sooner released or otherwise discharged

(f) Notwithstanding the provisions of Sections 688 and 688.1 of the Code of Civil Procedure, in the event the taxpayer is a party to an action or special proceeding in which the taxpayer may become entitled to property or a money judgment, a lien created pursuant

to subdivision (a) shall extend to the taxpayer's cause of action and any judgment in favor of the taxpayer subsequently procured in such action or proceeding. Notice of such a lien shall be given to all parties who prior thereto have made an appearance in the action. Such lien shall have priority from the time of filing of the notice in the action. No compromise, dismissal, settlement, or satisfaction shall be entered into by or on behalf of the taxpayer with any other party, lienor or intervenor in the action without the consent of the Controller unless the lien is sooner satisfied or discharged. The judge or clerk of the court shall endorse upon the judgment recovered in such action or proceeding a statement of the existence of the lien, the time of the filing of the notice in the action and the place where entered, and any abstract issued upon the judgment shall contain, in addition to the matters set forth in Sections 674 and 688.1 of the Code of Civil Procedure, a statement of the lien in favor of the Controller.

(g) Any lien, and rights or causes of action under such lien, heretofore recorded in any county pursuant to former Section 16063 or created pursuant to former Section 16062, shall continue in full force and effect for a period of 10 years from the date of last recordation or filing or extension thereof and may, within such period of 10 years, be further extended in the manner provided for in subdivision (e) of this section. Upon recordation or filing of an extension, the lien shall have the same effect as a lien filed pursuant to this section. Such extended lien shall have the same priority as it originally had under the law in effect prior to July 1, 1978.

SEC. 16. Section 18881 of the Revenue and Taxation Code is amended to read:

18881. (a) If any taxpayer fails to pay any liability imposed under this part at the time that it becomes due and payable, the amount thereof, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien upon all property and rights to property whether real or personal, tangible, or intangible, including all afteracquired property and rights to property, belonging to such taxpayer and located in the state. Such lien shall not continue for more than 10 years unless recorded or filed as provided in this section.

For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts disclosed on a return filed on or before the date payment is due (with regard to any extension of time to pay), the day after such payment due date;

(2) For amounts disclosed on a return filed after the date payment is due (with regard to any extension of time to pay), the date the return is received by the Franchise Tax Board;

(3) For amounts determined under Section 18641 or 18642 (pertaining to jeopardy assessments), the date the notice of the Franchise Tax Board's finding is mailed or issued;

(4) For all other amounts, the date the assessment is final.

(b) With respect to real property or any rights therein, at any time

after creation of the lien pursuant to subdivision (a), the Franchise Tax Board may record in the office of the county recorder of the county in which such real property is located a notice of state tax lien as specified in subdivision (d).

The lien created by subdivision (a) shall not be valid as to real property against the right, title or interest of:

(1) A successor in interest of the taxpayer without knowledge of the lien;

(2) A holder of a security interest;

(3) A mechanic's lienor; or

(4) A judgment lien creditor,

where such right, title or interest was acquired or perfected prior to recording of a notice of state tax lien as provided in this subdivision.

(c) With respect to personal property, whether tangible or intangible, at any time after creation of the lien pursuant to subdivision (a) the Franchise Tax Board may file a notice of state tax lien with the Secretary of State pursuant to Chapter 14.5 (commencing with Section 7220) of Division 7 of Title 1 of the Government Code.

The lien created by subdivision (a) shall not be valid as to personal property against:

(1) The holder of a security interest therein whose interest is perfected pursuant to Section 9303 of the Uniform Commercial Code prior to the time the notice of the state tax lien is filed as herein provided;

(2) Any taxpayer, other than a taxpayer liable for the tax, who acquires his interest in the property under the law of this state without knowledge of the lien or who perfects his interest in accordance with the law of this state prior to the time that the notice of state tax lien is filed as herein provided;

(3) A buyer in the ordinary course of business, as defined in subdivision (9) of Section 1201 of the Uniform Commercial Code, who, under Section 9307 of such code, would take free of a security interest created by his seller;

(4) Any taxpayer, other than a taxpayer liable for the tax, who, notwithstanding the prior filing of the notice of state tax lien:

(A) Is a holder in due course of a negotiable instrument, as defined in Section 3302 of the Uniform Commercial Code;

(B) Is a holder to whom a negotiable document of title has been duly negotiated as provided in Section 7501 of the Uniform Commercial Code;

(C) Is a bona fide purchaser of a security, as defined in Section 8302 of the Uniform Commercial Code;

(D) Is a purchaser of chattel paper, as defined in Section 9105(1)(b) of the Uniform Commercial Code, or an instrument, as defined in Section 9105(1)(i) of such code, who gives new value and takes possession of it in the ordinary course of business;

(E) Is a holder of a purchase money security interest, as defined in Section 9107 of the Uniform Commercial Code;

(F) Is a collecting bank holding a security interest in items being collected, accompanying documents and proceeds, pursuant to Section 4208 of the Uniform Commercial Code;

(G) Acquires a security interest in a deposit account, as defined in Section 9105(1)(e) of the Uniform Commercial Code, or in the beneficial interest in a trust or estate;

(H) Acquires any right or interest in letters of credit, advices of credit or money;

(I) Acquires without actual knowledge of the state tax lien a security interest in or a claim in or under any policy of insurance including unearned premiums;

(J) Acquires any right or interest in property subject to a certificate of title statute of another jurisdiction under the law of which indication of a security interest on the certificate of title is required as a condition of perfection of such security interest.

(d) The notice of state tax lien recorded or filed pursuant to subdivision (b) or (c) shall include the name and last known address of the taxpayer liable for the tax, the amount of the tax, a statement that the tax shall be a lien upon all real or personal property and rights to property, belonging to such taxpayer, and a statement that the Franchise Tax Board has complied with all the provisions of this part in the computation and levy of the amount assessed.

(e) Any lien arising pursuant to this section shall continue for 10 years from the date of recording or filing of a notice of state tax lien pursuant to subdivision (b) or (c), unless sooner released or otherwise discharged. The lien may, within 10 years from the date of the recording or filing of the notice of state tax lien or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by recording or filing a new notice of state tax lien in the office of the county recorder of any county or with the Secretary of State as provided in subdivision (b) or (c), and from the time of such recording or filing the lien shall be extended for 10 years unless sooner released or otherwise discharged.

(f) Notwithstanding the provisions of Sections 688 and 688.1 of the Code of Civil Procedure, in the event the taxpayer is a party to an action or special proceeding in which the taxpayer may become entitled to property or a money judgment, a lien created pursuant to subdivision (a) shall extend to the taxpayer's cause of action and any judgment in favor of the taxpayer subsequently procured in such action or proceeding. Notice of such a lien shall be given to all parties who prior thereto have made an appearance in the action. Such lien shall have priority from the time of filing of the notice in the action. No compromise, dismissal, settlement, or satisfaction shall be entered into by or on behalf of the taxpayer with any other party, lienor or intervenor in the action without the consent of the Franchise Tax Board unless the lien is sooner satisfied or discharged. The judge or clerk of the court shall endorse upon the judgment recovered in such action or proceeding a statement of the existence of the lien, the time of the filing of the notice in the action, and the place where entered,

and any abstract issued upon the judgment shall contain, in addition to the matters set forth in Sections 674 and 688.1 of the Code of Civil Procedure, a statement of the lien in favor of the Franchise Tax Board.

(g) Any lien, and any rights or causes of action under such lien, heretofore recorded in any county pursuant to former Section 18881 or filed with the Secretary of State pursuant to former Section 18882.5, shall continue in full force and effect for a period of 10 years from the date of last recordation or filing or extension thereof and may, within such period of 10 years, be further extended in the manner provided for in subdivision (e) of this section. Upon recordation or filing of an extension, the lien shall have the same effect as a lien filed pursuant to this section. Such extended lien shall have the same priority as it originally had under the law in effect prior to July 1, 1978.

SEC. 17. Section 26161 of the Revenue and Taxation Code is amended to read:

26161. (a) If any person fails to pay any liability imposed under this part at the time that it becomes due and payable, the amount thereof, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien upon all property and rights to property whether real or personal, tangible or intangible, including all afteracquired property and rights to property, belonging to such person and located in the state. Such lien shall not continue for more than 10 years unless recorded or filed as provided in this section.

For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts disclosed on a return filed on or before the date payment is due, the day after such payment due date;

(2) For amounts disclosed on a return filed after the payment is due, the date the return is received by the Franchise Tax Board;

(3) For amounts determined under Section 25761 (pertaining to jeopardy assessments), the date the notice of the Franchise Tax Board's finding is mailed or issued;

(4) For all other amounts, the date the assessment is final.

(b) With respect to real property or any rights therein, at any time after creation of the lien pursuant to subdivision (a), the Franchise Tax Board may record in the office of the county recorder of the county in which such real property is located a notice of state tax lien as specified in subdivision (d).

The lien created by subdivision (a) shall not be valid as to real property against the right, title or interest of:

(1) A successor in interest of the taxpayer without knowledge of the lien;

(2) A holder of a security interest;

(3) A mechanic's lienor; or

(4) A judgment lien creditor,

where such right, title or interest was acquired or perfected prior to

recording of a notice of state tax lien as provided in this subdivision.

(c) With respect to personal property, whether tangible or intangible, at any time after creation of the lien pursuant to subdivision (a) the Franchise Tax Board may file a notice of state tax lien with the Secretary of State pursuant to Chapter 14.5 (commencing with Section 7220) of Division 7 of Title 1 of the Government Code.

The lien created by subdivision (a) shall not be valid as to personal property against:

(1) The holder of a security interest therein whose interest is perfected pursuant to Section 9303 of the Uniform Commerical Code prior to the time the notice of the state tax lien is filed as herein provided;

(2) Any person, other than a person liable for the tax, who acquires his interest in the property under the law of this state without knowledge of the lien or who perfects his interest in accordance with the law of this state prior to the time that the notice of state tax lien is filed as herein provided;

(3) A buyer in the ordinary course of business, as defined in subdivision (9) of Section 1201 of the Uniform Commerical Code, who, under Section 9307 of such code, would take free of a security interest created by his seller;

(4) Any person, other than a person liable for the tax, who, notwithstanding the prior filing of the notice of state tax lien:

(A) Is a holder in due course of a negotiable instrument, as defined in Section 3302 of the Uniform Commercial Code;

(B) Is a holder to whom a negotiable document of title has been duly negotiated as provided in Section 7501 of the Uniform Commercial Code;

(C) Is a bona fide purchaser of a security, as defined in Section 8302 of the Uniform Commercial Code;

(D) Is a purchaser of chattel paper, as defined in Section 9105(1)(b) of the Uniform Commercial Code, or an instrument, as defined in Section 9105(1)(i) of such code, who gives new value and takes possession of it in the ordinary course of business;

(E) Is a holder of a purchase money security interest, as defined in Section 9107 of the Uniform Commercial Code;

(F) Is a collecting bank holding a security interest in items being collected, accompanying documents and proceeds, pursuant to Section 4208 of the Uniform Commercial Code;

(G) Acquires a security interest in a deposit account, as defined in Section 9105(1)(e) of the Uniform Commercial Code, or in the beneficial interest in a trust or estate;

(H) Acquires any right or interest in letters of credit, advices of credit or money;

(I) Acquires without actual knowledge of the state tax lien a security interest in or a claim in or under any policy of insurance including unearned premiums;

(J) Acquires any right or interest in property subject to a

certificate of title statute of another jurisdiction under the law of which indication of a security interest on the certificate of title is required as a condition of perfection of such security interest.

(d) The notice of state tax lien recorded or filed pursuant to subdivision (b) or (c) shall include the name and last known address of the person liable for the tax, the amount of the tax, a statement that the tax shall be a lien upon all real or personal property and rights to property, belonging to such person, and a statement that the Franchise Tax Board has complied with all the provisions of this part in the computation and levy of the amount assessed.

(e) Any lien arising pursuant to this section shall continue for 10 years from the date of recording or filing of a notice of state tax lien pursuant to subdivision (b) or (c), unless sooner released or otherwise discharged. The lien may, within 10 years from the date of the recording or filing of the notice of state tax lien or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by recording or filing a new notice of state tax lien in the office of the county recorder of any county or with the Secretary of State as provided in subdivision (b) or (c), and from the time of such recording or filing the lien shall be extended for 10 years unless sooner released or otherwise discharged.

(f) Notwithstanding the provisions of Section 688 and 688.1 of the Code of Civil Procedure, in the event the taxpayer is a party to an action or special proceeding in which the taxpayer may become entitled to property or a money judgment, a lien created pursuant to subdivision (a) shall extend to the taxpayer's cause of action and any judgment in favor of the taxpayer subsequently procured in such action or proceeding. Notice of such a lien shall be given to all parties who prior thereto have made an appearance in the action. Such lien shall have priority from the time of filing of the notice in the action. No compromise, dismissal, settlement, or satisfaction shall be entered into by or on behalf of the taxpayer with any other party, lienor or intervenor in the action without the consent of the Franchise Tax Board unless the lien is sooner satisfied or discharged. The judge or clerk of the court shall endorse upon the judgment recovered in such action or proceeding a statement of the existence of the lien, the time of the filing of the notice in the action, and the place where entered, and any abstract issued upon the judgment shall contain, in addition to the matters set forth in Section 674 and 688.1 of the Code of Civil Procedure, a statement of the lien in favor of the Franchise Tax Board.

(g) Any lien, and any rights or causes of action under such lien, heretofore recorded in any county pursuant to former Section 26161 or filed with the Secretary of State pursuant to former Section 26161.5, shall continue in full force and effect for a period of 10 years from the date of last recordation or filing or extension thereof and may, within such period of 10 years, be further extended in the manner provided for in subdivision (e) of this section. Upon recordation or filing of an extension, the lien shall have the same

effect as a lien filed pursuant to this section. Such extended lien shall have the same priority as it originally had under the law in effect prior to July 1, 1978.

(h) For purposes of this section, "person" includes a corporation, a bank or an organization exempt from taxation under Section 23701.

SEC. 18. Section 30322 of the Revenue and Taxation Code is amended to read:

30322. (a) If any person fails to pay any amount imposed under this part at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien upon all property and rights to property whether real or personal, tangible or intangible, including all afteracquired property and rights to property, belonging to such person and located in the state. Such lien shall not continue for more than 10 years unless recorded or filed as provided in this section.

For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts disclosed on a return received by the board before the date the return is delinquent, the date the return would have been delinquent;

(2) For amounts disclosed on a return filed on or after the date the return is delinquent, the date the return is received by the board;

(3) For amounts determined under Section 30241 (pertaining to jeopardy assessments), the date the notice of the board's finding is mailed or issued;

(4) For all other amounts, the date the assessment is final.

(b) With respect to real property or any rights therein, at any time after creation of the lien pursuant to subdivision (a), the board may record in the office of the county recorder of the county in which such real property is located a notice of state tax lien as specified in subdivision (d).

The lien created by subdivision (a) shall not be valid against the right, title or interest of:

(1) A successor in interest of the taxpayer without knowledge of the lien;

(2) A holder of a security interest;

(3) A mechanic's lienor; or

(4) A judgment lien creditor,

where such right, title or interest was acquired or perfected prior to recording of a notice of state tax lien as provided in this subdivision.

(c) With respect to personal property, whether tangible or intangible, at any time after creation of the lien pursuant to subdivision (a) the board may file a notice of state tax lien with the Secretary of State pursuant to Chapter 14.5 (commencing with Section 7220) of Division 7 of Title 1 of the Government Code.

The lien created by subdivision (a) shall not be valid as to personal property against:

(1) The holder of a security interest therein whose interest is

perfected pursuant to Section 9303 of the Uniform Commercial Code prior to the time the notice of the state tax lien is filed as herein provided;

(2) Any person, other than a person liable for the tax, who acquires his interest in the property under the law of this state without knowledge of the lien or who perfects his interest in accordance with the law of this state prior to the time that the notice of state tax lien is filed with the Secretary of State;

(3) A buyer in the ordinary course of business, as defined in subdivision (9) of Section 1201 of the Uniform Commercial Code, who, under Section 9307 of such code, would take free of a security interest created by his seller;

(4) Any person, other than a person liable for the tax, who, notwithstanding the prior filing of the notice of state tax lien:

(A) Is a holder in due course of a negotiable instrument, as defined in Section 3302 of the Uniform Commercial Code;

(B) Is a holder to whom a negotiable document of title has been duly negotiated as provided in Section 7501 of the Uniform Commercial Code;

(C) Is a bona fide purchaser of a security, as defined in Section 8302 of the Uniform Commercial Code;

(D) Is a purchaser of chattel paper, as defined in Section 9105(1)(b) of the Uniform Commercial Code, or an instrument, as defined in Section 9105(1)(i) of such code, who gives new value and takes possession of it in the ordinary course of business;

(E) Is a holder of a purchase money security interest, as defined in Section 9107 of the Uniform Commercial Code;

(F) Is a collecting bank holding a security interest in items being collected, accompanying documents and proceeds, pursuant to Section 4208 of the Uniform Commercial Code;

(G) Acquires a security interest in a deposit account, as defined in Section 9105(1)(e) of the Uniform Commercial Code, or in the beneficial interest in a trust or estate;

(H) Acquires any right or interest in letters of credit, advices of credit or money;

(I) Acquires without actual knowledge of the state tax lien a security interest in or a claim in or under any policy of insurance including unearned premiums;

(J) Acquires any right or interest in property subject to a certificate of title statute of another jurisdiction under the law of which indication of a security interest on the certificate of title is required as a condition of perfection of such security interest.

(d) The notice of state tax lien recorded or filed pursuant to subdivision (b) or (c) shall include the name and last known address of the person liable for the tax, the amount of the tax, a statement that the tax shall be a lien upon all real or personal property and rights to such property, including all afteracquired property and rights to property belonging to such person, and a statement that the board has complied with all the provisions of this part in the

computation and levy of the amount assessed.

(e) Any lien arising pursuant to this section shall continue for 10 years from the date of recording or filing of a notice of state tax lien pursuant to subdivision (b) or (c), unless sooner released or otherwise discharged. The lien may, within 10 years from the date of the recording or filing of the notice of state tax lien or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by recording or filing a new notice of state tax lien in the office of the county recorder of any county or with the Secretary of State as provided in subdivision (b) or (c), and from the time of such recording or filing the lien shall be extended for 10 years unless sooner released or otherwise discharged.

(f) Notwithstanding the provisions of Sections 688 and 688.1 of the Code of Civil Procedure, in the event the taxpayer is a party to an action or special proceeding in which the taxpayer may become entitled to property or a money judgment, a lien created pursuant to subdivision (a) shall extend to the taxpayer's cause of action and any judgment in favor of the taxpayer subsequently procured in such action or proceeding. Notice of such a lien shall be given to all parties who prior thereto have made an appearance in the action. Such lien shall have priority from the time of filing of the notice in the action. No compromise, dismissal, settlement, or satisfaction shall be entered into by or on behalf of the taxpayer with any other party, lienor or intervenor in the action without the consent of the board unless the lien is sooner satisfied or discharged. The judge or clerk of the court shall endorse upon the judgment recovered in such action or proceeding a statement of the existence of the lien, the time of the filing of the notice in the action, and the place where entered, and any abstract issued upon the judgment shall contain, in addition to the matters set forth in Sections 674 and 688.1 of the Code of Civil Procedure, a statement of the lien in favor of the board.

(g) Any lien, and any rights or causes of action under such lien, heretofore recorded in any county pursuant to former Section 30322 shall continue in full force and effect for a period of 10 years from the date of last recordation or extention thereof and may, within such period of 10 years, be further extended in the manner provided for in subdivision (e) of this section. Upon recordation of an extension, the lien shall have the same effect as a lien filed pursuant to this section. Such extended lien shall have the same priority as it originally had under the law in effect prior to July 1, 1978.

SEC. 19. Section 32363 of the Revenue and Taxation Code is amended to read:

32363. (a) If any person fails to pay any amount imposed under this part at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien upon all property and rights to property whether real or personal, tangible or intangible, including all afteracquired property and rights to property, belonging to such person and

located in the state. Such lien shall not continue for more than 10 years unless recorded or filed as provided in this section.

For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts disclosed on a return received by the board before the date the return is delinquent, the date the return would have been delinquent;

(2) For amounts disclosed on a return filed on or after the date the return is delinquent, the date the return is received by the board;

(3) For amounts determined under Section 32311 (pertaining to jeopardy assessments), the date the notice of the board's finding is mailed or issued;

(4) For all other amounts, the date the assessment is final.

(b) With respect to real property or any rights therein, at any time after creation of the lien pursuant to subdivision (a), the board may record in the office of the county recorder of the county in which such real property is located a notice of state tax lien as specified in subdivision (d).

The lien created by subdivision (a) shall not be valid against the right, title or interest of:

(1) A successor in interest of the taxpayer without knowledge of the lien;

(2) A holder of a security interest;

(3) A mechanic's lienor; or

(4) A judgment lien creditor,

where such right, title or interest was acquired or perfected prior to recording of a notice of state tax lien as provided in this subdivision.

(c) With respect to personal property, whether tangible or intangible, at any time after creation of the lien pursuant to subdivision (a) the board may file a notice of state tax lien with the Secretary of State pursuant to Chapter 14.5 (commencing with Section 7220) of Division 7 of Title 1 of the Government Code.

The lien created by subdivision (a) shall not be valid as to personal property against:

(1) The holder of a security interest therein whose interest is perfected pursuant to Section 9303 of the Uniform Commercial Code prior to the time the notice of the state tax lien is filed as herein provided;

(2) Any person, other than a person liable for the tax, who acquires his interest in the property under the law of this state without knowledge of the lien or who perfects his interest in accordance with the law of this state prior to the time that the notice of state tax lien is filed with the Secretary of State;

(3) A buyer in the ordinary course of business, as defined in subdivision (9) of Section 1201 of the Uniform Commercial Code, who, under Section 9307 of such code, would take free of a security interest created by his seller;

(4) Any person, other than a person liable for the tax, who, notwithstanding the prior filing of the notice of state tax lien:

(A) Is a holder in due course of a negotiable instrument, as defined in Section 3302 of the Uniform Commercial Code;

(B) Is a holder to whom a negotiable document of title has been duly negotiated as provided in Section 7501 of the Uniform Commercial Code;

(C) Is a bona fide purchaser of a security, as defined in Section 8302 of the Uniform Commercial Code;

(D) Is a purchaser of chattel paper, as defined in Section 9105(1)(b) of the Uniform Commercial Code, or an instrument, as defined in Section 9105(1)(i) of such code, who gives new value and takes possession of it in the ordinary course of business;

(E) Is a holder of a purchase money security interest, as defined in Section 9107 of the Uniform Commercial Code;

(F) Is a collecting bank holding a security interest in items being collected, accompanying documents and proceeds, pursuant to Section 4208 of the Uniform Commercial Code;

(G) Acquires a security interest in a deposit account, as defined in Section 9105(1)(e) of the Uniform Commercial Code, or in the beneficial interest in a trust or estate;

(H) Acquires any right or interest in letters of credit, advices of credit or money;

(I) Acquires without actual knowledge of the state tax lien a security interest in or a claim in or under any policy of insurance including unearned premiums;

(J) Acquires any right or interest in property subject to a certificate of title statute of another jurisdiction under the law of which indication of a security interest on the certificate of title is required as a condition of perfection of such security interest.

(d) The notice of state tax lien recorded or filed pursuant to subdivision (b) or (c) shall include the name and last known address of the person liable for the tax, the amount of the tax, a statement that the tax shall be a lien upon all real or personal property and rights to such property, including all afteracquired property and rights to property belonging to such person, and a statement that the board has complied with all the provisions of this part in the computation and levy of the amount assessed.

(e) Any lien arising pursuant to this section shall continue for 10 years from the date of recording or filing of a notice of state tax lien pursuant to subdivision (b) or (c), unless sooner released or otherwise discharged. The lien may, within 10 years from the date of the recording or filing of the notice of state tax lien or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by recording or filing a new notice of state tax lien in the office of the county recorder of any county or with the Secretary of State as provided in subdivision (b) or (c), and from the time of such recording or filing the lien shall be extended for 10 years unless sooner released or otherwise discharged.

(f) Notwithstanding the provisions of Section 688 and 688.1 of the Code of Civil Procedure, in the event the taxpayer is a party to an

action or special proceeding in which the taxpayer may become entitled to property or a money judgment, a lien created pursuant to subdivision (a) shall extend to the taxpayer's cause of action and any judgment in favor of the taxpayer subsequently procured in such action or proceeding. Notice of such a lien shall be given to all parties who prior thereto have made an appearance in the action. Such lien shall have priority from the time of filing of the notice in the action. No compromise, dismissal, settlement, or satisfaction shall be entered into by or on behalf of the taxpayer with any other party, lienor or intervenor in the action without the consent of the board unless the lien is sooner satisfied or discharged. The judge or clerk of the court shall endorse upon the judgment recovered in such action or proceeding a statement of the existence of the lien, the time of the filing of the notice in the action, and the place where entered, and any abstract issued upon the judgment shall contain, in addition to the matters set forth in Sections 674 and 688.1 of the Code of Civil Procedure, a statement of the lien in favor of the board.

SEC. 20. Section 1703 of the Unemployment Insurance Code is amended to read:

1703. (a) If any employing unit or other person fails to pay any amount imposed under this division at the time that it becomes due and payable, the amount thereof, including penalties and interest, together with any costs in addition thereto, shall thereupon be a perfected and enforceable state tax lien upon all property and rights to property whether real or personal, tangible or intangible, including all afteracquired property and rights to property, belonging to such person and located in the state. Such lien shall not continue for more than 10 years unless recorded or filed as provided in this section.

For the purpose of this section, amounts are "due and payable" on the following dates:

(1) For amounts disclosed on a return received by the director before the date the return is delinquent, the date the return would have been delinquent;

(2) For amounts disclosed on a return filed on or after the date the return is delinquent, the date the return is received by the director;

(3) For all other amounts, the date the assessment is final.

(b) With respect to real property or any rights therein, at any time after creation of the lien pursuant to subdivision (a), the director may record in the office of the county recorder of the county in which such real property is located a notice of state tax lien as specified in subdivision (d).

The lien created by subdivision (a) shall not be valid against the right, title or interest of:

(1) A successor in interest of the taxpayer without knowledge of the lien;

(2) A holder of a security interest;

(3) A mechanic's lienor; or

(4) A judgment lien creditor, where such right, title or interest

was acquired or perfected prior to recording of a notice of state tax lien as provided in this subdivision.

(c) With respect to personal property, whether tangible or intangible, at any time after creation of the lien pursuant to subdivision (a) the director may file a notice of state tax lien with the Secretary of State pursuant to Chapter 14.5 (commencing with Section 7220) of Division 7 of Title 1 of the Government Code.

The lien created by subdivision (a) shall not be valid as to personal property against:

(1) The holder of a security interest therein whose interest is perfected pursuant to Section 9303 of the Uniform Commerical Code prior to the time the notice of the state tax lien is filed as herein provided;

(2) Any person, other than a person liable for the tax, who acquires his interest in the property under the law of this state without knowledge of the lien or who perfects his interest in accordance with the law of this state prior to the time that the notice of state tax lien is filed with the Secretary of State;

(3) A buyer in the ordinary course of business, as defined in subdivision (9) of Section 1201 of the Uniform Commercial Code, who, under Section 9307 of such code, would take free of a security interest created by his seller;

(4) Any person, other than a person liable for the tax, who, notwithstanding the prior filing of the notice of state tax lien:

(A) Is a holder in due course of a negotiable instrument, as defined in Section 3302 of the Uniform Commercial Code;

(B) Is a holder to whom a negotiable document of title has been duly negotiated as provided in Section 7501 of the Uniform Commercial Code;

(C) Is a bona fide purchaser of a security, as defined in Section 8302 of the Uniform Commercial Code;

(D) Is a purchaser of chattel paper, as defined in Section 9105(1)(b) of the Uniform Commerical Code, or an instrument, as defined in Section 9105(1)(i) of such code, who gives new value and takes possession of it in the ordinary course of business;

(E) Is a holder of a purchase money security interest, as defined in Section 9107 of the Uniform Commercial Code;

(F) Is a collecting bank holding a security interest in items being collected, accompanying documents and proceeds, pursuant to Section 4208 of the Uniform Commercial Code;

(G) Acquires a security interest in a deposit account, as defined in Section 9105(1)(e) of the Uniform Commerical Code, or in the beneficial interest in a trust or estate;

(H) Acquires any right or interest in letters of credit, advices of credit or money;

(I) Acquires without actual knowledge of the state tax lien a security interest in or a claim in or under any policy of insurance including unearned premiums;

(J) Acquires any right or interest in property subject to a

certificate of title statute of another jurisdiction under the law of which indication of a security interest on the certificate of title is required as a condition of perfection of such security interest.

(d) The notice of state tax lien recorded or filed pursuant to subdivision (b) or (c) shall include the name and last known address of the person liable for the tax, the amount of the tax, a statement that the tax shall be a lien upon all real or personal property and rights to such property, including all afteracquired property and rights to property belonging to such person, and a statement that the director has complied with all the provisions of this part in the computation and levy of the amount assessed.

(e) Any lien arising pursuant to this section shall continue for 10 years from the date of recording or filing of a notice of state tax lien pursuant to subdivision (b) or (c), unless sooner released or otherwise discharged. The lien may, within 10 years from the date of the recording or filing of the notice of state tax lien or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by recording or filing a new notice of state tax lien in the office of the county recorder of any county or with the Secretary of State as provided in subdivision (b) or (c), and from the time of such recording or filing the lien shall be extended for 10 years unless sooner released or otherwise discharged.

(f) Notwithstanding the provisions of Section 688 and 688.1 of the Code of Civil Procedure, in the event the taxpayer is a party to an action or special proceeding in which the taxpayer may become entitled to property or a money judgment, a lien created pursuant to subdivision (a) shall extend to the taxpayer's cause of action and any judgment in favor of the taxpayer subsequently procured in such action or proceeding. Notice of such a lien shall be given to all parties who prior thereto have made an appearance in the action. Such lien shall have priority from the time of filing of the notice in the action. No compromise, dismissal, settlement, or satisfaction shall be entered into by or on behalf of the taxpayer with any other party, lienor or intervenor in the action without the consent of the director unless the lien is sooner satisfied or discharged. The judge or clerk of the court shall endorse upon the judgment recovered in such action or proceeding a statement of the existence of the lien, the time of the filing of the notice in the action and the place where entered, and any abstract issued upon the judgment shall contain, in addition to the matters set forth in Sections 674 and 688.1 of the Code of Civil Procedure, a statement of the lien in favor of the director.

(g) Any lien, and any rights or causes of action under such lien, heretofore recorded in any county pursuant to former Section 1703 or filed with the Secretary of State pursuant to former Section 1703.5, shall continue in full force and effect for a period of 10 years from the date of last recordation or filing or extension thereof and may, within such period of 10 years, be further extended in the manner provided for in subdivision (e) of this section. Upon recordation or filing of an extension, the lien shall have the same effect as a lien filed

pursuant to this section. Such extended lien shall have the same priority as it orginally had under the law in effect prior to July 1, 1978.

CHAPTER 323

An act relating to school districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 26, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Notwithstanding Section 4411 of the Education Code, in counties with an average daily attendance of four hundred twenty-five thousand (425,000) to seven hundred forty-nine thousand nine hundred ninety-nine (749,999), inclusive, the cost of preparation and distribution of the statement setting forth the arguments in favor of, and those opposed to, the recommendations of county committees to form a unified district whose boundary is coterminous with an elementary school district and the cost of any election held hereunder, on or after June 1, 1979, shall be borne by the elementary school district, and shall be paid out of its funds.

This section shall remain in effect only until July 1, 1980, and as of such date is repealed, unless a later enacted statute, which is chaptered before July 1, 1980, deletes or extends such date.

SEC. 2. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act is in accordance with the request of a local governmental entity or entities which desired legislative authority to carry out the program specified in this act. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 3. 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 change the existing statutory law concerning the costs of elections recommended by county committees on school district organization involving the proposed formation of a unified school district whose boundary is coterminous with an existing elementary school district's boundary, and so permit the holding of such elections at the earliest possible time, it is necessary that this act take immediate effect.

CHAPTER 324

An act to add Sections 9146 and 9147 to the Government Code, relating to the Joint Legislative Budget Committee, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 26, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 9146 is added to the Government Code, to read:

9146. Any state agency which is required or permitted by federal law or regulation to establish or alter a federal aid allocation formula to a local agency shall notify the Joint Legislative Budget Committee not less than 60 days prior to the effective date of the establishment or change in the federal aid allocation formula. The chairman of the Joint Legislative Budget Committee may grant a waiver of the 60-day notification period after receipt of the notification.

The chairman shall inform members of the Joint Legislative Budget Committee of his intention to waive the 60-day notification period after such notification. If no objection is received within 10 days, he shall proceed to grant the waiver of the 60-day notification period.

The notification shall contain the federal law or regulation necessitating or authorizing the establishment or change, a description of the proposed allocation formula to be established or changed, as the case may be, and an estimate of the resulting increase or decrease in federal aid allocated to the affected local agency.

When requested by the chairman or by any member of the committee, or when the Legislature is in session, when requested by the chairman of the committee, the Joint Legislative Budget Committee shall schedule a hearing on the proposed allocation formula to be established or changed, as the case may be.

"Local agency" as used in this section, means any city, county, city and county, special district, school district, community college district, and county office of education.

The establishment or changes in federal aid allocation formulas affecting less than one hundred thousand dollars ($100,000) in federal aid in any fiscal year shall be exempt from the provisions of this section.

The provisions of this section shall not apply to any reallocation of funds by a state agency from or to a local agency if the state agency finds that either of the following conditions, or both, exist:

(a) The local agency cannot spend its entire allocation within the period established by the federal government.

(b) The failure to spend the funds could lead to their recapture by the federal government or to a reduced allocation of federal funds

in subsequent years.

SEC. 2. Section 9147 is added to the Government Code, to read:

9147. If a state agency finds that there is imminent danger of irreparable harm to the public peace, health, safety, or welfare of the state if it does not establish or alter a federal aid allocation formula without undue delay and complying with the provisions of Section 9146, it shall request a waiver of the requirements of Section 9146 through notification to the Joint Legislative Budget Committee. The notification shall include a written statement containing the following information:

(a) The specific facts constituting the need for the emergency establishment or change in the federal aid allocation formula.

(b) Reference to the authority of the state agency to establish or change the federal aid allocation formula.

(c) A description of the proposed allocation formula to be established or changed.

(d) An estimate of the resulting increase or decrease in federal aid allocated to the affected local agency.

(e) The name and telephone number of the state agency officer to whom inquiries concerning the emergency establishment or change in a federal aid allocation formula may be made.

The Joint Legislative Budget Committee shall respond concerning its actions on the waiver request within 10 days of receipt of the notification. A failure to respond to the notice requesting a waiver within the period prescribed shall be deemed a granting of the request.

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 insure that prior to the 1979–80 fiscal year no substantial federal funding to local agencies is altered by a state agency without proper legislative review, it is essential that this act take immediate effect.

CHAPTER 325

An act to amend Section 90013 of, and to add Section 92215 to, the Education Code, relating to postsecondary education, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 26, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 90013 of the Education Code is amended to read:

90013. The board, with the approval of the State Board of Control, may issue revenue bond anticipation notes, in anticipation of the sale of revenue bonds. Before issuing any such notes, the board shall, by resolution approved by the State Board of Control, authorize their issuance, declare the purpose for which the proceeds of the notes shall be expended and specify the maximum amount of notes to be issued for such purpose.

Revenue bond anticipation notes shall bear interest at such rate or rates as the board may determine, not exceeding 8 percent per annum, payable annually or semiannually, and shall mature on such date or dates as the board may determine and set forth in the resolution authorizing their issuance, but not more than three years from their date.

The proceeds from the sale of notes shall be used only for the purposes for which the proceeds of the sale of bonds may be used in anticipation whereof the notes are issued.

All notes issued, including renewal notes, and the interest thereon shall be payable from the proceeds of the sale of the bonds, the revenues of the project, any appropriations made for that purpose or all such sources, and not otherwise, except that in the event that the sale of the bonds shall not have occurred prior to the maturity of the notes issued in anticipation thereof, the board, with the approval of the State Board of Control, may issue renewal notes in order to pay the notes then maturing. No renewal notes shall be issued after the sale of the bonds in anticipation of which the original note was issued.

Revenue bond anticipation notes may be secured by a pledge of, and lien upon, the proceeds of the sale of bonds, the revenues of the project and any other legally available funds.

A resolution authorizing the issuance of revenue bond anticipation notes may include such provisions as the board deems necessary or advisable for the security of the notes issued thereunder, and may include any and all provisions authorized to be included in indentures by this article.

SEC. 2. Section 92215 is added to the Education Code, to read:

92215. The power to incur indebtedness pursuant to Section 92204 shall include, but is not limited to, the power to issue revenue bonds in the name of the board of directors and as obligations of the board of directors. Revenue bonds may be issued pursuant to the provisions of Chapter 5 (commencing with Section 92400) of Part 57 and, for such purposes, the board of directors shall have the same powers to issue revenue bonds for the benefit of the Hastings College of the Law as are conferred upon the Regents of the University of California for the benefit of the University of California by Chapter 5 (commencing with Section 92400) of Part 57 and shall be subject to the limitations imposed therein. Any such bonds issued for the benefit of the Hastings College of the Law shall be issued in the name of Hastings College of the Law without using the name of the

University of California.

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 facilitate the financing of a project undertaken by the Board of Directors of the Hastings College of the Law to rehabilitate a particular parcel of real property for housing with funds reserved only until August 31, 1979, by the Department of Housing and Urban Development for such purpose, it is necessary that this act take effect immediately.

CHAPTER 326

An act to amend Sections 17237.5 and 24380 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

[Approved by Governor July 26, 1979 Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 17237.5 of the Revenue and Taxation Code is amended to read:

17237.5. (a) Every taxpayer, at the election of the taxpayer, shall be entitled to a deduction of the cost of repairing or remodeling any building, facility or transportation vehicle owned or leased by the taxpayer at the time of such repairing or remodeling, in order to permit handicapped or elderly individuals to enter or leave such building, facility or transportation vehicle, to increase the access handicapped or elderly individuals would have to such building, facility or transportation vehicle, or to allow handicapped or elderly individuals more effective use of such building, facility or transportation vehicle.

(b) The deduction authorized by this section shall be taken with respect to the taxable year in which such repairing or remodeling is completed.

(c) The deduction provided by this section with respect to any taxable year shall be in lieu of any deduction with respect to such repairing or remodeling relating to exhaustion, wear and tear or obsolescence.

(d) If any building, facility or transportation vehicle is owned by more than one person, a taxpayer may deduct a portion of the costs of such repairing or remodeling apportionate to the interest in such building, facility or transportation vehicle which is owned by the taxpayer.

(e) For purposes of this section, "building, facility or

transportation vehicle" means a building, facility or transportation vehicle, or part thereof, which is intended to be used, and is actually used, by the taxpayer, the taxpayer's family, or the general public, in the taxpayer's business or trade or the taxpayer's place of residence; provided, that such residence is located within the State of California.

(f) For purposes of this section, "handicapped individual" means any individual who has a physical or mental disability (including, but not limited to, blindness or deafness) which for such individual constitutes or results in a functional limitation to employment, or who has any physical or mental impairment (including, but not limited to, a sight or hearing impairment) which substantially limits one or more major life activities of such individual, and "elderly individual" means an individual who is 65 years of age or older.

(g) The deduction authorized by this section shall not exceed twenty-five thousand dollars ($25,000) with respect to any taxpayer for any taxable year.

(h) The Franchise Tax Board shall prescribe such regulations as may be necessary to carry out the provisions of this section, and may prescribe regulations as to the deductibility of repairs or remodeling with respect to residences in cooperation with the Department of Rehabilitation and the Office of the State Architect.

(i) This section shall apply to taxable years beginning after December 31, 1976 and before January 1, 1985.

SEC. 2. Section 24380 of the Revenue and Taxation Code is amended to read:

24380. (a) Every taxpayer, at the election of the taxpayer, shall be entitled to a deduction of the cost of repairing or remodeling any building, facility or transportation vehicle owned or leased by the taxpayer at the time of such repairing or remodeling, in order to permit handicapped or elderly individuals to enter or leave such building, facility or transportation vehicle, to increase the access handicapped or elderly individuals would have to such building, facility or transportation vehicle, or to allow handicapped or elderly individuals more effective use of such building, facility or transportation vehicle, provided that the repair or remodeling meets one or more standards established pursuant to Section 4450 or 4451 of the Government Code. In the absence of such state standards, those standards established by the Secretary of the Treasury of the United States with the concurrence of the Architectural and Transportation Barriers Compliance Board shall be used.

(b) The deduction authorized by this section shall be taken with respect to the income year in which such repairing or remodeling is completed.

(c) The deduction provided by this section with respect to any income year shall be in lieu of any deduction with respect to such repairing or remodeling relating to exhaustion, wear and tear or obsolescence.

(d) If any building, facility or transportation vehicle is owned by

more than one person, a taxpayer may deduct a portion of the costs of such repairing or remodeling apportionate to the interest in such building, facility or transportation vehicle which is owned by the taxpayer.

(e) For purposes of this section, "building, facility or transportation vehicle" means a building, facility or transportation vehicle, or part thereof, which is intended to be used, and is actually used, by the taxpayer or the general public, in the taxpayer's business or trade.

(f) For purposes of this section, "handicapped individual" means any individual who has a physical or mental disability (including, but not limited to, blindness or deafness) which for such individual constitutes or results in a functional limitation to employment, or who has any physical or mental impairment (including, but not limited to, a sight or hearing impairment) which substantially limits one or more major life activities of such individual, and "elderly individual" means an individual who is 65 years of age or older.

(g) The deduction authorized by this section shall not exceed twenty-five thousand dollars ($25,000) with respect to any taxpayer for any income year.

(h) The Franchise Tax Board shall prescribe such regulations as may be necessary to carry out the provisions of this section.

(i) This section shall apply to income years beginning after December 31, 1976 and before January 1, 1985.

SEC. 3. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect.

CHAPTER 327

An act to amend Section 22307 of the Education Code, relating to retirement.

[Approved by Governor July 26, 1979 Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 22307 of the Education Code is amended to read:

22307. The board shall retain investment counsel or trust companies or trust departments of banks to advise the board in connection with its equity investments.

In the absence of a contract with investment counsel or trust companies or trust departments of banks, the board may, for a period of time not to exceed six months, employ investment personnel on its staff or through interagency agreement for the purpose of managing all equity investments.

SEC. 2. The Teachers' Retirement Board shall notify the

chairmen of the appropriate policy committees in each House of the Legislature if the board employs investment personnel on its staff or through interagency agreement for the purpose of managing equity investments pursuant to the provisions of Section 22307 of the Government Code as amended by this act.

CHAPTER 328

An act to amend Section 10751 of the Vehicle Code, relating to seizure of property, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 26, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 10751 of the Vehicle Code is amended to read:

10751. (a) No person shall knowingly buy, sell, offer for sale, receive, or have in his possession, any vehicle or component part thereof from which the manufacturer's serial or identification number has been removed, defaced, altered or destroyed, unless such vehicle or component part has attached thereto an identification number assigned or approved by the department in lieu of the manufacturer's number.

(b) Whenever such vehicle or component part comes into the custody of a peace officer it shall be destroyed, sold, or otherwise disposed of under the conditions as provided in an order by the court having jurisdiction. No court order providing for disposition shall be issued unless the person from whom the property was seized and all claimants to the property whose interest or title is on registration records in the Department of Motor Vehicles are provided a post-seizure hearing by the court having jurisdiction within 60 days after the seizure. This subdivision shall not apply with respect to such vehicle or component part used as evidence in any criminal action or proceeding. Nothing in this section shall, however, preclude the return of such vehicle or component part to the owner by the seizing agency following presentation of satisfactory evidence of ownership and, if determined necessary, upon the assignment of an identification number to the vehicle or component part by the department.

(c) Whenever such vehicle or component part comes into the custody of a peace officer, the person from whom the property was seized, and all claimants to the property whose interest or title is on registration records in the Department of Motor Vehicles, shall be notified within five days, excluding Saturdays, Sundays, and holidays after the seizure, of the date, time, and place of such hearing

required in subdivision (b). Such notice shall contain the information specified in subdivision (d).

(d) Whenever a peace officer seizes a vehicle or component part as provided in subdivision (b) the person from whom the property was seized shall be provided a notice of impoundment of vehicle or component part which shall serve as a receipt and contain the following information:

(1) Name and address of person from whom the property was seized.

(2) A statement that the vehicle or component part seized has been impounded for investigation of Section 10751 of the California Vehicle Code and that the property will be released upon a determination that the identification number has not been removed, defaced, altered, or destroyed, or upon the presentation of satisfactory evidence of ownership of such vehicle or component part provided that no other person claims an interest in the property; otherwise, a hearing regarding the disposition of such vehicle or component part shall take place in the proper court.

(3) A statement that the person from whom the property was seized, and all claimants to the property whose interest or title is on registration records in the Department of Motor Vehicles, will receive written notification of the date, time, and place of the hearing within five days, excluding Saturdays, Sundays, and holidays, after the seizure.

(4) Name and address of the law enforcement agency where evidence of ownership of such vehicle or component part may be presented.

(5) A statement of the contents of Section 10751 of the Vehicle Code.

(e) A hearing on the disposition of the property shall be held by the municipal or justice court within 60 days after the seizure. The hearing shall be before the court without a jury.

(1) If the evidence reveals either that the identification number has not been removed, altered, or destroyed or that the identification number has been removed, altered, or destroyed but satisfactory evidence of ownership has been presented, the property shall be released to the person entitled thereto. Nothing in this section shall preclude the return of such vehicle or component part to a good faith purchaser following presentation of satisfactory evidence of ownership thereof upon the assignment of an identification number to the vehicle or component part by the department.

(2) If the evidence reveals that the identification number has been removed, altered, or destroyed, and satisfactory evidence of ownership has not been presented, the property shall be destroyed, sold, or otherwise disposed of as provided by court order.

(3) At the hearing, the seizing agency shall have the burden of establishing that the identification number has been removed, defaced, altered, or destroyed and that no satisfactory evidence of ownership has been presented.

(f) This section shall not apply to a scrap metal processor engaged primarily in the acquisition, processing and shipment of ferrous and nonferrous scrap, and who receives dismantled vehicles from licensed dismantlers, or licensed junk collectors, or licensed junk dealers as scrap metal for the purpose of recycling the dismantled vehicles for their metallic content, the end product of which is the production of material for recycling and remelting purposes for steel mills, foundries, smelters and refiners.

SEC. 2. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act merely affirms existing law as mandated by the courts of this state. It is recognized, however, that a local agency may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 3. 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:

To insure that a person is afforded a post-seizure hearing before their vehicle or component part with removed, defaced, altered, or destroyed serial numbers is forfeited, it is necessary that this act take effect immediately.

CHAPTER 329

An act to amend Section 8277 of, to add Sections 8045.8, 8276.5, and 8557 to, and to repeal Section 8045.8 of, the Fish and Game Code, relating to fish, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 8045.8 is added to the Fish and Game Code, to read:

8045.8. Every person operating under a license issued pursuant to this article shall, in addition to the license fee and the tax required under Section 8045, pay an additional privilege tax of eighty-seven hundredths cent ($0.0087) for each pound or fraction thereof of herring for roe which is purchased, received, or taken by him. The moneys collected by the department pursuant to this section shall be expended for research and management activities to maintain and enhance the herring resource within the waters of the state.

This section shall remain in effect only until January 1, 1985, and as of such date, is repealed unless a later enacted statute which is

chaptered before January 1, 1985, deletes or extends such date.

SEC. 2. Section 8276.5 is added to the Fish and Game Code, to read:

8276.5. The director may extend the crab season in any district, or part thereof, north of the southern boundary of Mendocino County. Before extending such season the director shall consider written findings of the department regarding the state of the crab resource which consider, but are not limited to, population and maturity. The director may extend the season only if the written findings do not conclude that such extension will damage the crab resource. In no case shall the season be extended past August 31. The director shall order closure of the season at any time during the extension if he determines that further fishing will damage the crab resource.

SEC. 3. Section 8277 of the Fish and Game Code is amended to read:

8277. The director may extend the crab season in any district, or part thereof, south of Mendocino County. Before extending such season the director shall consider written findings of the department regarding the state of the crab resource which consider, but are not limited to, population and maturity. The director may extend the season only if the written findings do not conclude that such extension will damage the crab resource. In no case shall the season be extended past July 31 of any year. The director shall order closure of the season at any time during the extension period if he determines that further fishing will damage the crab resource.

SEC. 4. Section 8557 is added to the Fish and Game Code, to read:

8557. Notwithstanding any other provision of law, the commission shall determine if lampara nets may be used to take herring in Districts 12 and 13 and the conditions under which such nets may be so used.

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:

The 1979 crab season north of the southern boundary of Mendocino County closes July 15, 1979, and in order for the provisions of this act to govern the 1979 season, it is necessary that this act take effect immediately.

CHAPTER 330

An act to add Title 7 (commencing with Section 2100) to Part 4 of the Code of Civil Procedure, to add Section 9409 to the Commercial Code, and to repeal Chapter 14 (commencing with Section 7200) of Division 7 of Title 1 of the Government Code, relating to liens.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Title 7 (commencing with Section 2100) is added to Part 4 of the Code of Civil Procedure, to read:

TITLE 7. UNIFORM FEDERAL LIEN REGISTRATION ACT

2100. This title applies only to federal tax liens and to other federal liens notices of which under any Act of Congress or any regulation adopted pursuant thereto are required or permitted to be filed in the same manner as notices of federal tax liens.

2101. (a) Notices of liens, certificates, and other notices affecting federal tax liens or other federal liens must be filed in accordance with this title.

(b) Notices of liens upon real property for obligations payable to the United States and certificates and notices affecting the liens shall be filed for record in the office of the recorder of the county in which the real property subject to the liens is situated.

(c) Notices of federal liens upon personal property, whether tangible or intangible, for obligations payable to the United States and certificates and notices affecting the liens shall be filed as follows:

(1) If the person against whose interest the lien applies is a corporation or a partnership whose principal executive office is in this state, as these entities are defined in the internal revenue laws of the United States, in the office of the Secretary of State.

(2) In all other cases, in the office of the recorder of the county where the person against whose interest the lien applies resides at the time of filing of the notice of lien.

2102. Certification of notices of liens, certificates, or other notices affecting federal liens by the Secretary of the Treasury of the United States or his or her delegate, or by any official or entity of the United States responsible for filing or certifying of notice of any other lien, entitles them to be filed and no other attestation, certification, or acknowledgment is necessary.

2103. (a) If a notice of federal lien, a refiling of a notice of federal lien, or a notice of revocation of any certificate described in subdivision (b) is presented to a filing officer who is:

(1) The Secretary of State, he or she shall cause the notice to be marked, held, and indexed in accordance with the provisions of subdivision (4) of Section 9403 of the Commercial Code as if the notice were a financing statement within the meaning of that code; or

(2) A county recorder, he or she shall accept for filing, file for record in the manner set forth in Section 27320 of the Government Code, and index the document by the name of the person against whose interest the lien applies in the general index.

(b) If a certificate of release, nonattachment, discharge, or subordination of any lien is presented to the Secretary of State for filing he or she shall:

(1) Cause a certificate of release or nonattachment to be marked, held, and indexed as if the certificate were a termination statement within the meaning of the Commercial Code, but the notice of lien to which the certificate relates may not be removed from the files; and

(2) Cause a certificate of discharge or subordination to be marked, held, and indexed as if the certificate were a release of collateral within the meaning of the Commercial Code.

(c) If a refiled notice of federal lien referred to in subdivision (a) or any of the certificates or notices referred to in subdivision (b) is presented for filing to a county recorder, he or she shall accept for filing, file for record in the manner set forth in Section 27320 of the Government Code, and index the document by the name of the person against whose interest the lien applies in the general index.

(d) Upon request of any person, the filing officer shall issue his or her certificate showing whether there is on file, on the date and hour stated therein, any notice of lien or certificate or notice affecting any lien filed after January 1, 1968, under this title or former Chapter 14 (commencing with Section 7200) of Division 7 of Title 1 of the Government Code, naming a particular person, and if a notice or certificate is on file, giving the date and hour of filing of each notice or certificate. The fee for a certificate is five dollars ($5) for each name searched. Upon request, the filing officer shall furnish a copy of any notice of federal lien, or notice or certificate affecting a federal lien, for a fee of one dollar ($1) per page. A combined certificate may be issued pursuant to Section 9409 of the Commercial Code.

2104. The fee for filing and indexing each notice of lien or certificate or notice affecting the lien, whether filed for record in the office of the county recorder or filed in the office of the Secretary of State, is three dollars ($3).

The officer shall bill the district directors of internal revenue or other appropriate federal officials on a monthly basis for fees for documents filed by them.

2105. Filing officers with whom notices of federal tax liens, certificates and notices affecting such liens have been filed on or before January 1, 1968, shall, after that date, continue to maintain a file labeled "federal tax lien notices filed prior to January 2, 1968" containing notices and certificates filed in numerical order of receipt. If a notice of lien was filed on or before January 1, 1968, any certificate or notice affecting the lien shall be filed in the same office.

2106. This title shall be applied and construed to effectuate its general purpose to make uniform the law with respect to the subject of this title among states enacting it.

2107. This title may be cited as the Uniform Federal Lien Registration Act.

SEC. 2. Chapter 14 (commencing with Section 7200) of Division

7 of Title 1 of the Government Code is repealed.

SEC. 3. Section 9409 is added to the Commercial Code, to read:

9409. (a) Upon request of any person, the Secretary of State shall issue a combined certificate showing the information as to financing statements as specified in Section 9407 of this code, the information as to state tax liens as specified in Section 7226 of the Government Code, the information as to attachment liens as specified in Section 488.340 of the Code of Civil Procedure, and, if the name requested appears to be other than an individual, the information as to federal liens as specified in Section 2103 of the Code of Civil Procedure. The fee for such a combined certificate is five dollars ($5).

(b) The Secretary of State shall construe a request for a certificate as one for a combined certificate pursuant to this section unless the request is specifically limited to federal liens, state tax liens, or attachment liens.

SEC. 4. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because self-financing authority is provided in this act to cover 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. It is recognized, however that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of the Revenue and Taxation Code.

CHAPTER 331

An act to add Article 2.6 (commencing with Section 289) to Chapter 2 of Part 1 of Division 1 of the Health and Safety Code, relating to health, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979]

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

SECTION 1. Article 2.6 (commencing with Section 289) is added to Chapter 2 of Part 1 of Division 1 of the Health and Safety Code, to read:

Article 2.6. Perinatal Health Care

289. The Legislature finds and declares that prenatal care, delivery service, postpartum care and neonatal and infant care are essential services necessary to assure maternal and infant health. These services are not currently distributed so as to meet the minimum maternal and infant health needs of many Californians A

regionalized perinatal health system can provide these essential services; however, many underserved areas lack the staff or expertise to develop such systems.

289.2. Unless the context otherwise requires, the definitions in this section govern the construction of this article:

(a) "Perinatal health system" means all of the prenatal care, delivery care, postpartum care, and neonatal and infant care services available to a region identified by the State Department of Health Services pursuant to this article.

(b) "Regionalized perinatal health system" means coordinated measures intended to ensure that a perinatal health system provides at least minimum services necessary to meet the maternal and infant health needs of the region and intended to ensure that it does so as efficiently and cost-effectively as possible.

(c) "High-risk pregnant woman" means a woman considered highly likely for any reason to suffer personal mortality or morbidity from her pregnancy, or to deliver a defective, disabled, high-risk, or stillborn infant.

(d) "High-risk infant" means a newborn considered highly likely for any reason to suffer personal mortality or morbidity or to suffer long-lasting defect or disability.

(e) "High-risk geographic area" means a region in this state in which the proportion of high-risk pregnant women or high-risk infants exceeds the average for the population of California as a whole.

(f) "High-risk population" means a demographic group in which the proportion of high-risk women or high-risk infants exceeds the average for the population of California as a whole.

289.3. The state department shall maintain a program which addresses the special needs of high-risk pregnant women and infants. Such a program shall include the following:

(a) Identification of high-risk geographical areas and populations.

(b) Identification and evaluation of deficiencies in perinatal health systems.

(c) Assistance in the development of regionalized perinatal health systems, particularly in underserved areas, to meet unmet needs.

(d) Assistance in implementing regionalized perinatal health systems.

(e) Collection and analyses of data on perinatal health systems and needs.

(f) Monitoring of results.

289.5. (a) In assisting in the development of such regionalized perinatal health systems, the State Department of Health Services shall consult with the Office of Statewide Health Planning and Development, the State Department of Developmental Services, county health officials, health systems agencies, health professionals and health facilities expected to participate in such systems, and community groups.

(b) In carrying out the provisions of this article, the State Department of Health Services shall coordinate the regionalized perinatal health systems with all other maternal and infant health programs conducted by or for the State Department of Health Services, the Office of Statewide Health Planning and Development, the State Department of Developmental Services, and all other state agencies, to ensure full regional coordination.

289.6. It is the intent of the Legislature that the program created by this article be funded through the normal budgetary process beginning in the 1980–81 fiscal year.

SEC. 2. Of the funds reappropriated to the State Department of Health Services by Section 5 of Chapter 1040 of the Statutes of 1978 as may be unencumbered on the effective date of this act, and to the extent such funds are not needed for the pilot programs conducted pursuant to Article 2.4 (commencing with Section 283) of Chapter 2 of Division 1 of the Health and Safety Code as determined by the department, such unencumbered funds are hereby reappropriated to the State Department of Health Services for the purposes of Article 2.6 (commencing with Section 289) of such chapter.

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 for the State Department of Health Services to provide services essential to the public health, it is necessary that this act take immediate effect.

CHAPTER 332

An act to add Section 3154 to the Civil Code, relating to mechanics' liens.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 3154 is added to the Civil Code, to read:

3154. (a) At any time after the expiration of the time period specified by Section 3144 with regard to the period during which property is bound by a lien after recordation of a claim of lien, where no action has been brought to enforce such lien, the owner of the property or the owner of any interest therein may petition the proper court for a decree to release the property from the lien

(b) The petition shall be verified and shall allege all of the following:

(1) The date of recordation of the claim of lien

(2) The legal description of the property affected by such claim

of lien.

(3) That no action has been filed to foreclose the lien, or that no extension of credit has been recorded, and that the time period during which suit can be brought to foreclose the lien has expired.

(4) That the lien claimant is unable or unwilling to execute a release of the lien or cannot with reasonable diligence be found.

(5) That the owner of the property or interest in the property has not filed for relief under any law governing bankrupts, and that there exists no other restraint to prevent the lien claimant from filing to foreclose his or her lien. A certified copy of the claim of lien shall be attached to the petition. The petition shall be deemed controverted by the lien claimant.

(c) Upon the filing of the petition, and before any further proceedings are had, the court shall enter an order fixing a date for the hearing, which shall be within 30 days unless for good cause shown by the petitioner a later date is fixed. The court may continue the hearing beyond the 30-day period, but good cause shall be shown for any continuance.

(d) A copy of the petition and the order fixing the date for hearing shall be served upon the lien claimant at least 10 days prior to the date set for hearing, in the manner in which a summons is required to be served, or by certified or registered mail, postage prepaid, return receipt requested, addressed to the lien claimant at the claimant's address as shown: (1) on the preliminary 20-day notice served by the claimant pursuant to Section 3097, (2) in the records of the registrar of contractors, (3) on the contract on which the lien is based, or (4) on the claim of lien itself. When service is made by mail as provided in this section, service is complete on the fifth day following the day of the deposit of such mail. No decree shall issue in favor of the petitioner unless the petitioner proves that service of the petition and the order fixing the date for hearing was made in compliance with this subdivision. The issue of compliance with this subdivision shall be deemed controverted by the lien claimant.

(e) In the event judgment is rendered in favor of the petitioner, the decree shall indicate all of the following:

(1) The date the lien was recorded.

(2) The county and city, if any, in which the lien was recorded.

(3) The book and page of the place in the official records where the lien is recorded.

(4) The legal description of the property affected. Upon the recordation of a certified copy of the decree, the property described in the decree shall be released from the lien.

(f) The prevailing party shall be entitled to attorneys' fees not to exceed five hundred dollars ($500).

(g) Nothing in this section shall be construed to bar any other cause of action or claim for relief by the owner of the property or an interest in the property, nor shall a decree canceling a claimant's lien bar the lien claimant from bringing any other cause of action or claim for relief, other than an action foreclosing such lien. However, no

other action or claim shall be joined with the claim for relief established by this section.

(h) The provisions of Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure shall not apply to causes commenced pursuant to this section.

CHAPTER 333

An act to amend Section 789.3 of the Civil Code, relating to landlord and tenant.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 789.3 of the Civil Code is amended to read:

789.3. (a) A landlord shall not with intent to terminate the occupancy under any lease or other tenancy or estate at will, however created, of property used by a tenant as his residence willfully cause, directly or indirectly, the interruption or termination of any utility service furnished the tenant, including, but not limited to, water, heat, light, electricity, gas, telephone, elevator, or refrigeration, whether or not the utility service is under the control of the landlord.

(b) In addition, a landlord shall not, with intent to terminate the occupancy under any lease or other tenancy or estate at will, however created, of property used by a tenant as his or her residence, willfully:

(1) Prevent the tenant from gaining reasonable access to the property by changing the locks or using a bootlock or by any other similar method or device;

(2) Remove outside doors or windows; or

(3) Remove from the premises the tenant's personal property, the furnishings, or any other items without the prior written consent of the tenant, except when done pursuant to the procedure set forth in Chapter 5 (commencing with Section 1980) of Title 5 of Part 4 of Division 3.

Nothing in this subdivision shall be construed to prevent the lawful eviction of a tenant by appropriate legal authorities, nor shall anything in this subdivision apply to occupancies defined by subdivision (b) of Section 1940.

(c) Any landlord who violates this section shall be liable to the tenant in a civil action for all of the following:

(1) Actual damages of the tenant.

(2) An amount not to exceed one hundred dollars ($100) for each day or part thereof the landlord remains in violation of this section In determining the amount of such award, the court shall consider

proof of such matters as justice may require; however, in no event shall less than two hundred fifty dollars ($250) be awarded for each separate cause of action. Subsequent or repeated violations, which are not committed contemporaneously with the initial violation, shall be treated as separate causes of action and shall be subject to a separate award of damages.

(d) In any action under subdivision (c) the court shall award reasonable attorney's fees to the prevailing party. In any such action the tenant may seek appropriate injunctive relief to prevent continuing or further violation of the provisions of this section during the pendency of the action. The remedy provided by this section is not exclusive and shall not preclude the tenant from pursuing any other remedy which the tenant may have under any other provision of law.

CHAPTER 334

An act to amend Section 19514 of, to repeal Sections 5011, 5329, 5341, 5401, 19512, and 19513 of, and to repeal and add Sections 5013, 5326, 5327, and 5363 to, the Education Code, and to amend Sections 23511 and 23519 of the Elections Code, relating to elections, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 5011 of the Education Code is repealed.

SEC. 2. Section 5013 of the Education is repealed.

SEC. 3. Section 5013 is added to the Education Code, to read:

5013. The form of ballot for governing board member elections shall be governed by the provisions of Chapter 2 (commencing with Section 10200) of Division 8 of the Elections Code.

SEC. 4. Section 5326 of the Education Code, as amended by Chapter 9 of the Statutes of 1979, is repealed.

SEC. 5. Section 5326 is added to the Education Code, to read:

5326. (a) At least 70 days, and not more than 110 days, before the school district or community college district election, the county clerk shall, by a general press release, set forth the following:

(1) The elective offices of the district to be filled at the ensuing district election; and

(2) A telephone number which voters of the district may utilize in order to obtain information regarding filing for the elective district office.

(b) In addition to the publication requirements set forth in Part 3 (commencing with Section 23500) of Division 14 of the Elections Code, no more than 78 days nor less than 71 days prior to the school

district or community college district election, the county clerk shall publish a notice once in a newspaper of general circulation published in the district, or, if no such newspaper is published in the district, in a newspaper having general circulation in the district which is published in any affected county in the district. The provisions of this section shall only apply if any of the following conditions exist at the time when the notice is submitted to such newspaper for publication:

(1) Only one person has been nominated for any elective office to be filled at the school district election.

(2) No person has been nominated for such office.

(3) In the case of members to be elected from the district at large the number of nominees for member at large does not exceed the number of offices to be filled at that election.

(4) In the case of members to be nominated by division and elected at large the number of nominees for member at large from a division does not exceed the number required to be elected from that division.

SEC. 6. Section 5327 of the Education Code is repealed.

SEC. 7. Section 5327 is added to the Education Code, to read:

5327. The notice required in Section 5326 shall state the following:

(a) That the condition or conditions set forth in Section 5326 existed at the time the notice was submitted to the newspaper for publication;

(b) The elective offices for which there were no nominees or an insufficient number of nominees at the time the notice was submitted to the newspaper for publication; and

(c) That if such condition or conditions relating to such elective offices exist on the 63rd day prior to the day fixed for the school district election and a petition signed by 10 percent of the voters or 100 voters, whichever is the smaller number, in the district or division, if elected by division, requesting that a school district election be held for such offices has not been presented to the officer conducting the election, appointment will be made as prescribed by Section 5328.

SEC. 8. Section 5329 of the Education Code is repealed.

SEC. 9. Section 5341 of the Education Code is repealed

SEC. 10. Section 5363 of the Education Code is repealed.

SEC. 11. Section 5363 is added to the Education Code, to read:

5363. Except where the procedure prescribed by Section 5362 is utilized, the county clerk or the registrar of voters responsible for the conduct of the election shall cause formal notice of such election to be published pursuant to the provisions of Section 23511 of the Elections Code.

SEC. 12. Section 5401 of the Education Code is repealed

SEC. 13. Section 19512 of the Education Code is repealed

SEC 14. Section 19513 of the Education Code is repealed

SEC. 15 Section 19514 of the Education Code is amended to read·

19514 If pursuant to Section 5327 a district election is not held,

the board of supervisors of the county in which the district, or the largest part thereof in area, is situated shall at its next regular meeting appoint to the positions of trustee those persons nominated, and such persons shall qualify, take office, and serve exactly as if elected at a general district election. If no person has been nominated, the board of supervisors shall appoint any qualified voter of the district to the position.

SEC. 16. Section 23511 of the Elections Code is amended to read:

23511. (a) At least 70 days, and not more than 110 days, before the day fixed for the general district election the county clerk of the principal county shall publish a notice of the election once in a newspaper of general circulation published in the district or, if no such newspaper is published in the district, in a newspaper having general circulation in the district published in any affected county in the district. The notice shall contain the date of the general district election and shall name the offices for which candidates may be nominated. The notice shall state the qualifications required by the principal act for each office for which candidates may be nominated. The notice shall state that official nominating petitions for eligible candidates desiring to file for any of the elective offices may be obtained from either the office of the secretary of the district or the office of the county clerk. The notice shall state that appointment to each elective office will be made as prescribed by Section 23520 in the event there are no nominees or an insufficient number of nominees for such office and a petition for an election is not filed within the time period prescribed by Section 23520.

(b) In addition to the requirements of subdivision (a), the county clerk shall, by a general press release, set forth the following:

(1) The elective offices of the district to be filled at the ensuing district election; and

(2) A telephone number which voters of the district may utilize in order to obtain information regarding filing for the elective district office.

SEC. 17. Section 23519 of the Elections Code is amended to read:

23519. The notice required in Section 23518 shall state the following:

(a) That such condition or conditions existed at the time the notice was submitted to the newspaper for publication;

(b) The elective offices for which there were no nominees or an insufficient number of nominees at the time the notice was submitted to the newspaper for publication; and

(c) That if such condition or conditions relating to such elective offices exist on the 63rd day prior to the day fixed for the general district election and a petition signed by 10 percent of the voters or 100 voters, whichever is the smaller number, in the district or division, if elected by division, requesting that a general district election be held for such offices has not been presented to the officer conducting the election, appointment will be made as prescribed by Section 23520.

SEC. 18. 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 provisions of this act may apply to the conduct of school district and community college district elections scheduled in November of this year, it is necessary that this act take effect immediately.

CHAPTER 335

An act to amend Section 37212 of, and to add Sections 31701.7, 36729, and 72102 to, the Water Code, to amend Section 61621 of the Government Code, to amend Section 27.1 of the Desert Water Agency Law (Chapter 1069 of the Statutes of 1961), and to add Section 29.5 to the Crestline-Lake Arrowhead Water Agency Act (Chapter 40 of the Statutes of 1962, First Extraordinary Session), relating to special districts.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 31701.7 is added to the Water Code, to read:

31701.7. In case any charges for water or other services, or either, remain unpaid the amount of the unpaid charges may in the discretion of the district be secured at any time by filing for record in the office of the county recorder of any county, a certificate specifying the amount of such charges and the name and address of the person liable therefor.

From the time of recordation of the certificate, the amount required to be paid together with interest and penalty constitutes a lien upon all real property in the county owned by the person or afterwards, and before the lien expires, acquired by him. The lien has the force, priority, and effect of a judgment lien and shall continue for 10 years from the date of the filing of the certificate unless sooner released or otherwise discharged. The lien may, within 10 years from the filing of the certificate or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by filing for record a new certificate in the office of the county recorder of any county and from the time of such filing the lien shall be extended to the real property in such county for 10 years unless sooner released or otherwise discharged.

SEC. 2. Section 36729 is added to the Water Code, to read:

36729. In case any charges for water or other services, or either, remain unpaid the amount of the unpaid charges may in the discretion of the district be secured at any time by filing for record

in the office of the county recorder of any county, a certificate specifying the amount of such charges and the name and address of the person liable therefor.

From the time of recordation of the certificate, the amount required to be paid together with interest and penalty constitutes a lien upon all real property in the county owned by the person or afterwards, and before the lien expires, acquired by him. The lien has the force, priority, and effect of a judgment lien and shall continue for 10 years from the date of the filing of the certificate unless sooner released or otherwise discharged. The lien may, within 10 years from the filing of the certificate or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by filing for record a new certificate in the office of the county recorder of any county and from the time of such filing the lien shall be extended to the real property in such county for 10 years unless sooner released or otherwise discharged.

SEC. 3. Section 37212 of the Water Code is amended to read:

37212. In case any charges for water or other services, or either, remain unpaid:

(a) If unpaid for 60 days or more on July 1st, the district board may, by resolution, order the secretary to do each of the following:

(1) Prepare a list of the parcels of land upon which water and other services, or either, requested in writing by the owner of the property, was used, and for which the charges remain unpaid.

(2) Certify that such list is true and correct.

(3) Submit such list of unpaid charges and parcels to the county auditor no later than five days after the estimate of the district board was furnished pursuant to Section 37206.

Upon receipt by the county auditor of such list and a certified copy of such resolution, the amount of the unpaid charges attributed to each parcel mentioned in such list shall constitute a special assessment against such parcel, and shall be a lien on that property for such amount. Such lien attaches upon recordation in the office of the county recorder of the county in which the property is situated of a certified copy of such resolution of the district board accompanied by a certified copy of such list specifically describing the real property by a legal description or reference to an assessor's parcel number and specifying the amount applicable to each parcel. The assessment shall be collected at the same time and in the same manner as ordinary municipal ad valorem taxes are collected, and shall be subject to the same penalties, and the same procedure and sale in case of delinquency as provided for such taxes. All laws applicable to the levy, collection and enforcement of municipal ad valorem taxes shall be applicable to such assessment, except that if any real property to which such lien would attach has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attached thereon, prior to the date on which the first installment of such taxes would become delinquent, then the lien which would otherwise be

imposed by this section shall not attach to such real property and the delinquent and unpaid charges, as certified, relating to such property shall be transferred to the unsecured roll for collection.

The county shall deduct from the charges collected an amount sufficient to compensate the county for costs incurred in collecting such delinquent and unpaid charges. The amount of such compensation shall be fixed by agreement between the board of supervisors and the district's board of directors.

(b) The amount of the unpaid charges may, in the discretion of the district, be secured at any time by filing for record in the office of the county recorder of any county, a certificate specifying the amount of such charges and the name and address of the person liable therefor.

From the time of recordation of the certificate, the amount required to be paid together with interest and penalty constitutes a lien upon all real property in the county owned by the person or afterwards, and before the lien expires, acquired by him. The lien has the force, priority, and effect of a judgment lien and shall continue for 10 years from the date of the filing of the certificate unless sooner released or otherwise discharged. The lien may, within 10 years from the filing of the certificate or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by filing for record a new certificate in the office of the county recorder of any county and from the time of such filing the lien shall be extended to the real property in such county for 10 years unless sooner released or otherwise discharged.

SEC. 4. Section 72102 is added to the Water Code, to read:

72102. In case any charges for water or other services, or either, remain unpaid the amount of the unpaid charges may in the discretion of the district be secured at any time by filing for record in the office of the county recorder of any county, a certificate specifying the amount of such charges and the name and address of the person liable therefor.

From the time of recordation of the certificate, the amount required to be paid together with interest and penalty constitutes a lien upon all real property in the county owned by the person or afterwards, and before the lien expires, acquired by him. The lien has the force, priority, and effect of a judgment lien and shall continue for 10 years from the date of the filing of the certificate unless sooner released or otherwise discharged. The lien may, within 10 years from the filing of the certificate or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by filing for record a new certificate in the office of the county recorder of any county and from the time of such filing the lien shall be extended to the real property in such county for 10 years unless sooner released or otherwise discharged.

SEC. 5. Section 61621 of the Government Code is amended to read:

61621. A district may prescribe, revise and collect rates or other

charges for the services and facilities furnished by it, and may pledge, place a charge upon, contribute or otherwise make available, as security or additional security for the payment of any revenue bonds issued by the district pursuant to Section 61613.1 any and all revenues received or receivable from any services or facilities furnished by it, including the services or facilities of any enterprise as said term is defined in Section 61613.1.

A district may provide that charges for any services or facilities shall be collected together with and not separately from the charges for other revenues or facilities rendered by it, and that all charges shall be billed upon the same bill and collected as one item. If all or part of a bill is not paid, the district may discontinue any or all services or facilities for which the bill is rendered.

A district may provide for the collection of charges. Remedies for their collection and enforcement are cumulative and may be pursued alternatively or consecutively as the local agency determines.

A district may provide for a basic penalty of not more than 10 percent for nonpayment of the charges within the time and in the manner prescribed by it, and in addition may provide for a penalty of not exceeding one-half of 1 percent per month for nonpayment of the charges and basic penalty. It may provide for collection of the penalties herein provided for.

In case any charges for water or other services, or either, remain unpaid the amount of the unpaid charges may in the discretion of the district be secured at any time by filing for record in the office of the county recorder of any county, a certificate specifying the amount of such charges and the name and address of the person liable therefor.

From the time of recordation of the certificate, the amount required to be paid together with interest and penalty constitutes a lien upon all real property in the county owned by the person or afterwards, and before the lien expires, acquired by him. The lien has the force, priority, and effect of a judgment lien and shall continue for 10 years from the date of the filing of the certificate unless sooner released or otherwise discharged. The lien may, within 10 years from the filing of the certificate or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by filing for record a new certificate in the office of the county recorder of any county and from the time of such filing the lien shall be extended to the real property in such county for 10 years unless sooner released or otherwise discharged.

SEC. 6. Section 27.1 of the Desert Water Agency Law (Chapter 1069 of the Statutes of 1961) is amended to read:

Sec. 27.1. (1) The amount of any charges for water and other services or either included in the statement of delinquent and unpaid charges pursuant to subdivision (c) of Section 27 shall constitute a special assessment against the property upon which the water for which the charges are unpaid was used and upon the property subject to the charges for any other agency services and

shall constitute a lien on that property as of the same time and in the same manner as does the tax lien securing such annual taxes. The assessment may be collected at the same time and in the same manner as ordinary county ad valorem property taxes are collected and shall be subject to the same penalties and the same procedure and sale in case of delinquency as provided for such taxes. All laws applicable to the levy, collection, and enforcement of county ad valorem property taxes shall be applicable to such assessment, except that if any real property to which such lien would attach has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attaches thereon, prior to the date on which the first installment of such taxes would become delinquent, then the lien which would otherwise be imposed by this section shall not attach to such real property and the delinquent and unpaid charges relating to such property shall be placed on the unsecured roll for collection. The county shall deduct from the charges collected an amount sufficient to compensate the county for costs incurred in collecting such delinquent and unpaid charges. The amount of such compensation shall be fixed by agreement between the board of supervisors and the agency's board of directors. The agency shall notify the holder of title to land whenever delinquent and unpaid charges for water and other services or either which could become a lien on such property remain delinquent and unpaid for 60 days.

(2) In case any charges for water or other services, or either, remain unpaid the amount of the unpaid charges may in the discretion of the agency be secured at any time by filing for record in the office of the county recorder of any county, a certificate specifying the amount of such charges and the name and address of the person liable therefor.

From the time of recordation of the certificate, the amount required to be paid together with interest and penalty constitutes a lien upon all real property in the county owned by the person or afterwards, and before the lien expires, acquired by him. The lien has the force, priority, and effect of a judgment lien and shall continue for 10 years from the date of the filing of the certificate unless sooner released or otherwise discharged. The lien may, within 10 years from the filing of the certificate or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by filing for record a new certificate in the office of the county recorder of any county and from the time of such filing the lien shall be extended to the real property in such county for 10 years unless sooner released or otherwise discharged.

SEC. 7. Section 29.5 is added to the Crestline-Lake Arrowhead Water Agency Act (Chapter 40 of the Statutes of 1962, First Extraordinary Session), to read:

Sec. 29.5. In case any charges for water or other services, or either, remain unpaid the amount of the unpaid charges may in the discretion of the agency be secured at any time by filing for record

in the office of the county recorder of any county, a certificate specifying the amount of such charges and the name and address of the person liable therefor.

From the time of recordation of the certificate, the amount required to be paid together with interest and penalty constitutes a lien upon all real property in the county owned by the person or afterwards, and before the lien expires, acquired by him. The lien has the force, priority, and effect of a judgment lien and shall continue for 10 years from the date of the filing of the certificate unless sooner released or otherwise discharged. The lien may, within 10 years from the filing of the certificate or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by filing for record a new certificate in the office of the county recorder of any county and from the time of such filing the lien shall be extended to the real property in such county for 10 years unless sooner released or otherwise discharged.

CHAPTER 336

An act to amend Section 8622 of the Business and Professions Code, relating to structural pest control.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 8622 of the Business and Professions Code is amended to read:

8622. When a complaint is accepted for investigation of a person acting as an operator, the board, through an authorized representative may inspect any or all properties on which a report has been issued pursuant to Section 8516 or a notice of completion has been issued pursuant to Section 8518 by such operator to determine compliance with the provisions of this chapter and the rules and regulations issued thereunder. If the board determines such property or properties are not in compliance, a notice shall be sent to the operator so stating. The operator shall have 30 days from the receipt of the notice to bring such property into compliance, and he shall submit a corrected report or completion notice or both and an inspection fee of not more than one hundred twenty-five dollars ($125) for each property inspected. If a subsequent reinspection is necessary, pursuant to the board's review of the corrected report or notice or both, a commensurate reinspection fee shall also be charged. If the investigator makes no determination or determines the property is in compliance, no inspection fee shall be charged.

The notice sent to the operator shall inform the operator that if he or she desires a hearing to contest such finding of noncompliance,

such hearing shall be requested by written notice to the board within 20 days of receipt of the notice of noncompliance from the board. Where a hearing is not requested pursuant to this section, payment of any assessment shall not constitute an admission of any noncompliance charged.

CHAPTER 337

An act to amend Section 21080 of the Public Resources Code, relating to environmental quality, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 21080 of the Public Resources Code is amended to read:

21080. (a) Except as otherwise provided in this division, this division shall apply to discretionary projects proposed to be carried out or approved by public agencies, including, but not limited to, the enactment and amendment of zoning ordinances, the issuance of zoning variances, the issuance of conditional use permits and the approval of tentative subdivision maps (except where such a project is exempt from the preparation of an environmental impact report pursuant to Section 21166).

(b) This division shall not apply to the following:

(1) Ministerial projects proposed to be carried out or approved by public agencies.

(2) Emergency repairs to public service facilities necessary to maintain service.

(3) Projects undertaken, carried out, or approved by a public agency to maintain, repair, restore, demolish, or replace property or facilities damaged or destroyed as a result of a disaster in a disaster-stricken area in which a state of emergency has been proclaimed by the Governor pursuant to Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code.

(4) Specific actions, necessary to prevent or mitigate an emergency.

(5) Projects which a public agency rejects or disapproves.

(6) Actions undertaken by a public agency relating to any thermal powerplant site or facility, including the expenditure, obligation, or encumbrance of funds by a public agency for planning, engineering, or design purposes, or for the conditional sale or purchase of equipment, fuel, water (except ground water), steam, or power for such a thermal powerplant, if the powerplant site and related facility will be the subject of an environmental impact report or negative

declaration or other document, or documents, prepared pursuant to a regulatory program certified pursuant to Section 21080.5, which will be prepared by the State Energy Resources Conservation and Development Commission, by the Public Utilities Commission, or by the city or county in which the powerplant and related facility would be located; provided that such environmental impact report, negative declaration or other document, or documents, shall include the environmental impact, if any, of the action described in this paragraph.

(7) Activities or approvals necessary to the bidding for, hosting or staging of, and funding or carrying out of, an Olympic games under the authority of the International Olympic Committee, except for the construction of facilities necessary for such Olympic games.

(8) The establishment, modification, structuring, restructuring, or approval of rates, tolls, fares or other charges by public agencies which the public agency finds are for the purpose of (1) meeting operating expenses, including employee wage rates and fringe benefits, (2) purchasing or leasing supplies, equipment or materials, (3) meeting financial reserve needs and requirements, (4) obtaining funds for capital projects, necessary to maintain service within existing service areas, or (5) obtaining funds necessary to maintain such intracity transfers as are authorized by city charter. The public agency shall incorporate written findings in the record of any proceeding in which an exemption under this paragraph is claimed setting forth with specificity the basis for the claim of exemption.

(9) Actions taken prior to January 1, 1982, by a public agency to implement the transition from the property taxation system in effect prior to June 1, 1978, to the system provided for by Article XIII A of the California Constitution. Such actions shall be limited to projects defined in subdivision (a) or (b) of Section 21065 which initiate or increase fees, rates, or charges charged for any existing public service, program, or activity; reduce or eliminate the availability of an existing public service, program, or activity; close publicly owned or operated facilities; or reduce or eliminate the availability of an existing publicly owned transit service, program, or activity.

(c) In the event that a lead agency determines that a proposed project, not otherwise exempt from the provisions of this division, does not have a significant effect on the environment, such lead agency shall adopt a negative declaration to that effect.

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 for the provisions of this act to exempt public agency actions taken in implementation of the transition to the property tax system provided for by Article XIII A of the California Constitution for the period August 31, 1979, to January 1, 1980, from the California Environmental Quality Act, it is necessary that this act take effect immediately.

CHAPTER 338

An act to amend Sections 17063 and 42300 of, to add Sections 18583.5 and 25662.5 to, and to repeal Section 17064.7 of, the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 17063 of the Revenue and Taxation Code is amended to read:

17063. For purposes of this chapter, the items of tax preference are:

(a) An amount equal to the excess itemized deductions for the taxable year (as determined under Section 17063.2).

(b) With respect to each "Section 18212 property" (as defined in Section 18214), the amount by which the deduction allowable for the taxable year for exhaustion, wear or tear, obsolescence, or amortization exceeds the depreciation deduction which would have been allowable for the taxable year, had the taxpayer depreciated the property under the straight line method for each taxable year of its useful life (determined without regard to Section 17211.7) for which the taxpayer has held the property.

(c) With respect to each item of Section 18211 property (as defined in Section 18214) which is subject to a lease, the amount by which—

(1) The deduction allowable for the taxable year for depreciation or amortization, exceeds

(2) The deduction which would have been allowable for the taxable year had the taxpayer depreciated the property under the straight line method for each taxable year of its useful life for which the taxpayer has held the property.

(d) With respect to the transfer of a share of stock pursuant to the exercise of a qualified stock option (as defined in subdivision (b) of Section 17532) or a restricted stock option (as defined in subdivision (b) of Section 17534), the amount by which the fair market value of the share at the time of exercise exceeds the option price.

(e) With respect to each property (as defined in Sections 17681 to 17690, inclusive), the excess of the deduction for depletion allowable under Section 17681 for the taxable year over the adjusted basis of the property at the end of the taxable year (determined without regard to the depletion deduction for the taxable year).

(f) An amount equal to one-half of the amount by which net long-term capital gain exceeds the net short-term capital loss for the taxable year.

(g) Subdivision (f) of this section shall apply only to taxable years

beginning after December 31, 1970, and ending on or before November 30, 1972. For taxable years beginning after December 31, 1971, the amount of the tax preference income with respect to capital gains shall be an amount (but not below zero) equal to the difference between (1) the taxpayer's total net capital gains and losses (determined without regard to any capital loss carryover) for the taxable year, and (2) the taxpayer's net capital gains and losses recognized by virtue of Section 18162.5 for the same taxable year.

(h) The excess of the intangible drilling and development costs described in Section 17283 (c) paid or incurred in connection with oil and gas wells (other than costs incurred in drilling a nonproductive well) allowable under this part for the taxable year over the amount which would have been allowable for the taxable year if such costs had been capitalized and straight line recovery of intangibles (as defined in Section 17063.3) had been used with respect to such costs.

(i) The amount of net farm loss in excess of fifty thousand dollars ($50,000) which is deducted from nonfarm income. In the case of a husband or wife who files a separate return, the amount specified in the preceding sentence shall be twenty-five thousand dollars ($25,000). This subdivision shall not apply if two-thirds or more of the taxpayer's average gross income from all sources for the taxable year and the immediately preceding two years is from farming.

SEC. 2. Section 17064.7 of the Revenue and Taxation Code is repealed.

SEC. 3. Section 18583.5 is added to the Revenue and Taxation Code, to read:

18583.5. Notwithstanding any provision to the contrary, any interest, penalty or addition to tax, imposed under this part may be assessed and collected in the same manner as if it were a deficiency.

SEC. 4. Section 25662.5 is added to the Revenue and Taxation Code, to read:

25662.5. Notwithstanding any provision to the contrary, any interest, penalty or addition to tax, imposed under this part may be assessed and collected in the same manner as if it were a deficiency.

SEC. 5. Section 42300 of the Revenue and Taxation Code, as amended by Chapter 3 of the Statutes of 1979, is amended to read:

42300. The assessments imposed by this part in 1978 are due and payable on or before November 30, 1979; and the assessments imposed by this part for 1979 and subsequent years are due and payable to the board annually on or before the last day of the second calendar month next succeeding each calendar year or on or before the last day of the second calendar month next succeeding the close of such period as may be prescribed by the board pursuant to Section 42304. If a taxpayer ceases to do business in this state, the assessments imposed by this part are due and payable to the board on or before the last day of the calendar month next succeeding the close of the calendar quarter in which the taxpayer ceased to do business in this state.

SEC. 6. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect. However, Sections 1 and 2 shall be operative with respect to taxable years beginning on and after January 1, 1979, and Sections 3, 4, and 5 shall be operative on and after the effective date of this act.

CHAPTER 339

An act to amend Section 56725 of the Education Code, relating to teaching credentials, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 56725 of the Education Code is amended to read:

56725. (a) No person shall be employed to teach deaf, hard-of-hearing, speech-handicapped, or orthopedically handicapped pupils in a special day or remedial class for such pupils who does not hold a valid credential authorizing such teaching or a designated subject credential in the area of vocational education.

(b) No person shall be employed to teach blind or partially seeing pupils in a special day or remedial class for such pupils unless the person (1) holds a valid specialist instruction credential for teaching blind and partially seeing pupils pursuant to Section 44265, or (2) was issued a specialist instruction credential in special education of the physically handicapped on or prior to January 1, 1981, or (3) holds a valid credential authorizing the teaching of blind and partially seeing pupils.

Nothing herein shall be construed as to limit in any way participation of blind and partly sighted students in regular classroom programs.

Nothing herein shall be deemed to prohibit the employment, as a substitute teacher of each such special day class for not more than 20 schooldays in any school year, of a person holding some other valid credential authorizing substitute teaching. Upon application by the school district or county superintendent of schools the Superintendent of Public Instruction may approve an extension of the 20-day period for a given person but not beyond the end of the school year in which submitted.

SEC. 2. Section 1 of this act shall become operative on September 1, 1979.

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 permit the simultaneous implementation of the provisions of this act and the provisions of Chapter 97 of the Statutes of 1978, and so effectuate fully the intent of the Legislature at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 340

An act to amend Sections 3050 and 3066 of the Vehicle Code, relating to vehicles, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 3050 of the Vehicle Code is amended to read:

3050. The board shall:

(a) Adopt rules and regulations in accordance with the provisions of Chapter 4.5 (commencing with Section 11371), Part 1, Division 3, Title 2 of the Government Code governing such matters as are specifically committed to its jurisdiction.

(b) Hear and consider, within the limitations and in accordance with the procedure hereinafter provided, an appeal presented by an applicant for, or holder of, a license as a new motor vehicle dealer, manufacturer, manufacturer branch, distributor, distributor branch, or representative when any such applicant or licensee submits such an appeal provided for in this chapter from a decision arising out of the department.

(c) Consider any matter concerning the activities or practices of any person applying for or holding a license as a new motor vehicle dealer, manufacturer, manufacturer branch, distributor, distributor branch, or representative pursuant to Chapter 4 (commencing with Section 11700) of Division 5 submitted by any person; and, after such consideration, the board may do any one or any combination of the following:

(1) Direct the department to conduct such investigation of such matter as the board deems reasonable, and make a written report on the results of such investigation to the board within the time specified by the board;

(2) Undertake to arbitrate amicably or resolve any honest difference of opinion or viewpoint existing between any member of the public and any new motor vehicle dealer, manufacturer, manufacturer branch, distributor branch, or representative;

(3) Order the department to exercise any and all authority or power that the department may have with respect to the issuance, renewal, refusal to renew, suspension or revocation of the license of any new motor vehicle dealer, manufacturer, manufacturer branch, distributor, distributor branch, or representative as such license is required under Chapter 4 (commencing with Section 11700) of Division 5.

(d) Hear and consider, within the limitations and in accordance with the procedure hereinafter provided, a protest presented by a franchisee pursuant to Section 3060, 3062, 3064, or 3065. A member of the board who is a new motor vehicle dealer may participate in, hear, and comment or advise other members upon, but may not decide, any matter involving a protest filed pursuant to Article 4 (commencing with Section 3060) of this chapter.

SEC. 2. Section 3066 of the Vehicle Code is amended to read:

3066. (a) Upon receiving a notice of protest pursuant to Section 3060, 3062, 3064, or 3065, the board shall fix a time, which shall be within 60 days of such order, and place of hearing and send by registered mail a copy of the order to the franchisor, the protesting franchisee, and all individuals and groups which have requested notification by the board of protests and decisions of the board. The board, or a hearing officer designated by the board, shall hear and consider the oral and documented evidence introduced by the parties and other interested individuals and groups, and the board shall make its decision solely on the record so made. Government Code Sections 11507.6, 11507.7, except subdivision (c), 11510, 11511, 11513, 11514, 11515, and 11517 shall be applicable to such proceedings.

(b) In any hearing on a protest filed pursuant to Section 3060 or 3062, the franchisor shall have the burden of proof to establish that there is good cause to modify, replace, terminate, or refuse to continue a franchise. The franchisee shall have the burden of proof to establish there is good cause not to enter into a franchise establishing or relocating an additional motor vehicle dealership.

(c) In any hearing on a protest filed pursuant to Section 3064 or 3065, the franchisee shall have the burden to establish that the schedule of compensation or the warranty reimbursement schedule is not reasonable.

(d) A member of the board who is a new motor vehicle dealer may participate in, hear, and comment or advise other members upon, but may not decide, any matter involving a protest filed pursuant to this article. Dealer participation shall be recorded in the minutes of the meeting.

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

In order that the educated and needed advice of New Motor Vehicle Board members who are themselves new motor vehicle dealers may be utilized in the decision making process of the board,

it is necessary that this act take effect immediately.

CHAPTER 341

An act to amend Section 9960 of the Business and Professions Code, relating to employment agencies.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 9960 of the Business and Professions Code is amended to read:

9960. An employment agency shall deposit with the bureau, prior to the issuance or renewal of a license, a surety bond in the penal sum of three thousand dollars ($3,000).

CHAPTER 342

An act to amend Sections 18897 and 18897.2 of the Health and Safety Code, relating to organized camps, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 18897 of the Health and Safety Code is amended to read:

18897. (a) "Organized camp" means a site with program and facilities establishd for the primary purposes of providing an outdoor group living experience with social, spiritual, educational, or recreational objectives, for five days or more during one or more seasons of the year.

(b) The term "organized camp" does not include a motel, tourist camp, trailer park, resort, hunting camp, auto court, labor camp, penal or correctional camp nor does it include a child care institution or home-finding agency.

(c) The term "organized camp" also does not include any charitable or recreational organization which complies with the rules and regulations for recreational trailer parks provided for by subdivision (b) of Section 18301.

(d) (1) The term "organized camp" also does not include any camp site in a county park in a county with a population of more than four million established pursuant to the provisions of this subdivision

for the purpose of short-term group camping, which is hereby defined as camping by any group of people for a period of not more than 72 consecutive hours. The certificate of the director of parks and recreation of such county shall be conclusive as to the fact that a camp site has been established for the purpose of short-term group camping.

This subdivision shall remain operative only until January 1, 1981, and shall have no force or effect on or after such date, unless a later enacted statute which is chaptered before January 1, 1981, deletes or extends such date.

(2) The exemption of a campsite for short-term group camping pursuant to this subdivision shall take effect upon adoption of a resolution of the board of supervisors delegating responsibility for the establishment and enforcement of appropriate health, safety, and fire protection and prevention standards for such campsites to appropriate county health, safety, and fire protection and prevention officials or agencies.

SEC. 2. Section 18897.2 of the Health and Safety Code is amended to read:

18897.2. (a) The Director of Health Services shall adopt, in accordance with the provisions of Chapter 4.5 (commencing with Section 11371), Part 1, Division 3, Title 2 of the Government Code, and enforce such rules and regulations establishing minimum standards for organized camps and regulating the operation of organized camps as he determines are necessary to protect the health and safety of the campers. In adopting such rules and regulations the Director of Health Services shall consider the Resident Camp Standards of the American Camping Association.

(b) The Director of Health Services shall, on or before January 1, 1981, adopt such rules and regulations establishing minimum standards for intermittent short-term organized camps operated by a city or a county as the director deems necessary to protect the health and safety of campers. For the purposes of this subdivision, "intermittent short-term organized camps" means a site for camping by any group of people for a period of not more than 72 consecutive hours for such group.

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 make certain campsites available for weekend scout camping for this coming summer, it is, therefore, necessary that this act take immediate effect.

CHAPTER 343

An act to amend Section 68904 of the Government Code, relating to official court reports, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 68904 of the Government Code is amended to read:

68904. The contract shall be entered into with the person who agrees to publish and sell the official reports, for a period of not less than two nor more than seven years on the terms most advantageous to the state and to the public. Prior to the letting of such a contract, the Reporter of Decisions shall advertise for proposals for the publication of the reports pursuant to Section 6061 of this code in a daily paper in Sacramento, one in Los Angeles, and one in San Francisco. The Reporter of Decisions shall have no pecuniary interest in the volumes of reports.

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 consituting such necessity are:

The present contract for the publication of the official reports of the appellate courts expires on November 1, 1979, and must be renewed at that time. In order that the persons specified in Section 68903 of the Government Code may have the authority to make the next contract for a period of less than five years, it is necessary that this act take effect immediately.

CHAPTER 344

An act to amend Section 6619 of the Labor Code, relating to occupational safety and health.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 6619 of the Labor Code is amended to read:

6619. A copy of the petition for reconsideration shall be served forthwith upon all parties by the person petitioning for reconsideration. Any party may file an answer thereto within 30 days thereafter. Such answer shall likewise be verified. The appeals board

may require the petition for reconsideration to be served on other persons designated by it.

CHAPTER 345

An act to repeal Division 4 (commencing with Section 13000) of the Insurance Code, relating to riot and civil disorder insurance, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Division 4 (commencing with Section 13000) of the Insurance Code is repealed.

SEC. 2. This act shall become operative August 1, 1979.

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

The current contract between the State of California and the California Riot and Civil Disorders Insurance Association expires on August 1, 1979. In order that this act take effect prior to such expiration date, so that a new contract need not be entered, it is necessary that this act take effect immediately.

CHAPTER 346

An act to add Section 2855 to the Civil Code, relating to suretyship.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 2855 is added to the Civil Code, to read:

2855. An arbitration award rendered against a principal alone shall not be, be deemed to be, or be utilized as, an award against his surety.

The intent of this legislation is to apply existing law to arbitration awards.

CHAPTER 347

An act to add Section 13001 to the Vehicle Code, relating to identification documents.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 13001 is added to the Vehicle Code, to read:

13001. Each transit operator which offers reduced fares to senior citizens shall honor the federal Medicare identification card as sufficient identification to receive reduced fares. A transit operator which offers reduced fares to those senior citizens who are less than 65 years old shall also honor the senior citizen identification card issued pursuant to subdivision (b) of Section 13000. Nothing in this section shall prohibit a transit operator from issuing its own identification card except that no such card shall be required to be presented in addition to either a federal Medicare card or a card issued pursuant to subdivision (b) of Section 13000, whichever is applicable.

CHAPTER 348

An act to add Article 10.5 (commencing with Section 725) to Chapter 1 of Division 2 of, and to repeal Section 700 of, the Business and Professions Code, relating to healing arts.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 700 of the Business and Professions Code, as added by Chapter 509 of the Statutes of 1977, is repealed.

SEC. 2. Article 10.5 (commencing with Section 725) is added to Chapter 1 of Division 2 of the Business and Professions Code, to read:

Article 10.5. Unprofessional Conduct

725. Repeated acts of clearly excessive prescribing or administering of drugs or treatment, repeated acts of clearly excessive use of diagnostic procedures, or repeated acts of clearly excessive use of diagnostic or treatment facilities as determined by the standard of the local community of licensees is unprofessional conduct for a physician and surgeon, dentist, podiatrist, psychologist, physical therapist, chiropractor, or optometrist.

Any person who engages in repeated acts of clearly excessive prescribing or administering of drugs or treatment is guilty of a misdemeanor and shall be punished by a fine of not less than one hundred dollars ($100) nor more than six hundred dollars ($600) or by imprisonment for a term of not less than 60 days nor more than 180 days or by both such fine and imprisonment.

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 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.

CHAPTER 349

An act to amend Section 598 of the Code of Civil Procedure, relating to trials.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 598 of the Code of Civil Procedure is amended to read:

598. The court may, when the convenience of witnesses, the ends of justice, or the economy and efficiency of handling the litigation would be promoted thereby, on motion of a party, after notice and hearing, make an order, no later than the close of pretrial conference in cases in which such pretrial conference is to be held, or, in other cases, no later than 30 days before the trial date, that the trial of any issue or any part thereof shall precede the trial of any other issue or any part thereof in the case, except for special defenses which may be tried first pursuant to Sections 597 and 597.5. The court, on its own motion, may make such an order at any time. Where trial of the issue of liability as to all causes of action precedes the trial of other issues or parts thereof, and the decision of the court, or the verdict of the jury upon such issue so tried is in favor of any party on whom liability is sought to be imposed, judgment in favor of such party shall thereupon be entered and no trial of other issues in the action as against such party shall be had unless such judgment shall be reversed upon appeal or otherwise set aside or vacated.

If the decision of the court, or the verdict of the jury upon the issue of liability so tried shall be against any party on whom liability is sought to be imposed, or if the decision of the court or the verdict of the jury upon any other issue or part thereof so tried does not

result in a judgment being entered pursuant to this chapter, then the trial of the other issues or parts thereof shall thereafter be had at such time, and if a jury trial, before the same or another jury, as ordered by the court either upon its own motion or upon the motion of any party, and judgment shall be entered in the same manner and with the same effect as if all the issues in the case had been tried at one time.

CHAPTER 350

An act to amend Sections 27031.5 and 27210 of the Elections Code, relating to elections.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 27031.5 of the Elections Code is amended to read:

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

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

SEC. 2. Section 27210 of the Elections Code is amended to read:

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

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

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

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

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

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

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

CHAPTER 351

An act to amend Section 1658 of the Business and Professions Code, relating to dentistry.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 1658 of the Business and Professions Code is amended to read:

1658. When any licentiate hereunder desires to have more than one place of practice, he shall, prior to the opening of any additional office, make application therefor to the board, pay the fee required by this chapter, and receive permission in writing from the board to have such additional place of practice.

"Place of practice" means any dental office where any act of dentistry is practiced as defined by Section 1625, and shall include any such place of practice in which the applicant holds any proprietary interest of any nature whatsoever, or in which he holds any right to participate in the management or control thereof. A dentist who is the lessor of a dental office shall not be deemed to hold a proprietary interest in that place of practice, unless he is entitled to participate in the management or control of the dentistry practiced there.

This section shall not apply to a licentiate who practices dentistry outside his registered place of practice in any of the following places:

(a) Facilities licensed by the State Department of Health Services.

(b) Licensed health facilities as defined in Section 1250 of the Health and Safety Code.

(c) Licensed clinics as defined in Section 1204 of the Health and Safety Code.

(d) Licensed community care facilities as defined in Section 1502 of the Health and Safety Code.

(e) Schools of any grade level, whether public or private.

(f) Public institutions including, but not limited to, federal, state, and local penal and correctional facilities.

(g) Mobile units which are operated by a public or governmental agency or a nonprofit or charitable organization and are approved by the board, provided that the mobile units meet all statutory or regulatory requirements.

(h) The home of a nonambulatory patient when a physician or registered nurse has provided a written note that the patient is unable to visit a dental office.

CHAPTER 352

An act to amend Sections 19612.1, 19612.2, and 19614.2 of the Business and Professions Code, relating to horseracing.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 19612.1 of the Business and Professions Code is amended to read:

19612.1. (a) In addition to the amounts otherwise deducted pursuant to this chapter, every association with an average daily handle of more than six hundred fifty thousand dollars ($650,000), which conducts a harness, quarter, or Appaloosa horse meeting may deduct from the total amount handled in daily double, quinella, exacta, and other multiple wagering pools approved by the board up to 3 percent thereof to be distributed as additional commissions and purses in the following percentage ratio: to the association as additional commission, 59.5 percent; to the horsemen as additional purses, 40.5 percent.

(b) From the amount deducted for quarter or Appaloosa horse purses under subdivision (a), a sum equal to 13.33 percent thereof shall be held by the association to be paid as owners' premiums for California-breds winning at the meeting. Such premiums shall be distributed within 10 days of the close of the meeting on a prorated percentage basis of first moneys earned to persons owning California-bred quarter horses and California-bred Appaloosa horses at the time of their wins at races having a total purse value of three thousand five hundred dollars ($3,500) or more.

The board shall designate the officially recognized organizations representing quarter horse and Appaloosa horsemen to administer

this subdivision and to distribute premiums.

(c) At least 30 days prior to the commencement of its meeting, the association shall file with the board a statement of the additional deduction to be made pursuant to subdivision (a). Except with the consent of the board the amount of such deduction shall not be changed during the course of the meeting.

SEC. 2. Section 19612.2 of the Business and Professions Code is amended to read:

19612.2. (a) In addition to the amounts otherwise deducted pursuant to this chapter, every association with an average daily handle of six hundred fifty thousand dollars ($650,000) or less, except an association subject to Section 19614.2, which conducts a harness, quarter, or Appaloosa horse meeting may deduct from the total amount handled in daily double, quinella, exacta, and other multiple wagering pools approved by the board up to 3 percent thereof to be distributed as additional commissions and purses as follows:

(1) For quarter horse meetings and Appaloosa horse meetings conducted pursuant to Section 19612.5, as agreed to by the association conducting the meeting and the organization representing the horsemen participating at the meeting.

(2) For harness meetings conducted pursuant to Section 19612.5 or for harness and quarter horse meetings conducted pursuant to Section 19612.6, 50 percent as commissions and 50 percent as purses.

(b) From the amount deducted for quarter horse and Appaloosa horse purses under subdivision (a), a sum equal to 13.33 percent thereof shall be held by the association to be paid as owners' premiums for California-breds winning at the meeting. Such premiums shall be distributed within 10 days of the close of the meeting on a prorated percentage basis of first moneys earned to persons owning California-bred quarter horses and California-bred Appaloosa horses at the time of their wins at races having a total purse value of three thousand five hundred dollars ($3,500) or more.

The board shall designate the officially recognized organizations representing quarter horse and Appaloosa horsemen to administer this subdivision and to distribute premiums.

(c) At least 30 days prior to the commencement of its meeting, the association shall file with the board a statement of the additional deduction to be made pursuant to subdivision (a) and its distribution between commissions and purses. Except with the consent of the board, the amount of such deduction and its distribution shall not be changed during the course of the meeting.

SEC. 3. Section 19614.2 of the Business and Professions Code is amended to read:

19614.2. (a) In addition to the amounts otherwise deducted pursuant to this chapter, the California Exposition and State Fair, or a district or county fair, or an association conducting its meeting pursuant to Section 19549.1, may deduct from the total amount handled in daily double, quinella, exacta, and other multiple wagering pools approved by the board up to 3 percent thereof to be

distributed as additional commissions and purses in the current year of the fair meet. Of the amount deducted, if any, 52 percent shall be distributed as additional purses and 48 percent shall be distributed as additional commissions.

(b) At least 30 days prior to the commencement of its meeting, the association shall file with the board a statement of the additional deduction to be made pursuant to subdivision (a). Except with the consent of the board the amount of such deduction shall not be changed during the course of the meeting.

(c) From the amount deducted for thoroughbred purses under subdivision (a), a sum equal to 13.33 percent thereof shall be held by the association to be paid as owners' premiums for California-breds winning at the meeting. Such sum shall be deposited within seven days of the close of the meeting with the official registering agency of California thoroughbred racehorses in a depository approved by the board. After deduction of expenses, not to exceed 5 percent, and approval of all such deductions by the board, the fund shall then be distributed on a prorated percentage basis of first moneys earned to the persons owning California-bred thoroughbreds at the time of their wins at races having a total purse value of five thousand dollars ($5,000) or more.

(d) From the amount deducted for quarter horse and Appaloosa horse purses under subdivision (a), a sum equal to 13.33 percent thereof shall be held by the association to be paid as owners' premiums for California-breds winning at the meeting. Such premiums shall be distributed within 10 days of the close of the meeting on a prorated percentage basis of first moneys earned to persons owning California-bred quarter horses and California-bred Appaloosa horses at the time of their wins at races having a total purse value of three thousand five hundred dollars ($3,500) or more.

The board shall designate the officially recognized organizations representing quarter horse and Appaloosa horsemen to administer this subdivision and to distribute premiums.

CHAPTER 353

An act to amend Section 2847 of the Business and Professions Code, relating to the Board of Vocational Nurse and Psychiatric Technician Examiners.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 2847 of the Business and Professions Code is amended to read:

2847. The board shall select an executive secretary who shall

perform such duties as are delegated by the board and who shall be responsible to it for the accomplishment of such duties.

The person selected to be the executive secretary of the board shall be either a duly licensed vocational nurse under the provisions of this chapter or a duly licensed professional nurse as defined in Section 2725 or a duly licensed psychiatric technician. The executive secretary shall not be a member of the board.

With the approval of the Director of Finance, the board shall fix the salary of the executive secretary.

The executive secretary shall be entitled to traveling and other necessary expenses in the performance of his duties. He shall make a statement, certified before some duly authorized person, that the expenses have been actually incurred.

CHAPTER 354

An act to add Section 87.5 to the Cuyamaca Recreation and Park District Act (Chapter 1654 of the Statutes of 1961), relating to recreation and parks.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 87.5 is added to the Lake Cuyamaca Recreation and Parks District Act (Chapter 1654 of the Statutes of 1961), to read:

87.5. Notwithstanding Section 87 of this act, the district board may pay routine or recurring claims for money against the district by check drawn on a checking account of the district; provided, that the district, by resolution, defines "routine or recurring claims" for purposes of this section with sufficient specificity so that such claims are readily identifiable, and further specifies the procedure for signing and issuing checks to pay such claims.

CHAPTER 355

An act to amend Section 25350.51 of the Government Code, relating to counties.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 25350.51 of the Government Code is amended to read:

25350.51. The board may, by ordinance or resolution, delegate to the purchasing agent or other appropriate county official, subject to such rules and regulations as it may impose, its authority to lease real property for use by the county for a term not to exceed three years and for a rental not to exceed one thousand dollars ($1,000) per month.

Notice of intention to consummate such a lease shall be posted in a public place for five working days prior to consummation of the lease.

CHAPTER 356

An act to add Section 61601.8 to the Government Code, relating to Bear Valley Community Services.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 61601.8 is added to the Government Code, to read:

61601.8. Notwithstanding the provisions of Sections 61600 and 61601, whenever the Board of Directors of the Bear Valley Community Services District determines by resolution that it is feasible, economically sound, and in the public interest for the district to exercise its power for the purpose of constructing, improving, maintaining, and operating television translator facilities and related services, the board may propose to the electors and adopt, pursuant to the provisions of Section 61601, such additional purpose; provided, no more than six translators shall be erected by such district and no more than six television channels shall be provided by such district.

Such board may thereafter divest such district of the power to provide such facilities and services in the same manner as it may acquire such power.

SEC. 2. The Legislature finds and declares that the Bear Valley Community Services District has a special need for the power to provide television translator services within the area of the Bear Valley Community Services District. The Legislature further finds and declares that this problem is not common to all districts formed under the Community Services District Law. It is, therefore, hereby declared that a general law cannot be made applicable and that the enactment of Section 61601.8 of the Government Code as a special

law is necessary for the solution of problems existing in the Bear Valley Community Services District.

CHAPTER 357

An act to amend Section 91001 of the Government Code, relating to the Political Reform Act of 1974.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 91001 of the Government Code is amended to read:

91001. (a) The Attorney General is responsible for enforcing the criminal provisions of this title with respect to state agencies, lobbyists and state elections. The district attorney of any county in which a violation occurs has concurrent powers and responsibilities with the Attorney General.

(b) The civil prosecutor is primarily responsible for enforcement of the civil penalties and remedies of this title. The civil prosecutor is the commission with respect to the state or any state agency, except itself. The Attorney General is the civil prosecutor with respect to the commission. The district attorneys are the civil prosecutors with respect to any other agency. The civil prosecutor may bring any civil action under this title which could be brought by a voter or resident of the jurisdiction. Upon written authorization from a district attorney, the commission may bring any civil action under this title which could be brought by a voter or resident of the jurisdiction. Under such circumstances, Section 91007 shall not apply to the commission.

(c) Whether or not a violation is inadvertent, negligent or deliberate, and the presence or absence of good faith shall be considered in applying the remedies and sanctions of this title.

SEC. 2. The Legislature finds and declares that the provisions of this act further the purposes of the Political Reform Act of 1974 within the meaning of subdivision (a) of Section 81012 of the Government Code.

SEC. 3. The amendments effected by this act shall not be construed to deprive any person or public agency of any substantial right which would have existed or hereafter exists had such amendments not been effected.

CHAPTER 358

An act to amend Sections 17209.1 and 17213.5 of, the Financial Code, relating to escrow companies.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 17209.1 of the Financial Code is amended to read:

17209.1. Upon the receipt of a proper and complete application for license, and all required fees, the commissioner shall immediately examine and investigate all facts connected with the proposal, including but not limited to its stockholders, directors, officers and managers, proposed location, and estimated receipts and expenditures. Unless he finds that such license must be refused pursuant to this division, the commissioner shall, within forty-five (45) days of his receipt of the application, or within a lesser time in special instances as set forth elsewhere in this division, give written notice to appropriate trade associations or take other appropriate steps, which the commissioner deems necessary, to give adequate notice to existing licensees of the pending application. The notice shall state the name of the proposed licensee, the names and addresses of the proposed directors and owners, the name and address of the proposed person meeting the requirements of Section 17200.8, the proposed business location, and any other information which is, in his opinion, germane to the proposal.

SEC. 2. Section 17213.5 of the Financial Code is amended to read:

17213.5. Licensees of this division shall be entitled to establish additional business office locations by compliance with all of the following:

(a) Filing with the commissioner notice of the intended address, or addresses, and

(b) Payment of the fees prescribed in subdivisions (a) and (c) of Section 17207, and

(c) Filing with the commissioner additional bond or bonds as prescribed in Sections 17202, 17203, 17203.1, 17203.2, and 17204 appropriately for each additional office location or, in lieu thereof, the applicant shall cause the surety under his existing bond or bonds to file with the commissioner a written amendment signifying that coverage is appropriately extended, and

(d) Filing with the commissioner financial statements prepared in accordance with generally accepted accounting principles. Such financial statements shall be covered by a report or certificate of an independent certified public accountant or independent public accountant, showing an additional tangible net worth in the amount set forth in Section 17210 for each additional office location, and

should not be more than six months old, and

(e) Filing with the commissioner the names and addresses of the licensee's owners and employees to be stationed at the new location, showing that the operation of the additional office, or offices, will be under the complete management and control of the parent licensee, and

(f) Filing with the commissioner statements offsetting and meeting each of the conditions set forth in Section 17209.3.

With respect to all applications for authorization to establish additional locations, the commissioner shall promptly dispatch the notice set forth in Section 17209.1 and he shall immediately commence his investigation and review of the application.

The commissioner shall within 45 days from the receipt by the commissioner of a separate and complete application, license the designated premises as a branch of the parent licensee, unless the commissioner finds (1) that the applicant has failed to comply with all of the requirements of this section, (2) that the applicant then fails to meet any of the standards applicable for the issuance of a license pursuant to Section 17209.3, or (3) that a hearing shall be held to determine whether the application should be granted or denied.

CHAPTER 359

An act to amend Section 3051 of the Welfare and Institutions Code, relating to narcotic addicts.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 3051 of the Welfare and Institutions Code is amended to read:

3051. Upon conviction of a defendant for any crime in any superior court, or following revocation of probation previously granted, whether or not sentence has been imposed, if it appears to the judge that the defendant may be addicted or by reason of repeated use of narcotics may be in imminent danger of becoming addicted to narcotics he shall adjourn the proceedings or suspend the imposition or execution of the sentence and order the district attorney to file a petition for commitment of the defendant to the Director of Corrections for confinement in the narcotic detention, treatment, and rehabilitation facility unless, in the opinion of the judge, the defendant's record and probation report indicate such a pattern of criminality that he does not constitute a fit subject for commitment under this section.

Upon the filing of such a petition, the court shall order the defendant to be examined by one physician; provided, that the

examination may be waived by a defendant if the defendant has been examined in accordance with Section 1203.03 of the Penal Code and such examination encompassed whether defendant is addicted or is in imminent danger of addiction, and if the defendant is represented by counsel and competent to understand the effect of such waiver. At the request of the defendant the court shall order the defendant to be examined by a second physician. At least one day before the time of the examination as fixed by the court order, a copy of the petition and order for examination shall be personally delivered to the defendant. A written report of the examination by the physician or physicians shall be delivered to the court, and if the report is to the effect that the person is not addicted nor in imminent danger of addiction, it shall so certify and return the defendant to the department of the superior court which directed the filing of the petition for such further proceedings on the criminal charges as the judge of such department deems warranted. If the report is to the effect that the defendant is addicted or is by reason of the repeated use of narcotics in imminent danger of addiction, further proceedings shall be conducted in compliance with Sections 3104, 3105, 3106, and 3107.

If, after a hearing, the judge finds that the defendant is a narcotic addict, or is by reason of the repeated use of narcotics in imminent danger of becoming addicted to narcotics, he shall make an order committing such person to the custody of the Director of Corrections for confinement in the facility until such time as he is discharged pursuant to Article 5 of this chapter, except as this chapter permits earlier discharge. In any case to which Section 3052 applies, the judge may request the district attorney to investigate the facts relevant to the advisability of commitment pursuant to this section. In unusual cases, wherein the interest of justice would best be served, the judge may, with the concurrence of the district attorney and defendant, order commitment notwithstanding Section 3052. If, upon the hearing, the judge shall find that the defendant is not a narcotic addict and is not in imminent danger of becoming addicted to narcotics, he shall so certify and return the defendant to the department of the superior court which directed the filing of the petition for such further proceedings on the criminal charges as the judge of such department deems warranted.

If a person committed pursuant to this section is dissatisfied with the order of commitment he may within 10 days after the making of such order file a written demand for a jury trial in compliance with Section 3108.

CHAPTER 360

An act to amend Section 2873 of the Penal Code, relating to prison-made goods.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1 Section 2873 of the Penal Code is amended to read

2873 All articles, materials and supplies, herein authorized to be produced or manufactured under Sections 2701 and 2702 shall be purchased from the state prisons of this state, by this state or any agency thereof, and may be purchased by any county, city, district, or political subdivision, or any agency thereof, at the prices fixed in the manner herein provided. State agencies shall make maximum utilization of such products and are encouraged to consult with the staff of the Correctional Industries Commission to develop new products or adapt existing products to meet their needs. Products of California state correctional industries may be purchased by state agencies to be offered for sale, in a manner authorized by the Correctional Industries Commission, to inmates of the Department of Corrections and to any other wards of the state who reside in state-operated institutional facilities. Products to be sold to inmates and wards of the state shall, to the maximum extent, be designed to meet the express needs of such institutional residents.

CHAPTER 361

An act to add Section 6711 to the Government Code, relating to A Day of Remembrance Japanese American Evacuation

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1 Section 6711 is added to the Government Code, to read

6711 The Governor shall proclaim February 19 to be known hereafter as "A Day of Remembrance Japanese American Evacuation," to reflect upon that day of February 19 in 1942 when Executive Order No 9066 was issued to place over 110,000 persons of Japanese ancestry, most of whom were citizens of the United States, in American concentration camps during World War II, and to commemorate that day of February 19 of 1976 when Executive Order No 9066 was rescinded

CHAPTER 362

An act to amend Sections 20503 and 20510 of the Revenue and Taxation Code, relating to tax assistance.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 20503 of the Revenue and Taxation Code is amended to read·

20503. (a) "Income" means adjusted gross income as defined in Section 17072 plus the following cash items:

(1) Public assistance and relief;

(2) Gross amount of pensions and annuities;

(3) Social security benefits (except Medi-Care);

(4) Railroad retirement benefits;

(5) Unemployment insurance payments;

(6) Veteran's benefits,

(7) Interest received from any source, whether or not exempt from income tax;

(8) Gifts and inheritances in excess of three hundred dollars ($300), other than transfers between members of the household. Gifts and inheritances includes noncash items;

(9) Amounts contributed on behalf of the contributor to a tax-sheltered retirement plan or deferred compensation plan;

(10) Temporary worker's compensation payments;

(11) Sick-leave payments;

(12) Nontaxable military compensation as defined in Section 17146, 17146.5 or 17146 7;

(13) Nontaxable scholarship and fellowship grants as defined in Section 17150;

(14) Nontaxable gain from the sale of a residence as defined in Section 17154;

(15) Life insurance proceeds to the extent that such proceeds exceed the expenses incurred for the last illness and funeral of the deceased spouse of the claimant. "Expenses incurred for the last illness" includes unreimbursed expenses paid or incurred during the income calendar year specified in subdivision (c) and such expenses paid or incurred thereafter up until the date the claim is filed. For purposes of this paragraph, funeral expenses shall not exceed five thousand dollars ($5,000); and

(16) If a tax on preference income is required to be paid pursuant to Chapter 2 1 (commencing with Section 17062), the amount of tax preference income (whether or not cash) in excess of net business loss which resulted in the preference tax liability

(b) For purposes of this chapter, total income shall be determined for the calendar year (or approved fiscal year ending within such

calendar year) which ends within the fiscal year for which assistance is claimed

(c) For purposes of Chapter 2 (commencing with Section 20581), Chapter 3 (commencing with Section 20625) and Chapter 3.5 (commencing with Section 20640) of this part, total income shall be determined for the calendar year ending immediately prior to the commencement of the fiscal year for which postponement is claimed; provided, that for claims filed after January 1, 1978, for the 1977–78 fiscal year, total income may, at the election of the claimant, be determined for the 1977 calendar year Notwithstanding any other provision of law, for purposes of claimants electing to determine household income for the 1977 calendar year pursuant to this subdivision, the household income shall not exceed twenty thousand dollars ($20,000).

SEC 2 Section 20510 of the Revenue and Taxation Code is amended to read·

20510 (a) "Rent" means amount paid at arms length solely for the right of occupancy of a residence and utility payments required to be paid by the rental agreement. At least fifty dollars ($50) per month must be paid by each renter claimant.

SEC 3 The provisions of this act shall apply to claims for assistance for the 1979–80 fiscal year and thereafter and to claims for postponement for the 1980–81 fiscal year and thereafter

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CHAPTER 363

An act to amend Sections 1803, 23121, 23122, and 23125 of, and to add Sections 23121 5, 23122.5, and 23123 6 to, the Vehicle Code, relating to vehicles.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 1803 of the Vehicle Code is amended to read

1803. (a) Every clerk of a court, or judge if there be no clerk, in which a person was convicted of any violation of this code, and of any offense involving use or possession of narcotic controlled substances under Division 10 (commencing with Section 11000) of the Health and Safety Code, and of any violation of any other statute relating to the safe operation of vehicles shall prepare within 10 days after conviction and immediately forward to the department at its office at Sacramento an abstract of the record of the court covering the case in which the person was so convicted, unless sentencing is not pronounced in conjunction with the conviction in which case the abstract shall be forwarded to the department within 10 days after

sentencing, which abstract must be certified by the person so required to prepare the same to be true and correct

For the purposes of this section, a forfeiture of bail shall be equivalent to a conviction

(b) The following violations are not required to be reported under subdivision (a) of this section

(1) Division 3 5 (commencing with Section 9840)

(2) Section 21113, with respect to parking violations

(3) Chapter 9 (commencing with Section 22500) of Division 11.

(4) Division 12 (commencing with Section 24000), except Sections 24002, 24004, 24250, 24409, 24604, 24800, 25103, Chapter 3 (commencing with Section 26301), 26707, 27151, 27800, and 27801.

(5) Division 15 (commencing with Section 35000), except Chapter 5 (commencing with Section 35550)

(6) Violations for which a person was cited as a pedestrian or while operating a bicycle

(7) Division 16 5 (commencing with Section 38000)

(8) Sections 23121 5, 23122 5, 23123, and 23123 6

(c) If the court impounds a license or orders a person to limit his driving pursuant to subdivision (c) of Section 40508, the court shall notify the department concerning the impoundment or limitation on an abstract prepared pursuant to subdivision (a) of this section or on a separate abstract, which shall be prepared within 10 days after the impoundment or limitation was ordered and immediately forwarded to the department at its office in Sacramento

SEC 2 Section 23121 of the Vehicle Code is amended to read

23121 No person shall drink any alcoholic beverage while driving a motor vehicle upon any highway As used in this chapter, alcoholic beverage shall have the same meaning as in Section 23004 of the Business and Professions Code

SEC 3 Section 23121.5 is added to the Vehicle Code, to read.

23121 5. No person shall drink any alcoholic beverage while in a motor vehicle upon a highway

SEC 4 Section 23122 of the Vehicle Code is amended to read

23122 No person shall have in his possession on his person, while driving a motor vehicle upon a highway, any bottle, can, or other receptacle, containing any alcoholic beverage which has been opened, or a seal broken, or the contents of which have been partially removed

SEC 5 Section 23122 5 is added to the Vehicle Code, to read·

23122 5 No person shall have in his possession on his person, while in a motor vehicle upon a highway, any bottle, can, or other receptacle, containing any alcoholic beverage which has been opened, or a seal broken, or the contents of which have been partially removed

SEC 6 Section 23123 6 is added to the Vehicle Code, to read

23123.6 It is unlawful for any person to keep in the passenger compartment of a motor vehicle, when such vehicle is upon any highway, any bottle, can, or other receptacle containing any

alcoholic beverage which has been opened, or a seal broken, or the contents of which have been partially removed

This section shall not apply to the living quarters of a housecar or camper

SEC. 7 Section 23125 of the Vehicle Code is amended to read

23125 (a) The provisions of Sections 23121.5 and 23122 5 shall not apply to passengers in any bus, taxicab or the living quarters of a housecar or camper nor shall Section 23123 apply to the driver or owner of a bus or taxicab

(b) The provisions of Sections 23121, 23121.5, 23122, 23122.5, 23123, and 23123 6 shall not apply to any person who, upon the recommendation of a doctor, carries alcoholic beverages in his motor vehicle for medicinal purposes. Such sections shall also not apply to any clergyman who carries alcoholic beverages in his motor vehicle for religious purposes.

CHAPTER 364

An act to amend Sections 21460 5, 22400, and 27454 of the Vehicle Code, relating to vehicles.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 21460 5 of the Vehicle Code is amended to read

21460 5 (a) The Department of Transportation and local authorities in their respective jurisdictions may designate a two-way left-turn lane on a highway A two-way left-turn lane is a lane near the center of the highway set aside for use by vehicles making left turns in both directions from or into the highway

(b) Two-way left-turn lanes shall be designated by distinctive roadway markings consisting of parallel double yellow lines, interior line dashed and exterior line solid, on each side of the lane. The Department of Transportation may determine and prescribe standards and specifications governing length, width, and positioning of the distinctive pavement markings All pavement markings designating a two-way left-turn lane shall conform to such standards and specifications

(c) A vehicle shall not be driven in a designated two-way left-turn lane except when preparing for or making a left turn from or into a highway or when preparing for or making a U-turn when otherwise permitted by law A left turn or U-turn shall not be made from any other lane where a two-way left-turn lane has been designated

(d) This section shall not prohibit driving across a two-way left-turn lane

(e) Raised pavement markers may be used to simulate painted lines described in this section when such markers are placed in accordance with standards established by the Department of Transportation

This section shall become operative on January 1, 1980.

SEC 2 Section 22400 of the Vehicle Code is amended to read:

22400. (a) No person shall drive upon a highway at such a slow speed as to impede or block the normal and reasonable movement of traffic unless the reduced speed is necessary for safe operation, because of a grade, or in compliance with law.

No person shall bring a vehicle to a complete stop upon a highway so as to impede or block the normal and reasonable movement of traffic unless the stop is necessary for safe operation or in compliance with law

(b) Whenever the Department of Transportation determines on the basis of an engineering and traffic survey that slow speeds on any part of a state highway consistently impede the normal and reasonable movement of traffic, the department may determine and declare a minimum speed limit below which no person shall drive a vehicle, except when necessary for safe operation or in compliance with law, when appropriate signs giving notice thereof are erected along the part of the highway for which a minimum speed limit is established.

Subdivision (b) of this section shall apply only to vehicles subject to registration

SEC 3 Section 27454 of the Vehicle Code is amended to read:

27454. No tire on any vehicle upon any highway shall have on its periphery any block, stud, flange, cleat, ridge, bead, or any other protuberance of metal or wood which projects beyond the tread of the traction surface of the tire.

This section does not apply to the following

(a) Tire chains of reasonable size used to prevent skidding when upon wet surfaces or when upon snow or ice

(b) Pneumatic tires which have embedded therein wire not to exceed 0 075 of an inch in diameter and which are so constructed that under no conditions will the percentage of metal in contact with the roadway exceed 5 percent of the total tire area in contact with the roadway, except that during the first 1,000 miles of use or operation of any such tire, the metal in contact with the roadway may exceed 5 percent of the tire area in contact with the roadway, but shall in no event exceed 20 percent of such area

(c) Vehicles operated upon unimproved roadways when necessary in the construction or repair of highways.

(d) Traction engines or tractors when operated under the conditions of a permit first obtained from the Department of Transportation

(e) Pneumatic tires containing metal-type studs of tungsten carbide or other suitable material and which are so inserted or constructed that under no conditions will the number of studs or the

percentage of metal in contact with the roadway exceed 3 percent of the total tire area in contact with the roadway, between the first day of October and the first day of May. This subdivision shall remain in effect until May 1, 1981, and shall have no force or effect after that date.

SEC. 4 Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction. It is recognized, however, that a local agency may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 365

An act to amend Section 5253 of the Unemployment Insurance Code, relating to work incentive program reports.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 5253 of the Unemployment Insurance Code is amended to read:

5253 The board shall make a report to the Legislature on April 1, 1980, and every six calendar months thereafter on the number of jobs which have been created pursuant to this division, the number of employed, the cost to the state, and the number of persons who enter permanent employment not supported pursuant to this division

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CHAPTER 366

An act to amend Sections 1144 and 1144.5 of the Probate Code, relating to decedents' estates.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1 Section 1144 of the Probate Code is amended to read

1144 The fee to be allowed to the clerk of the court for the filing of the application provided for in Section 1143 shall be set by the court The commission of the public administrator and the fee for his

or her attorney, if any, for the filing of the application and the performance of any duty or service connected therewith shall be 10 percent of the first two thousand five hundred dollars ($2,500) and then as provided in Section 901 for the ordinary services of other administrators and executors. Such sales may be made with or without notice, as the public administrator may elect, and title to the property sold shall pass without the need of confirmation by the court The public administrator shall file with the clerk of the court a statement showing the property of the decedent that came into his hands and the disposition that he made thereof, if any, together with vouchers for all expenditures Any money or other property remaining in the hands of the public administrator shall be delivered to the legatees under the decedent's last will and testament, if any, and in the absence of a will to the next of kin, and, if none, shall, upon petition of the public administrator, be distributed by the court to the State of California

Upon rendition of a court order distributing money or other property to the State of California under the provisions of this section, the public administrator shall forthwith transmit to the State Treasurer or State Controller all money or other property distributed to the State of California, subject to the provisions of Article 1 of Chapter 6 of Title 10 of Part 3 of the Code of Civil Procedure

SEC 2 Section 1144.5 of the Probate Code is amended to read:

1144 5. When a public administrator has taken charge of the estate of a decedent as provided in Section 1140, costs incurred by him for the protection of the estate, together with a reasonable fee for his services of not less than twenty-five dollars ($25) nor more than five hundred dollars ($500) shall be a proper and legal charge as an expense of administration of the estate of the decedent, in case of the subsequent appointment of another person as executor or administrator of the estate

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CHAPTER 367

An act to amend Sections 18288 and 18289 of the Welfare and Institutions Code, relating to child abuse and neglect, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 18288 of the Welfare and Institutions Code is amended to read

18288 (a) The Director of Social Services shall establish

standards for the expenditure of state funds which are provided for the establishment and support of the centers to assure the availability of specialized personnel, resources, and equipment necessary to enable the center to carry out the purposes of this chapter The director shall choose the institution which shall receive state funds to establish and continue such centers from a list of eligible institutions. Upon establishment of such centers the director shall periodically appraise their performance and shall determine whether such centers shall receive continuation grants

Copies of the reports containing such appraisals and determinations shall be submitted to the Legislature

(b) Two centers shall be selected. One center shall be located in southern California and one center shall be located in northern California

SEC. 2. Section 18289 of the Welfare and Institutions Code is amended to read·

18289. The centers may seek, receive, and make use of any funds which may be made available from federal, voluntary, philanthropic, or other sources in order to augment any state funds appropriated for the purposes of this chapter and shall make every attempt to qualify the centers for federal funding under Public Law 93-247.

Each center shall prepare a report at the end of its second year of funding describing the operation and achievement of the center's objectives The report shall be submitted to the director.

The Director of Social Services shall submit a report to the Legislature on or before January 1, 1980.

SEC. 3 The sum of eighty thousand dollars ($80,000) is hereby appropriated from the General Fund to the State Department of Social Services to carry out the purposes of Chapter 4.6 (commencing with Section 18285) of Part 6 of Division 9 of the Welfare and Institutions Code. Such sum shall be allocated for the support of the center located in southern California for the fiscal year 1979–1980, and shall be matched by twenty thousand dollars ($20,000) in local funds.

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 insure the continuation of the programs undertaken by the child abuse pilot project center in southern California it is necessary that this act take effect at the earliest possible date

CHAPTER 368

An act relating to vocational education, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1 There is hereby appropriated for transfer by the State Controller during the 1979–80 fiscal year from the General Fund in the State Treasury to Section A of the State School Fund for apportionment by the Superintendent of Public Instruction to the San Leandro Unified School District, the San Lorenzo Unified School District, and the Castro Valley Unified School District during the 1979–80 fiscal year, an amount not to exceed thirty-seven thousand dollars ($37,000) provided, that such apportionment shall be used exclusively for the purpose of funding the Licensed Vocational Nursing Instructional Program of the Eden Vocational Occupation Center during the 1979–80 fiscal year.

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

The passage of Chapter 292, Statutes of 1978 has caused a shortage of funds to meet the operations cost of the Licensed Vocational Nursing Instructional Program of the Eden Vocational Occupation Center

While similar programs in other regional occupational centers have been guaranteed continuance by community colleges or other agencies, the Licensed Vocational Nursing Instructional Program of the Eden Vocational Occupational Center has not. Without a continuation of funding for this program during the 1979–80 fiscal year, 18 student enrollees, who have completed approximately one-half of the required training program, will be unable to continue their education to become licensed vocational nurses. In order that such services not be interrupted, it is necessary that this act take effect immediately

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CHAPTER 369

An act making an appropriation to the Office of Emergency Services to pay airplane maintenance costs of the Civil Air Patrol

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. The sum of one hundred thousand dollars ($100,000) is hereby appropriated from the General Fund to the Office of Emergency Services for expenditure for the payment of claims submitted by the Civil Air Patrol for airplane maintenance, including normal supplies and repairs as defined in Section 52.40 of the Interim Regulations of the Office of Revenue Sharing, United States Department of the Treasury, Part 52 (commencing with Section 52.0) of Title 31 of the Code of Federal Regulations, governing payments under Title II of the Public Works Employment Act of 1976, Public Law 94-369, as amended by the Intergovernmental Antirecession Assistance Act of 1977, Public Law 95-30; provided, that such maintenance, normal supplies, and repairs are reasonably incident to the emergency services customarily provided by the Civil Air Patrol; and provided further, that such funds shall only be used for airplane maintenance, normal supplies, and repairs of aircraft owned by the Civil Air Patrol.

SEC. 2 The appropriation made by this act shall be reduced to the extent that federal funds are made available for the purposes of this act.

CHAPTER 370

An act to amend Sections 23301, 23324, 23332, 23333, 23334, 23336, 23337, 23337.5, 23338, 23350, 23351, 23352, 23354, 23355, 23359, 23363, 23368, 23369, and 23373 of, to add Section 23330.5 to, to add Article 4 5 (commencing with Section 23374.1) to Chapter 3 of Division 1 of Title 3 of, and to repeal Sections 23356, 23370, 23371, and 31510 of, the Government Code, relating to new counties.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 23301 of the Government Code is amended to read.

23301 As used in this chapter:

(a) "Affected county" means each county from which territory is proposed to be transferred to create a new county.

(b) "Approved county" means the territory to be included in a new county after the registered voters in the affected county or counties have approved the creation of such a new county at a primary election, pursuant to Article 4 (commencing with Section 23350), but before an election is held for purposes of determining the

location of the county seat and the selection of county officers for such new county, pursuant to Article 4.5 (commencing with Section 23374 1)

(c) "Clerk" means the clerk of a county board of supervisors. Where the office of clerk of the board is separate from the office of registrar of voters, "clerk" means the registrar of voters with respect to all duties pertaining to the conduct of elections and the certification of petitions and clerk of the board with respect to all other duties specified in this chapter.

(d) "Commission" means the County Formation Review Commission.

(e) "Indebtedness" means the net obligations of a county arising from contract or through the operation of law, other than short-term operational expenses, but including and not limited to obligations arising under general obligation bonds, leases, joint powers agreements, and similar obligations or contracts entered into by the county prior to the date on which a petition is filed Net obligation shall be deemed to mean the gross obligation outstanding after deduction of offsetting revenues, other than tax revenues.

(f) "Principal county" means the county from which it is proposed that territory with the greatest proportion of assessed value, as shown on the last equalized assessment roll, relative to the total amount of taxable property within the boundaries of a proposed county, is to be transferred to create, in part, that proposed county.

SEC. 1.5. Section 23324 of the Government Code is amended to read

23324. (a) Before circulating any petition pursuant to this article, the proponents shall file with the clerk as provided in Section 23325, a notice of intention to do so. The notice shall be accompanied by a printed statement not exceeding 500 words in length, stating the objectives to be achieved by creating the new county. The notice shall also specify the date of a public hearing, which shall be set not less than 30 days nor more than 60 days after filing of the notice, to be held in an appropriate place, as determined by the clerk of the county from which the new county is to be formed or the clerk of the principal county, as the case may be, for purposes of discussing the placement of the boundaries of the proposed county.

(b) The notice of intention required pursuant to subdivision (a) shall be published by the clerk at least once in a newspaper of general circulation in each affected county It shall also be posted by the clerk in such appropriate public places as determined by the clerk

(c) The clerk shall also act as an impartial moderator of the public hearing required by this section

(d) No petition shall be accepted for filing pursuant to this article unless the signatures thereon shall have been secured within six months of the date on which the first signature on the petition was affixed and such petition is submitted for filing as provided in Section 23325 within 60 days after the last signature is affixed If the time between the date on which the last signature is affixed and the date

on which the petition is submitted for filing exceeds 60 days, or, if any signature on the petition has been secured more than six months from the date on which the first signature was affixed, the petition shall be considered insufficient and shall be filed by the clerk as a public record without prejudice to the filing of a new petition.

(e) No petition shall be circulated pursuant to this article until 60 days after the filing of the notice of intention pursuant to this section.

SEC 2. Section 23330.5 is added to the Government Code, to read·

23330.5 No person shall file a petition pursuant to this article within five years of the date of certification, pursuant to Section 23328, of a prior petition which included in its description of boundaries for the proposed county any territory which is the subject of the new petition The provisions of this section shall not apply to any new petition where the population of any affected county exceeds 5,000,000; however, the provisions of Section 23373 shall be applicable to such a new petition.

SEC 3 Section 23332 of the Government Code is amended to read.

23332. The commission shall determine:

(a) A fair, just and equitable distribution, as between each affected county and the proposed county, of the indebtedness of each affected county.

(b) The fiscal impact of the proposed county creation on each affected county

(c) The economic viability of the proposed county.

(d) The final boundaries of the proposed county, pursuant to Sections 23337, 23337.5, and 23338.

(e) A procedure for the orderly and timely transition of service functions and responsibilities from the affected county or counties to the proposed county

(f) The division of the proposed county into five supervisorial districts.

(g) The division of the proposed county into a convenient and necessary number of judicial, road and school districts, the territory of which shall be defined. To the extent possible, existing judicial, road and school districts located within the territory of the proposed county shall be maintained

(h) The county officials to be elected at the election for such officials.

(i) That the boundaries of the proposed county do not create a territory completely surrounded by any affected county.

(j) The location of the county seat of the proposed county.

SEC. 4. Section 23333 of the Government Code is amended to read·

23333 In determining the fiscal impact of the creation of the proposed county on the affected county or counties and the economic viability of the proposed county, the commission shall consider

(a) The cost of providing services in the proposed county and in each affected county.

(b) Projected revenues available to the proposed county and each affected county

SEC. 4.5. Section 23334 of the Government Code is amended to read·

23334. Except as otherwise provided in this article, the commission may, in determining a fair, just and equitable distribution of the indebtedness of each affected county, as between each affected county and the proposed county, provide for one or more of the following:

(a) The payment of a fixed or determinable amount of money by the proposed county either as a lump sum or in installments, for the acquisition, transfer, use or right of use of any part of the property, real or personal, owned by an affected county at the time a petition was filed pursuant to Section 23325.

(b) The levying or fixing and the collection in the proposed county of (1) special, extraordinary or additional taxes or assessments, or (2) special, extraordinary or additional service charges, rentals or rates, or (3) both; or the issuance and sale of bonds for purposes of providing for any payment required pursuant to subdivision (a) of this section.

(c) The imposition, exemption, transfer, division or apportionment, as between any affected county and the proposed county, of liability for payment of all or any part of principal, interest or any other amounts which shall become due on account of all or any part of any bonds, including revenue bonds, of an affected county which are outstanding or authorized, at the time a petition is filed pursuant to Section 23325, or other contracts or obligations of an affected county; and the levying or fixing and the collection in the proposed county of any (1) taxes or assessments, or (2) service charges, rentals or rates, or, (3) both, as may be necessary to provide for such payment.

In making its determinations, the commission shall ascertain the current indebtedness of each affected county. It shall also ascertain (a) the total assessed value of all property located in each affected county; and (b) the assessed value of the territory of the proposed county. The assessed values used by the commission shall be those shown on the last equalized assessment roll of each affected county.

The commission shall also identify and determine the location and value of all real and personal property owned by each county and located within the boundaries of the proposed county. Any real and personal property identified by the commission pursuant to this section shall become property of the proposed county, should it be established as provided in this chapter, upon settlement of the indebtedness in the manner specified by the commission.

(d) For purposes of this section, the unfunded liability of a county retirement system shall be deemed an indebtedness.

SEC 4 7 Section 23336 of the Government Code is amended to

read·

23336 The commission shall hear any protests and objections to and any support for the creation of the proposed county. Notices of the hearing shall be given pursuant to Section 6061 in a newspaper of general circulation published in each affected county In addition, the board shall cause mailed notice of the hearing to be given to each of the chief petitioners, if any, at least two weeks prior to the date of hearing.

SEC. 5. Section 23337 of the Government Code is amended to read.

23337 On the date and at the time fixed for hearing, the commission shall hear all protests and objections to and all support for the creation of the proposed county, and may grant or deny any requests for exclusion from, or inclusion in, the proposed county filed pursuant to Sections 23337.5 and 23338. The hearing may be continued from time to time during the course of the commission's determinations.

SEC 6. Section 23337 5 of the Government Code is amended to read:

23337.5 At any time prior to the final hearing on the creation of the new county, any owner of real property contiguous to the boundary line of the proposed county may make a written request, filed with the commission, for exclusion of such person's property from, or inclusion of such person's property in, the proposed county. Such a request shall contain sufficient information to identify the property for which the exclusion or inclusion is sought.

SEC 7. Section 23338 of the Government Code is amended to read:

23338 Written requests for exclusion from, or inclusion in, the proposed county of any territory contiguous to the boundary of the proposed county may be filed with the commission by any registered elector of the territory. Such a request shall contain sufficient information to identify the territory for which the exclusion or inclusion is sought

SEC 8. Section 23350 of the Government Code is amended to read:

23350. Upon receiving the commission's determinations, the board of supervisors of each affected county shall order and give proclamation and notice of an election to be held in each affected county on the same specified day which shall be the next statewide primary date not less than 74 days after receipt of the commission's determinations, for the purpose of determining whether the proposed county shall be created, provided, however, that the election may be consolidated with the next statewide primary election

SEC 9 Section 23351 of the Government Code is amended to read

23351 The proclamation and notice of election provided for pursuant to this article shall be published at least once a week for

three weeks commencing not less than 70 days prior to the date of the election in a newspaper of general circulation in each affected county

SEC. 10. Section 23352 of the Government Code is amended to read

23352. If the election for the purpose of determining whether the proposed county shall be created results in such county being created, an election for purposes of determining the location of the county seat and the selection of county officers shall be held in the approved county at the next general election date, as provided in Article 4.5 (commencing with Section 23374 1).

SEC 11. Section 23354 of the Government Code is amended to read.

23354. All qualified electors of each affected county who have been registered electors of the county 30 days prior to the date of the election are entitled to vote at the election. Registration and transfers of registration shall be made and shall close in the manner and at the times provided by law for registration and transfers of registration for a primary election in the state.

SEC 12 Section 23355 of the Government Code is amended to read:

23355. Ballots at the election shall contain the words·

"For the new county of (giving name of proposed county) Yes," and "For the new county of (giving name of proposed county) No " Each voter shall stamp a cross (+) opposite the words "Yes," or "No "

SEC 13. Section 23356 of the Government Code is repealed.

SEC. 14 Section 23359 of the Government Code is amended to read·

23359 The clerk shall cause a ballot pamphlet concerning the proposed county formation to be printed and mailed to each qualified elector of each affected county.

The ballot pamphlet shall contain the following in the order prescribed.

(a) An impartial analysis of the creation of the proposed county prepared by the commission.

(b) A summary of the commission's report on fiscal impact and financial viability

(c) A summary of the commission's terms and conditions

(d) The argument for creation of the proposed county.

(e) The argument against creation of the proposed county.

The clerk shall mail a ballot pamphlet to each qualified elector at least 10 days prior to the date of the election. Such ballot pamphlet is "official matter" within the meaning of Section 10012 of the Elections Code

SEC 15 Section 23363 of the Government Code is amended to read

23363 The board of each affected county shall appoint as election officers three representatives who reside in the affected county

represented and in the boundaries of the proposed new county, and each board shall pay its representatives.

SEC 16 Section 23368 of the Government Code is amended to read

23368 The clerk of each affected county shall, upon the completion of a canvass of the vote, in the county the clerk represents, forward to the board of that county a certified copy of the results of the canvass, giving the number of votes cast in that affected county for the proposition submitted to the electors and the number of votes cast in that affected county against the proposition submitted to the electors

SEC 17 Section 23369 of the Government Code is amended to read

23369. If upon a canvass of the total votes cast in all the affected counties at the election, it appears that within each affected county more than 50 percent of the total number of all votes cast in such affected county, and more than 50 percent of the total number of all votes cast in the proposed county, are in favor of creation of the proposed county, the board of supervisors of the principal county, by resolution, shall·

(a) Declare the results of the election and that the proposed county shall not be deemed created until the election of its officers at the next general election. At such time as the officers of the county are elected and qualified, the proposed county is deemed created, and it shall be responsible for and discharge all the duties, powers and functions of a county as required by law, except as provided in this chapter.

(b) State the effective date or dates upon which the various service responsibilities and functions for the proposed county shall be transferred from each affected county to the proposed county. Such date or dates shall be established in accordance with the terms and conditions established by the commission and in such a manner as to provide for the orderly and expeditious transition of responsibilities and functions but shall in no event exceed two fiscal years from the date on which the proposed county shall be deemed legally created as provided in subdivision (a)

SEC 18 Section 23370 of the Government Code is repealed

SEC 19 Section 23371 of the Government Code is repealed.

SEC 20 Section 23373 of the Government Code is amended to read

23373 If upon a canvass of the votes cast at the election, it appears that the votes cast for creation of the proposed county are 50 percent or less, of the total number of votes cast within each and every affected county, or 50 percent or less of the total number of votes cast within the proposed county, the board of supervisors of the principal county shall, by resolution, declare creation of the proposed county defeated and no further proceedings for creation of a county with substantially the same territory as the proposed county shall be initiated for a period of one year after the date of the election, except

as otherwise provided in Section 23330.5.

SEC. 21 Article 4.5 (commencing with Section 23374.1) is added to Chapter 3 of Division 1 of Title 3 of the Government Code, to read:

Article 4 5. Election to Select County Officers and Location of County Seat in the Approved County

23374.1. If the election for the purpose of determining whether the proposed county shall be created results in such county's creation being approved, an election for purposes of determining the location of the county seat and the selection of county officers shall be held in the approved county at the next statewide general election date. The board of supervisors of each affected county shall order and give proclamation and notice of such election. Such election may be consolidated with the statewide general election.

23374 2. The proclamation and notice of election provided for pursuant to this article shall be published at least once a week for three weeks commencing not less than 70 days prior to the date of the election in a newspaper of general circulation in the approved county

23374 3. The content of the notice of election for the election to select the county officers for the approved county and the location of the county seat in the approved county shall be determined by the board of supervisors of the principal county Such notice of election shall include a statement that any city council in a city within the approved county or any member or members of such council authorized by the council, any qualified elector entitled to vote at the election, any bona fide association of citizens, or any combination of qualified electors and associations may submit and file written arguments with the clerk of the principal county for printing and distribution in the ballot pamphlet, in accordance with Section 3784 of the Elections Code

23374.4 All registered voters residing in the boundaries of the approved county, who have been registered voters of the approved county 30 days prior to the election provided for in this article are entitled to vote in such election Registration and transfers of registration shall be made and shall close in the manner and at the times provided by law for registration and transfers of registration for a general election in the state

23374.5 Ballots at the election provided for in this article shall contain the words

"For _____ as county seat
(name of county seat as determined by commission)
Yes" and

"For _____ as county seat
(name of county seat as determined by commission)
No"

Each voter shall stamp a cross (+) opposite the words "Yes" or "No"

23374 6 Candidates for elective offices of the approved county

shall file nomination papers at the same time and in the same manner as candidates for the governing body of general law counties.

23374.7. The election shall be governed and controlled by the general election laws of the state so far as applicable, except as otherwise provided in this article.

23374 8. The clerk of the principal county shall cause a ballot pamphlet concerning the election of county officers for the approved county and the location of the county seat in the approved county to be printed and mailed to each registered voter of the approved county.

The ballot pamphlet shall contain the following:

(a) The names of the persons to be voted for to fill the county offices designated by the commission.

(b) The argument for the location of the county seat in the approved county.

(c) The argument against the location of the county seat in the approved county

23374 9. The clerk shall also prepare and mail to the registered voters of the approved county a sample ballot. The sample ballot shall be mailed with and at the same time as the ballot pamphlet.

23374.10 The law relating to the preparation, printing, and distribution of sample ballots and general elections does not apply to any election held pursuant to this article

23374.11. Except as otherwise provided by this article, the election shall be conducted as other elections in the principal county.

23374 12. The election officers appointed pursuant to Section 23363 for purposes of the election held to determine whether the proposed county shall be created shall also act in such capacity for purposes of the election held to select county officers for the approved county and the location of the county seat in the approved county.

23374.13 The clerk of the principal county shall furnish to the officers of each precinct in the approved county the supplies and equipment as provided for in Sections 14005 and 14007 of the Elections Code. The clerk of each other affected county shall provide to the officers of each precinct the indexes of registration for the precincts of the approved county within their respective county In addition, the clerk may, with the approval of the board of supervisors, furnish the original books of affidavits of registration or other material necessary to verify signatures.

23374.14 Immediately on the closing of the polls, the election officers shall, in connection with the affected county they represent·

(a) Canvass the ballots.

(b) Make up and certify the tally sheets of the ballots cast.

(c) Seal up the ballots

(d) Attach a statement, signed by each election officer, to the tally sheets showing the number of votes cast, the number of votes cast for each candidate and the numbers of votes cast for and against the proposed location of the county seat in the approved county

23374.15. The clerk of the principal county shall, upon the completion of a canvass of the vote, forward to the board of the principal county a certified copy of the results of the canvass, giving the number of votes cast for each candidate and the number of votes cast for and against the proposed location of the county seat in the approved county

23374 16 Upon receiving a certified copy of the results of the canvass, the board of supervisors of the principal county, by resolution, shall:

(a) Declare the results of the election on the county seat If more than 50 percent of the total number of all votes cast within the approved new county are in favor of the county seat, such location shall be the county seat until removed in the manner provided by law Where the proposed county seat is not affirmed by the voters, the board of supervisors of the approved county shall designate a temporary county seat until removed in the manner provided by law

(b) Name the persons receiving the highest number of votes cast for the several offices to be filled at the general election and declare those persons duly elected to the respective offices and that they shall enter upon the duties of their offices upon election and qualification, and prescribe the amount of the bonds such elected officers shall provide upon taking office

23374.17 The clerk of the principal county shall immediately make out and deliver to each person elected a certificate of election, authenticated by his signature and the seal of the board of the principal county

23374.18 All the officers elected at the election shall hold their offices until the times provided by general law for the election and qualification of such officers, and until their successors are elected and qualified

23374 19 All costs of an election shall first be paid by the principal county. The new county shall then reimburse the principal county for all costs of the election held pursuant to this article.

SEC 22 Section 31510 of the Government Code is repealed

SEC 23 Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to that section nor shall there be an appropriation made by this act because there are savings as well as costs in this act which, in the aggregate, do not result in additional net costs

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CHAPTER 371

An act to add Chapter 2 7 (commencing with Section 800) to Title 2 of Part 2 of Division 2 of the Civil Code, relating to landlord and tenant

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1 Chapter 2 7 (commencing with Section 800) is added to Title 2 of Part 2 of Division 2 of the Civil Code, to read:

CHAPTER 2 7. RECREATIONAL VEHICLE AND TRAILER LAW

800 This chapter shall be known and may be cited as the "Recreational Vehicle and Trailer Law". It shall apply only to a mobilehome or trailer coach, without an engine for locomotion, which is at least 32 feet, but less than 40 feet in length if the tenant has resided continuously in the mobilehome park for nine months after January 1, 1979

800.1 The management shall not terminate or refuse to renew a tenancy, except for a reason specified in this chapter and upon the giving of written notice to the tenant in the manner prescribed by Section 1162 of the Code of Civil Procedure, to remove the mobilehome or trailer coach from the park within a period of not less than 60 days, which period shall be specified in the notice

800.2 A tenancy shall be terminated by the management only for one or more of the following reasons·

(a) Failure of the tenant to comply with a local ordinance or state law or regulation relating to mobilehomes within a reasonable time after the tenant receives a notice of noncompliance from the appropriate governmental agency.

(b) Conduct by the tenant, upon the park premises, which constitutes a substantial annoyance to other tenants.

(c) Failure of the tenant to comply with a reasonable rule or regulation of the park as set forth in the rental agreement or any amendment thereto

No act or omission of the tenant shall constitute such a failure to comply unless and until the management has given the tenant written notice of the alleged rule or regulation violation and the tenant has failed to adhere to the rule or regulation within seven days

(d) Nonpayment of rent, utility charges, or reasonable incidental service charges

(e) Condemnation of the park.

(f) Change of use of the park, provided.

(1) The management gives the tenants written notice of the proposed change 12 months or more before the date of the proposed change

(2) The management gives each proposed tenant whose tenancy will commence within 12 months of the proposed change, written notice thereof prior to the inception of his tenancy

The notice requirement for termination of tenancy set forth in

Sections 800.1, 800 2, and 800.3 shall be followed if the proposed change actually occurs.

800 3. The management shall set forth in a notice of termination, the reason relied upon for the termination with specific facts to permit determination of the date, place, witnesses, and circumstances concerning that reason. Neither reference to the section number or a subdivision thereof, nor a recital of the language in this chapter shall constitute compliance with this section.

CHAPTER 372

An act to add Part 6 (commencing with Section 36500) to Division 18 of the Streets and Highways Code, relating to parking and improvement areas, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Part 6 (commencing with Section 36500) is added to Division 18 of the Streets and Highways Code, to read:

PART 6. PARKING AND BUSINESS IMPROVEMENT AREA LAW OF 1979

CHAPTER 1. GENERAL

36500. The purpose of this part is to authorize cities to impose assessments or charges, or both, on business within a parking and business improvement area which is in addition to any assessments, fees, charges, or taxes imposed in the city and to use such proceeds for the benefit of businesses within such parking and business improvement area by doing any of the following:

(a) The acquisition, construction, or maintenance of parking facilities for the benefit of the area.

(b) Decoration of any public place in the area.

(c) Promotion of public events which are to take place on or in public places in the area

(d) Furnishing of music in any public place in the area.

(e) The general promotion of business activities in the area.

36501. "Parking and business improvement area," or "area," as used in this part, means an area designated as provided in this part

36502 "Business," as used in this part, means all types of business, including professions.

36503 The city council shall have sole discretion to expend the revenues derived from assessments or charges within the scope of

the purposes set forth in Section 36500. The city council may designate existing advisory boards or commissions to make recommendations as to the expenditure of such funds, or the council may create a new advisory board or commission for such purpose. The city council may limit membership of such advisory board to persons paying the assessments or charges under this part.

36504. "Assessment" means a levy for the purpose of obtaining funds to construct physical improvements which will benefit a parking and business improvement area.

36505. "Charge" means a levy for the purpose of providing services and for programs which will benefit a parking and business improvement area.

36506. Both assessments and charges may be levied on a business.

36507. This part is intended to be construed liberally and, in the event any provision thereof should be held invalid, the remaining provisions shall remain in full force and effect. However, if the provisions of this part respecting the levying of fees or charges are held invalid in any area within which taxes have been levied pursuant to Part 5 (commencing with Section 36000) of this division, such taxes shall be automatically reimposed in an identical amount and upon the same businesses as a matter of law and no break in the imposition of any such tax shall be deemed to have occurred.

CHAPTER 2 ESTABLISHMENT

36520. A parking and business improvement area may be established as provided in this chapter.

36521. The city council shall adopt a resolution of intention to establish an area. The resolution shall contain all of the following information:

(a) A description of the boundaries of the proposed area.

(b) The time and place of a hearing to be held by the city council to consider establishment of an area.

(c) The proposed uses to which the proposed revenue shall be put.

(d) A description of the system of assessments or charges which will be used and the businesses upon which the levy will be made If a classification system is used in making assessments or charges there shall be included a description by class or business of the classification system to be used

36522. Notice of a hearing held under Section 36521, 36561, or 36580 shall be given by both of the following

(a) One publication of the resolution of intention in a newspaper of general circulation in the city

(b) Mailing of a complete copy of the resolution of intention to each business in the proposed, or established, area

Publication and mailing shall be completed at least 10 days prior to the time of the hearing

36523 Whenever a hearing is held under this part, the city

council shall hear all protests and receive evidence for or against the proposed action The city council shall also rule upon all protests and its determination shall be final. The city council may continue the hearing from time to time. Proceedings shall terminate if a protest is made by businesses in the proposed area which will pay a majority of the assessments or charges proposed to be imposed.

36524. If the city council decides to change the boundaries of the proposed area, the hearing shall be continued to a time at least 15 days after such a decision. Notice of the continued hearing shall be given as prescribed in Section 36522, showing the boundary amendments; but no resolution of intention is required.

36525 If the city council, following the hearing, decides to establish the proposed area, it shall adopt an ordinance to that effect. This ordinance shall contain all of the following information.

(a) The number, date, and title of the resolution of intention pursuant to which it was adopted.

(b) The time and place the hearing was held concerning the formation of the area.

(c) The description of the boundaries of the area.

(d) A statement that the businesses in the area established by the ordinance shall be subject to any amendments to this part.

(e) The description of the system of assessments or charges to be imposed, with a breakdown by classification of business if such classification is used.

(f) A statement that a parking and business improvement area has been established

(g) The uses to which the revenue shall be put.

(h) A finding that the businesses lying within the business and improvement area, in the opinion of the city council, will be benefited by the expenditure of the funds raised by the assessments or charges proposed to be levied.

36526 The city council may, for each of the purposes set forth in Section 36521, establish and modify one or more separate benefit zones based upon the degree of benefit derived from the purpose and may impose a different assessment or charge within each of the benefit zones

36527. All provisions of this part applicable to the establishment or disestablishment of an area shall apply to the establishment, modification, or disestablishment of benefit zones pursuant to Section 36526 The establishment or the modification of any benefit zone shall follow the same procedure as provided for the establishment of a parking and business improvement area and the disestablishment of a benefit zone shall follow the same procedure as provided for disestablishment of an area.

36528 The city council may modify the boundaries, assessments, or charges established pursuant to this part. The modifications shall be made pursuant to the requirements of this part No assessment or charge shall be modified which would impair the ability of the area to meet the obligation of a contract to construct or operate physical

improvements.

Chapter 3. Classification of Businesses

36540. For purposes of the assessments or charges to be imposed pursuant to this part, the city council may make a reasonable classification of business, giving consideration to various factors, including general benefit to businesses and the degree of benefit received from parking programs only.

36541. A business recently established in the area may be exempted from the assessments or charges imposed pursuant to this part, for a period not exceeding one year from the date the business commenced in the area.

Chapter 4. Assessments and Charges

36560. The collection of the assessments or charges imposed pursuant to this part may be made at the same time and in the same manner as any other levy by the city on such business or in such other manner as the city council shall determine.

36561. Changes may be made in the assessments or charges, or in the uses to which the revenue shall be put, as specified in the ordinance establishing the area. Such changes shall be made by ordinance adopted after a hearing before the city council.

The city council shall adopt a resolution of intention to change assessments or charges, or the uses to which the revenue shall be put, at least 15 days prior to the hearing required by this section. The resolution shall specify the proposed change and shall give the time and place of the hearing.

36562. The assessments or charges levied on businesses pursuant to this part shall, to the maximum extent feasible, be levied on the basis of the estimated benefit to the businesses within the parking and business improvement area.

36563. The assessments or charges need not be imposed on the different classes established pursuant to Chapter 3 (commencing with Section 36540) of the business on the same basis or at the same rate However, the assessments or charges imposed for the purpose of the acquisition, construction, or maintenance of parking facilities for the benefit of the area shall be imposed on the basis of benefit determined by the city council after giving consideration to (a) the total cost to be recovered from the businesses upon which the assessment or charge is to be imposed, (b) the total area within the boundaries of the parking and business improvement area, (c) the assessed value of the land and improvements within the area, (d) the total business volume generated within the area, and (e) such other factors as the city council may find and determine to be a reasonable measure of benefit from the construction or maintenance of parking facilities

CHAPTER 5. DISESTABLISHMENT

36580 The city council may disestablish an area by ordinance after a hearing before the city council.

The city council shall adopt a resolution of intention to disestablish the area at least 15 days prior to the hearing required by this section. The resolution shall give the time and place of the hearing.

36581 Upon disestablishment of an area, any proceeds of the assessments or charges or the assets acquired with such proceeds, shall be subject to disposition as the city council shall determine.

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 and shall go into immediate effect. The facts constituting such necessity are:

Parking and business improvement areas provide vital services which are necessary for the benefit of the business and commercial activity of the state In order for these vital services not to be discontinued because of a lack of revenue, it is necessary that this act take effect immediately

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CHAPTER 373

An act to amend Sections 2491, 2507, 2532.2, 2537, 2736.5, 3906, 6787, 9889 61, 10100, 10153.7, 10156, 10156.2, 10171, 10171 2, 10201, 10209.5, 10210, 10214.5, 10215, 10216.5, 10239 35, 17910, 20880.5, and 23957 of, to amend and renumber Sections 2160, as amended and renumbered by Chapter 1161 of the Statutes of 1978, 2525.17, as added by Chapter 267 of the Statutes of 1975, 2530, as added by Chapter 1191 of the Statutes of 1977, 24045 3, as added by Chapter 400 of the Statutes of 1975, the heading of Article 12 (commencing with Section 850) of Chapter 1 of Division 2 of, and the heading of Article 3 (commencing with Section 7339) of Chapter 10 of Division 3 of, to add Article 10.5 (commencing with Section 725) to Chapter 1 of Division 2 of, and to repeal Sections 700, as added by Chapter 509 of the Statutes of 1977, 2193.78, 7327, 7328, 7430.5, 7514.2, as added by Chapter 892 of the Statutes of 1974, 7514 2, as added by Section 2 of Chapter 1214 of the Statutes of 1974, and 10206.5 of, the Business and Professions Code, to amend Sections 3334, and 5110 of, and to repeal Sections 22.3, 227aa, and 718c, Title 4 (commencing with Section 504) of Part 4 of Division 1, the heading of Title 7 of Part 4 of Division 2, as enacted in 1872, Title 11 (commencing with Section 2527) of Part 4 of Division 3, and the heading of Chapter 4 of Title 14 of Part 4 of Division 3, as enacted in 1872, of, the Civil Code, to amend Sections 337 15, 682 1, and 690.3 of, to add Section 1062.5 to, and to repeal Section 583 1 of, the Code of Civil Procedure, to amend Section 6106 of the Commercial Code, to amend Sections 6321, 7235, 14073, 15507, and 25013 of, and to repeal Part 9 (commencing with Section 25800)

of Division 1 of Title 4 of, the Corporations Code, to amend Sections 16404, 16405, 16409, 17728, 22727, 23010, 42840, 45105, 49071, 52314, 56038, 59201, 66017, 81165, 81363.5, 81523, 81528, 81529, 81530, 87214, 87483, 87603, 87662, 87781, 89304, and 94121 and the heading of Chapter 3 (commencing with Section 41300) of Part 24, of, to amend and renumber Section 52331, as added by Chapter 549 of the Statutes of 1977, the heading of Article 7 (commencing with Section 42800) of Chapter 10 of Part 24, and the heading of Article 3 (commencing with Section 52045) of Chapter 6 of Part 28, of, to add a heading immediately preceding Section 17700, to, and Article 9 (commencing with Section 32380) to Chapter 3 of Part 19 of, and to repeal Section 52171.5 and Article 8 (commencing with Section 32370) of Chapter 3 of Part 19, as added by Chapter 1114 of the Statutes of 1978, of, the Education Code, to amend Section 707.7 of, and to repeal Section 15793 of, the Elections Code, to amend Sections 1237, 1503, and 18368 of the Financial Code, to amend Sections 5700 and 5701 of, to amend and renumber the heading of Article 1 (commencing with Section 7290) of Chapter 2 of Part 2 of Division 6 of, to add a heading immediately preceding Section 7256 of, and to repeal Section 8836.4 and Article 6 (commencing with Section 6550) of Chapter 5 of Part 1 of Division 6 of, the Fish and Game Code, to amend Sections 34592, 35971, 58382, 61832, 66681, and 67023, the heading of Article 2 (commencing with Section 7301) of Chapter 1 of Part 4 of Division 4, the heading of Article 3 (commencing with Section 34261) of Chapter 9 of Part 1 of Division 15 and the heading of Article 7 (commencing with Section 36991) of Chapter 2 of Part 3 of Division 15, of, and to amend and renumber Section 14670 of, the Food and Agricultural Code, to amend Sections 7 5, 7 6, 7 8, 6253, 7465, 11011.1, 11427, 14876, 14998.7, 16260, 16280, 16304, 16304 6a, 16430, 18021.7, 18051, 20009.1, 20930.85, 21228, 25831, 27281, 27285, 27288 1, 27491 5, 31595 2, 31836 1, 35225, 35421, 45308.3, 50926, 51082, 51100, 53609, 53735, 54307, 70045 77, and 82028 and the heading of Part 5 (commencing with Section 22751) of Division 5 of Title 2 of, to amend and renumber Sections 8220, 8221, 8222, 8223, 8224, and 8225, all as added by Chapter 579 of the Statutes of 1977, 8524, as amended and renumbered by Chapter 1625 of the Statutes of 1967, 50280 and 50281, both as added by Chapter 1232 of the Statutes of 1972, 68513, as added by Chapter 1126 of the Statutes of 1974, 68513, as added by Chapter 1266 of the Statutes of 1974, 68514, as added by Chapter 733 of the Statutes of 1974, and 74694, as added by Chapter 1474 of the Statutes of 1976, the heading of Chapter 8 (commencing with Section 4500) of Division 5 of Title 1, the heading of Chapter 8 (commencing with Section 5700) of Division 6 of Title 1, the heading of Chapter 17 5 (commencing with Section 7301) of Division 7 of Title 1, the heading of Chapter 11 (commencing with Section 54965) of Part 1 of Division 2 of Title 5 of, and the heading of Chapter 10 (commencing with Section 54970) of Part 1 of Division 2 of Title 5 of, and to repeal Section 22201 7, as added by Chapter 107 of the Statutes of 1973, and Chapter 2 5 (commencing with Section 8110)

of Division 1 of Title 2 of, the Government Code, to repeal Chapter 5 (commencing with Section 160) of Division 1.5, the headings of Article 1 (commencing with Section 7140) of Chapter 5 of Part 7 of Division 8 and Article 1 (commencing with Section 7340) of Chapter 9 of Part 7 of Division 8 of the Harbors and Navigation Code, to amend Sections 103, 151, 321.2, 324.2, 429.35, 436.31, 437.10, 441.3, 1277, 1343, 1580, 1760, 1760.6, 1765, 24175, 32359, 44532.2, 50531, and 50697, of, to amend and renumber Sections 1155.7, as added by Chapter 1364 of the Statutes of 1974, the first 11971, as added by Chapter 1252 of the Statutes of 1977, 19940.5, 41312, 41360, 42031, the heading of Part 6 (commencing with Section 36000) of Division 24, and the heading of Article 2 (commencing with Section 40420) of Chapter 5.5 of Part 3 of Division 26, to add Sections 50517 and 51350 to, and to repeal Sections 50517, as amended and renumbered by Chapter 380 of the Statutes of 1978, 50517, as amended by Chapter 1351 of the Statutes of 1978, 50913, 51000, 51350, as amended and renumbered by Chapter 380 of the Statutes of 1978, 51350, as amended by Chapter 1318 of the Statutes of 1978, and 51654, Article 5 (commencing with Section 11850) of Chapter 1 of Part 2 of Division 10.5, as added by Chapter 380 of the Statutes of 1978, Article 5 (commencing with Section 11850) of Chapter 1 of Part 2 of Division 10.5, as added by Chapter 429 of the Statutes of 1978, and Chapter 7 (commencing with Section 41260) of Part 2 of Division 31 of, the Health and Safety Code, to amend Sections 1152, 1858.2, 11520, 11630, 12640.07, 12744, and 12975.7 of, the heading of Part 3 (commencing with Section 11550) of Division 2 of, the headings of Chapter 2 (commencing with Section 11630) and Chapter 3 (commencing with Section 11690) of Part 3 of Division 2 of, to amend and renumber Section 11512.15, as added by Chapter 1322 of the Statutes of 1978, and Section 11656.7, as added by Chapter 463 of the Statutes of 1978, of, the Insurance Code, to amend Sections 1174, 1175, 1195, 1394, 1861, and 6324 of, the heading of Article 5 (commencing with Section 1860) of Chapter 1 of Part 7 of Division 2, and the headings of Division 4 (commencing with Section 3200) and Division 4.5 (commencing with Section 6100) of, the Labor Code, to repeal Division 3.5 (commencing with Section 660) of the Military and Veterans Code, to amend Sections 272, 597, 830 4, 2931, 4532, 5076.1, and 11161 5, and the heading of Chapter 5 (commencing with Section 1029) of Title 6 of Part 2 of, to amend and renumber Sections 502½ and 13517, as added by Chapter 1225 of the Statutes of 1978, and the heading of Chapter 11 (commencing with Section 548) of Title 13 of Part 1 of, and to repeal Sections 2054.5, 2079 5, 2729, as added by Chapter 46 of the Statutes of 1943, and 11050.5, as added by Section 2.5 of Chapter 790 of the Statutes of 1978, and Article 6 (commencing with Section 2800) of Chapter 5 of Title 1 of Part 3 of, the Penal Code, to amend the heading of Division 2a (commencing with Section 260) of, to amend and renumber the heading of Chapter 11 (commencing with Section 190) of Division 1, as added by Chapter 990 of the Statutes of 1972, of, and to add a heading immediately preceding Section 1435 1 of, the Probate Code,

to amend Sections 9962 and 25402 1 of, and to repeal Section 6226, as added by Chapter 1210 of the Statutes of 1975, of, the Public Resources Code, to amend Sections 311, 1408, and 1904.2 of, to amend and renumber Section 12823, as added by Chapter 14 of the Statutes of 1978 and the headings of Chapter 9 (commencing with Section 2821) and Chapter 8 (commencing with Section 2851) of Part 2 of Division 1 of, and to repeal Sections 21669.5 and 96151 1 of, the Public Utilities Code, to amend Sections 423, 8101 6, 20605, and 30321 of, amend and renumber Section 17228, as added by Chapter 1079 of the Statutes of 1977, and Sections 17237.5 and 24380, as added by Chapter 1132 of the Statutes of 1977, of, and to repeal Sections 8657, 17202 2, 17202 3, 24343.5, 24343 6, and 25402.5, as added by Chapter 848 of the Statutes of 1971, of, the Revenue and Taxation Code, to amend Section 191 of, and to amend and renumber Sections 906.5, as added by Chapter 68 of the Statutes of 1978, and 2107.1, as added by Chapter 1153 of the Statutes of 1973, of, the Streets and Highways Code, to amend Sections 312, 315, 316, 325, 326, 401, 1031, 1094, 1253.2, 1258.5, 1326, 1327, 1329, 1331, 1339, 2113, 2606, 2701, 2706 1, 2707, 2707.1, 2782, 3267, 3654, 4004, 4654, 5001, and 5002, and the heading of Chapter 2 (commencing with Section 9500) of Part 1 of Division 3 of, and to amend and renumber Section 1265 7, as added by Chapter 1156 of the Statutes of 1977, of, the Unemployment Insurance Code, to amend Sections 1662, 10652, 11509.5, 11615.5, 11810, 13000, 17302, 21104, 21207 5, 22452.5, 23102 3, 25802, 27157, 40001, 41603, and 42001 of, to amend and renumber Section 11713 1, as added by Chapter 996 of the Statutes of 1973, of, and to repeal Chapter 1 5 (commencing with Section 11200) of Division 5 of, the Vehicle Code, to amend Section 1050 of, to amend and renumber Sections 13990, 13991, and 13992, all as added by Chapter 322 of the Statutes of 1978, and 50903, as added by Chapter 1108 of the Statutes of 1978, of, and to repeal Sections 35950 1, 35950 2, 35950.3, 35950 4, 35950 5, 35950.6, 35950.7, 36433, and 36434, all as added by Chapter 2 of the Statutes of 1968, and 55668 1 of, the Water Code, to amend Sections 206, 207, 908, 1710, 1776, 4002, 4121, 4133, 4308, 4420, 4505, 4570, 4646, 5008 1, 5117, 5118, 5157, 5225, 5328, 5328 8, 5622, 6000 5, 6250, 6316 1, 11006, 11008.4, 11257, 11481, 11483, 14022, 14024, 14103 4, 14104 5, 14105 5, 14132 1, 14133, 14171, 14172, 14203, 14301, 14314, 15301, 15325, 15375, 15376, 15402, 15406, 15450, 15452, 16148, 16149, 16151, 18251, 18289, 18327 3, 18328, 18954, 19001, 19013, and 19014 of, to amend and renumber the heading of Article 5 (commencing with Section 6500) of Chapter 2 of Part 2 of Division 6, and the headings of Chapter 2 (commencing with Section 7100), Chapter 3 (commencing with Section 7200), Chapter 4 (commencing with Section 7500), Chapter 5 (commencing with Section 7600), and Chapter 6 (commencing with Section 7700) of Division 7 of, and to repeal Division 25 (commencing with Section 25000) of, the Welfare and Institutions Code, to amend Section 2 of Chapter 19, Section 1 of Chapter 74, and Section 6 of Chapter 224, of the Statutes of 1978, to repeal Section 1 of Chapter 207 of the Statutes of 1976, to repeal Division 30 (commencing with Section

30000) of the Business and Professions Code, Division 20 (commencing with Section 50000) of the Financial Code, Title 50 (commencing with Section 500000) of the Government Code, Division 20 (commencing with Section 10000) of the Harbors and Navigation Code, Division 6 (commencing with Section 15000) of the Insurance Code, Division 6 (commencing with Section 12000) of the Labor Code, Division 10 (commencing with Section 2000) of the Military and Veterans Code, Division 50 (commencing with Section 50001) of the Public Resources Code, Division 30 (commencing with Section 50001) of the Revenue and Taxation Code, Division 50 (commencing with Section 50000) of the Streets and Highways Code, Division 10 (commencing with Section 100000) of the Unemployment Insurance Code, Division 50 (commencing with Section 150001) of the Water Code, and Division 20 (commencing with Section 20000) of the Welfare and Institutions Code, and to repeal various obsolete headings standing alone in the Business and Professions Code, the Civil Code, the Code of Civil Procedure, the Military and Veterans Code, the Penal Code, the Public Resources Code, the Vehicle Code, and the Water Code, relating to maintenance of the codes.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 700 of the Business and Professions Code, as added by Chapter 509 of the Statutes of 1977, is repealed.

SEC. 2. Article 10.5 (commencing with Section 725) is added to Chapter 1 of Division 2 of the Business and Professions Code, to read:

Article 10 5. Unprofessional Conduct

725. Repeated acts of clearly excessive prescribing or administering of drugs or treatment, repeated acts of clearly excessive use of diagnostic procedures, or repeated acts of clearly excessive use of diagnostic or treatment facilities as determined by the standard of the local community of licensees is unprofessional conduct for a physician and surgeon licensed pursuant to Chapter 5 (commencing with Section 2000) of Division 2 or referred to in Section 3600, dentist, podiatrist, psychologist, physical therapist, chiropractor, or optometrist.

SEC 3. The heading of Article 12 (commencing with Section 850) of Chapter 1 of Division 2 of the Business and Professions Code is amended and renumbered to read

Article 13. Standards for Licensure or Certification

SEC 4. Section 2160 of the Business and Professions Code, as amended and renumbered by Chapter 1161 of the Statutes of 1978, is amended and renumbered to read:

2159.1. The performance of acupuncture by an unlicensed person, alone or in conjunction with other forms of traditional Chinese medicine, when carried on in a program affiliated with and under the jurisdiction of an approved medical school for the primary purpose of scientific investigation of acupuncture, shall not be in violation of this chapter, but such procedures shall be carried on only under the supervision of a licensed physician and surgeon.

Any medical school conducting research into acupuncture under the provisions of this section shall report to the Legislature annually on the fifth legislative day of the regular session of the Legislature concerning the results of such research, the suitability of acupuncture as a therapeutic technique, and performance standards for persons who perform acupuncture.

SEC. 5. Section 2193.78 of the Business and Professions Code is repealed.

SEC 6. Section 2491 of the Business and Professions Code is amended to read:

2491. An applicant, whose application is based upon a license to practice osteopathy under the provisions of Chapter 99 of the Statutes of 1901, relating to the practice of osteopathy, or upon a license to practice osteopathy under the provisions of Chapter 212 of the Statutes of 1907, relating to the practice of medicine and surgery and osteopathy, may be granted an oral, practical or clinical examination for a physician's and surgeon's certificate

He shall submit testimonials of good moral character, satisfactory to the board, and a diploma issued by a legally chartered school approved by the board, or evidence satisfactory to the board of having possessed one, and show that he is the lawful holder of the diploma and that it was procured in the regular course of instruction and examination without fraud or misrepresentation.

His application shall be accompanied by the fee required by this chapter It may be filed two weeks prior to a special meeting as well as two weeks prior to a regular meeting of the board. He shall comply with all other requirements necessary for the physician's and surgeon's certificate except that, in lieu of the educational qualifications necessary, the board shall accept satisfactory proof of actual practice in the system of treatment known and designated as osteopathy for a period of four years

SEC 7 Section 2507 of the Business and Professions Code is amended to read

2507 A medical corporation shall not do or fail to do any act the doing of which or the failure to do which would constitute unprofessional conduct under any statute, rule or regulation now or hereafter in effect In the conduct of its practice, it shall observe and

be bound by such statutes, rules and regulations to the same extent as a person holding a certificate under Section 2135 or 2491. The Division of Licensing and the Division of Allied Health Professions shall have the same powers of suspension, revocation and discipline against a medical corporation as are now or hereafter authorized by Section 2360 of this code, or by any other similar statute against individual licensees, provided, however, that proceedings against a medical corporation 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

Notwithstanding any other provision of law, the offering and operation by a medical corporation of a health care service plan licensed pursuant to the provisions of Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code is hereby authorized. For such purpose a medical corporation may employ, or enter into contracts or other arrangements with, any person or persons authorized to practice any system of the healing arts, but no such employment, contract, or arrangement shall provide for the rendering, supervision, or control of professional services other than as authorized by law

SEC 8 Section 2525 17 of the Business and Professions Code, as added by Chapter 267 of the Statutes of 1975, is amended and renumbered to read

2525 26 (a) A licensed podiatrist, or group of podiatrists, or podiatric corporation shall not share in any fee charged by a person for performing acupuncture or receive anything of value from or on behalf of such acupuncturist for any referral or diagnosis

(b) A licensed podiatrist shall not employ more than one person to perform acupuncture services.

(c) A group of podiatrists or a podiatric corporation shall not employ more than one person to perform acupuncture services for every 20 podiatrists in such group or corporation.

SEC 9 Section 2530 of the Business and Professions Code, as added by Chapter 1191 of the Statutes of 1977, is amended and renumbered to read

2529 5 Each person to whom registration is granted under the provisions of this chapter shall pay into the Contingent Fund of the Board of Medical Quality Assurance of the State of California a fee to be fixed by the Division of Allied Health Professions at a sum not in excess of one hundred dollars ($100)

The registration shall expire after two years. The registration may be renewed biennially at a fee to be fixed by the Division of Allied Health Professions at a sum not in excess of fifty dollars ($50) Students seeking to renew their registration shall present to the Division of Allied Health Professions evidence of their continuing student status

The money in the Contingent Fund of the Board of Medical Quality Assurance of the State of California necessary for the

administration of this chapter is hereby continuously appropriated for such purposes.

SEC 10 Section 2532.2 of the Business and Professions Code is amended to read.

2532.2. To be eligible for licensure by the committee as a speech pathologist or audiologist, the applicant shall possess all of the following qualifications:

(a) Possess at least a master's degree in speech pathology or audiology from an educational institution approved by the committee or qualifications deemed equivalent by the committee

(b) Submit transcripts from an educational institution approved by the committee evidencing the successful completion of at least 60 semester hours of courses related to the normal development, function, and use of speech, hearing, and language; and courses that provide information about, and training in, the management of speech, hearing, and language disorders. At least 24 semester units shall be in the field for which the license is sought. These 24 units do not include credit for thesis, dissertation or clinical practice

(c) An applicant shall submit evidence of the completion of supervised clinical experience with individuals representative of a wide spectrum of ages and communication disorders. The committee shall establish by regulation the required number of clock hours, not to exceed 300 clock hours, of supervised clinical experience necessary for such applicant

(d) An applicant shall submit evidence of no less than nine months of satisfactorily completed supervised full-time experience or 18 months of part-time experience obtained under the supervision of a licensed speech pathologist or audiologist or a speech pathologist or audiologist having qualifications deemed equivalent by the committee This experience shall be evaluated and approved by the committee It shall follow completion of requirements listed in subdivisions (a), (b), and (c). Full time is defined as at least nine months in a calendar year and a minimum of 30 hours per week Part time is defined as a minimum of 18 months and a minimum of 15 hours per week

(e) Pass an examination or examinations approved by the committee The committee shall determine the subject matter and scope of such examinations and may waive the examination upon evidence that the applicant has successfully completed an examination approved by the committee Written examinations may be supplemented by such oral examinations as the committee shall determine An applicant who fails his examination may be reexamined at a subsequent examination upon payment of the reexamination fee required by this chapter

SEC 11 Section 2537 of the Business and Professions Code is amended to read

2537 An audiology corporation is a corporation which is registered with the Speech Pathology and Audiology Examining Committee of the Division of Allied Health Professions of the Board

of Medical Quality Assurance with reference to corporations rendering professional services as audiologists and has a currently effective certificate of registration from the board pursuant to the Professional Corporation Act, as contained in Part 4 (commencing with Section 13400) of Division 3 of Title 1 of the Corporations Code, and this article. Subject to all applicable statutes, rules and regulations, such audiology corporation is entitled to practice audiology. With respect to an audiology corporation, the governmental agency referred to in the Professional Corporation Act is the Division of Allied Health Professions of the Board of Medical Quality Assurance with reference to corporations rendering professional services as audiologists. As used in this article, the "board" refers to the Division of Allied Health Professions of the Board of Medical Quality Assurance, and the "committee" refers to the Speech Pathology and Audiology Examining Committee.

SEC. 12. Section 2736.5 of the Business and Professions Code is amended to read·

2736 5. (a) Any person who has served on active duty in the medical corps of any of the armed forces of the United States and who has successfully completed the course of instruction required to qualify him for rating as a medical service technician—independent duty, or other equivalent rating in his particular branch of the armed forces, and whose service in the armed forces has been under honorable conditions, may submit the record of such training to the board for evaluation.

(b) If such person meets the qualifications of paragraphs (1) and (3) of subdivision (a) of Section 2736, and if the board determines that his education and experience would give reasonable assurance of competence to practice as a registered nurse in this state, he shall be granted a license upon passing the standard examination for such licensure

(c) The board shall, by regulation, establish criteria for evaluating the education and experience of applicants under this section

(d) The board shall maintain records of the following categories of applicants under this section·

(1) Applicants who are rejected for examination, and the areas of such applicants' preparation which are the causes of rejection

(2) Applicants who are qualified by their military education and experience alone to take the examination, and the results of their examinations.

(3) Applicants who are qualified to take the examination by their military education and experience plus supplementary education, and the results of their examinations

(e) The board shall attempt to contact by mail or other means individuals meeting the requirements of subdivision (a) who have been or will be discharged or separated from the armed forces of the United States, in order to inform them of the application procedure provided by this section The board may enter into an agreement with the federal government in order to secure the names and

addresses of such individuals

SEC. 13 Section 3906 of the Business and Professions Code is amended to read

3906 A person who serves as an administrator of a nursing home which is exempt from licensing pursuant to subdivision (a) of Section 1270 of the Health and Safety Code, shall be exempt from the provisions of this chapter.

SEC. 14 Section 6787 of the Business and Professions Code is amended to read

6787 Every person is guilty of a misdemeanor and for each offense of which he is convicted is punishable by a fine of not more than five hundred dollars ($500) or by imprisonment not to exceed three months, or by both fine and imprisonment:

(a) Who, unless he is exempt from registration under this chapter, practices or offers to practice civil, electrical or mechanical engineering in this state according to the provisions of this chapter without legal authorization.

(b) Who presents or attempts to file as his own the certificate of registration of another.

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

(d) Who impersonates or uses the seal of any other practitioner.

(e) Who uses an expired or revoked certificate of registration.

(f) Who shall represent himself as, or use the title of, registered civil, electrical or mechanical engineer, or any other title whereby such person could be considered as practicing or offering to practice civil, electrical or mechanical engineering in any of its branches, unless he is correspondingly qualified by registration as a civil, electrical or mechanical engineer under this chapter.

(g) Who, unless appropriately registered, manages, or conducts as manager, proprietor, or agent, any place of business from which civil, electrical or mechanical engineering work is solicited, performed or practiced

(h) Who uses the title, or any combination of such title, of "professional engineer," "registered engineer," "chemical engineer," "civil engineer," "electrical engineer," "industrial engineer," "mechanical engineer," "metallurgical engineer," "petroleum engineer," "structural engineer," or "engineer-in-training," or the titles in such other branches as the board may establish, or who makes use of any abbreviation of such title which might lead to the belief that he is a registered engineer, without being registered as required by this act.

(i) Who uses the title "consulting engineer" without being registered as required by this act or without being authorized to use such title pursuant to legislation enacted at the 1963, 1965 or 1968 Regular Session

(j) Who violates any provision of this chapter.

SEC 15 Section 7327 of the Business and Professions Code is repealed

SEC 16 Section 7328 of the Business and Professions Code is repealed

SEC 17 The heading of Article 3 (commencing with Section 7339) of Chapter 10 of Division 3 of the Business and Professions Code is amended and renumbered to read

Article 3.5 Practice of Electrology

SEC 18 Section 7430 5 of the Business and Professions Code is repealed.

SEC. 19 Section 7514.2 of the Business and Professions Code, as added by Chapter 892 of the Statutes of 1974, is repealed.

SEC 20 Section 7514.2 of the Business and Professions Code, as added by Section 2 of Chapter 1214 of the Statutes of 1974, is repealed

SEC. 21. Section 9889 61 of the Business and Professions Code is amended to read·

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, except that the department may waive fees for the inspection of motor vehicles conducted pursuant to subdivision (a) of Section 9889.55. The revenues from such fees shall be deposited in the Vehicle Inspection Fund, which shall be available to the department to carry out its functions and duties specified in this chapter upon appropriation by the Legislature. The fees charged 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 State Transportation Fund for all appropriations made for the design, adoption, implementation, and operation of the inspection program established by this chapter.

(c) If the department determines that the collection of inspection fees at the time the motor vehicles are inspected is not safe or economical to the state, the department may request the Department of Motor Vehicles to collect, and in such a case the Department of Motor Vehicles shall collect, the fee at the time of registration or transfer of registration of the motor vehicle.

If the Department of Motor Vehicles collects the fees, it shall establish the necessary procedures for collecting the fees and shall deposit the fees, less its administrative cost in collecting the fees as determined by the Department of Finance, in the Vehicle Inspection Fund.

SEC 22 Section 10100 of the Business and Professions Code is amended to read

10100 Before denying, suspending or revoking any license issuable or issued under the provisions of this part, the department shall proceed as prescribed by 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 the powers granted therein.

SEC 23 Section 10153.7 of the Business and Professions Code is amended to read

10153 7 All real estate salesperson licenses issued by the commissioner shall be for a period of four years

Applicants must qualify in the appropriate examination and satisfy all other requirements prior to issuance of the license.

The four-year license may be renewed upon filing the required application and fee

SEC. 24. Section 10156 of the Business and Professions Code is amended to read

10156. The commissioner may, in his discretion, waive the examination of any applicant for a real estate broker's license who held an unrevoked or unsuspended real estate broker's license, within the two-year period immediately preceding the date of the application for such license, as an individual broker, or an officer of a corporation

The commissioner may, in his discretion waive the examination of any applicant for a real estate salesperson's license who held an unrevoked or unsuspended real estate salesperson's license, within the two-year period immediately preceding the date of the application for such license.

SEC. 25. Section 10156 2 of the Business and Professions Code is amended to read·

10156.2. An application on the form prescribed by the commissioner for the renewal of a license, filed before midnight of the last day of the period for which a previous license was issued, accompanied by the applicable renewal fee and good faith evidence of compliance with the provisions of Article 2.5 (commencing with Section 10170) of this chapter, entitles the applicant to continue operating under his existing license after its specified expiration date, if not previously suspended or revoked

If the commissioner determines that the applicant has not complied with the continuing education requirements he shall either (1) advise the applicant of the applicability of Section 10171.2 on an extended period for compliance, or (2) advise the applicant that his rights to operate under the prior license will expire five days from the date such notice is mailed, or on the date the license would normally expire, whichever is later, and the commissioner's reason for that determination, and the right of the applicant to request a hearing on the decision

SEC. 26. Section 10171 of the Business and Professions Code is amended to read

10171 On and after January 1, 1981, no active broker or salesperson license shall be renewed unless the commissioner finds that the applicant for such license has completed the continuing education required by this chapter Any denial of license renewal shall be subject to the provisions of Section 10100

SEC. 27 Section 10171 2 of the Business and Professions Code is amended to read.

10171 2 If an applicant for a license has submitted, in good faith, evidence of completion of continuing education which he had reason to believe would qualify him for license renewal, but the commissioner finds that the evidence submitted does not qualify under standards adopted pursuant to this article, the commissioner may, nonetheless, extend the license for 90 days in order to allow the applicant to submit additional evidence of compliance, which satisfies the requirements of this article. When the license is issued during or at the end of the grace period provided for in this section it shall expire four years from the date otherwise applicable if no grace period had been granted.

SEC 28. Section 10201 of the Business and Professions Code is amended to read.

10201 The holder of a license who fails to renew it prior to the expiration of the period for which it was issued and who has otherwise qualified for such license, may renew it within two years from such expiration upon proper application and the payment of a late renewal fee in an amount equal to 1½ times the regular renewal fee in effect at the time the license is reinstated. Application for renewal shall be made at least 30 days prior to termination of the right to renew

SEC 29 Section 10206.5 of the Business and Professions Code is repealed

SEC. 30 Section 10209.5 of the Business and Professions Code is amended to read.

10209.5. The fee for an active restricted broker license shall not exceed eighty-five dollars ($85)

These fees are subject to the delinquency, penalty, and late fees provided for in Section 163 5

SEC 31 Section 10210 of the Business and Professions Code is amended to read.

10210 The fee for an active real estate broker license shall not exceed eighty-five dollars ($85).

In the case of an original applicant, the fee is payable after the applicant is notified of passing the examination for license.

These fees are subject to the delinquency, penalty, and late fees provided for in Section 163 5

SEC 32 Section 10214 5 of the Business and Professions Code is amended to read·

10214 5 The fee for an active restricted salesperson license shall not exceed sixty dollars ($60)

These fees are subject to the delinquency, penalty, and late fees provided for in Section 163 5

SEC 33 Section 10215 of the Business and Professions Code is amended to read

10215 The fee for an active real estate salesperson license shall not exceed sixty dollars ($60)

In the case of an original applicant, the fee is payable after the applicant is notified of passing the examination for license.

These fees are subject to the delinquency, penalty, and late fees provided for in Section 163.5.

SEC. 34. Section 10216.5 of the Business and Professions Code is amended to read

10216.5 The fee for an inactive license is one-half of the fee for an active license of the same class.

This section shall remain in effect only until January 1, 1981, and as of such date is repealed, unless a later enacted statute, which is chaptered before January 1, 1981, deletes or extends such date.

SEC. 35. Section 10239.35 of the Business and Professions Code is amended to read:

10239 35. In verification of the matters set forth in Section 10239 34, the commissioner shall annually examine his books and accounts relating to all proceedings under this article and Part 1 (commencing with Section 10000) of Division 4, and shall file a report of each such examination with the court in which the respective proceeding is pending. The expense of examining and experting the books and accounts of the commissioner as conservator or liquidator under this article or under Part 1 (commencing with Section 10000) of Division 4 shall be paid out of the Real Estate Fund in the State Treasury and shall, upon order of the court or courts before which the proceedings under those articles are pending, be ratably reimbursed to the Real Estate Fund out of the assets of the estates administered by the commissioner as conservator or liquidator under this article or under Part 1 (commencing with Section 10000) of Division 4

SEC. 36 Section 17910 of the Business and Professions Code is amended to read.

17910 Every person who regularly transacts business in this state for profit under a fictitious business name shall:

(a) File a fictitious business name statement in accordance with this chapter not later than 40 days from the time he commences to transact such business, and

(b) File a new statement in accordance with this chapter on or before the date of expiration of the statement on file

SEC 37 Section 20880.5 of the Business and Professions Code is amended to read

20880.5. Nothing in this chapter, nor in this code, is intended to require or requires that the cash or merchandise value of trading stamps be stated or set forth on any sign, statement, or other advertising media which either advertises or offers such stamps, or advertises or indicates the price of gasoline or motor fuel, whether on any dispensing apparatus or elsewhere, and which is displayed at or about any place of business offering for sale or selling gasoline or other motor vehicle fuel

SEC 38 Section 23957 of the Business and Professions Code is amended to read·

23957 Applications for licenses for the retail sale of alcoholic beverages for premises which are to be constructed or which are in the process of construction shall contain the information required by this article and such other information concerning the proposed premises as the department may require to assist it in determining whether the proposed premises will qualify for a license.

SEC 39 Section 24045 3 of the Business and Professions Code, as added by Chapter 400 of the Statutes of 1975, is amended and renumbered to read·

24045.4. (a) The department may issue a special temporary off-sale general license to any nonprofit corporation which is exempt from payment of income taxes under the provisions of Section 23701d of the Revenue and Taxation Code and Section 501(c)(3) of the Internal Revenue Code of 1954 of the United States An applicant for such a license shall accompany the application with a fee of one hundred dollars ($100).

(b) Such a license shall only entitle the licensee to sell at auction alcoholic beverages donated to it, however, no such alcoholic beverages shall be sold at less than the minimum retail price therefor, established pursuant to provisions of this division. Notwithstanding any other provision of this division, licensees may donate alcoholic beverages to a corporation licensed under this section, provided such donations are not made in connection with a sale of an alcoholic beverage

(c) Such a license shall be foi a period not exceeding 30 days. Only one such license shall be issued to any corporation in any 12-month period

SEC. 40 Section 22 3 of the Civil Code is repealed

SEC 41 Section 227aa of the Civil Code is repealed.

SEC 42 Title 4 (commencing with Section 504) of Part 4 of Division 1 of the Civil Code is repealed

SEC 43 Section 718c of the Civil Code is repealed

SEC 44 The heading of Title 7 of Part 4 of Division 2 of the Civil Code, as enacted in 1872, is repealed

SEC 45 Title 11 (commencing with Section 2527) of Part 4 of Division 3 of the Civil Code is repealed

SEC 46 The heading of Chapter 4 of Title 14 of Part 4 of Division 3 of the Civil Code, as enacted in 1872, is repealed.

SEC 47 Section 3334 of the Civil Code is amended to read·

3334 The detriment caused by the wrongful occupation of real property, in cases not embraced in Section 3335, or Section 1174 of the Code of Civil Procedure, is deemed to be the value of the use of the property for the time of such occupation, not exceeding five years next preceding the commencement of the action or proceeding to enforce the right to damages, and the costs, if any, of recovering the possession.

SEC 48 Section 5110 of the Civil Code is amended to read

5110 Except as provided in Sections 5107, 5108, and 5109, all real property situated in this state and all personal property wherever

situated acquired during the marriage by a married person while domiciled in this state, and property held in trust pursuant to Section 5113.5, is community property; but whenever any real or personal property, or any interest therein or encumbrance thereon, is acquired prior to January 1, 1975, by a married woman by an instrument in writing, the presumption is that the same is her separate property, and if so acquired by such married woman and any other person the presumption is that she takes the part acquired by her, as tenant in common, unless a different intention is expressed in the instrument, except, that when any of such property is acquired by husband and wife by an instrument in which they are described as husband and wife, unless a different intention is expressed in the instrument, the presumption is that such property is the community property of the husband and wife. When a single-family residence of a husband and wife is acquired by them during marriage as joint tenants, for the purpose of the division of such property upon dissolution of marriage or legal separation only, the presumption is that such single-family residence is the community property of the husband and wife The presumptions in this section mentioned are conclusive in favor of any person dealing in good faith and for a valuable consideration with such married woman or her legal representatives or successors in interest, and regardless of any change in her marital status after acquisition of the property.

In cases where a married woman has conveyed, or shall hereafter convey, real property which she acquired prior to May 19, 1889, the husband, or his heirs or assigns, of such married woman, shall be barred from commencing or maintaining any action to show that the real property was community property, or to recover the real property from and after one year from the filing for record in the recorder's office of such conveyances, respectively.

As used in this section, personal property does not include and real property does include leasehold interests in real property

SEC 49 Section 337.15 of the Code of Civil Procedure is amended to read

337 15. (a) No action may be brought to recover damages from any person who develops real property or performs or furnishes the design, specifications, surveying, planning, supervision, testing, or observation of construction or construction of an improvement to real property more than 10 years after the substantial completion of such development or improvement for any of the following·

(1) Any latent deficiency in the design, specification, surveying, planning, supervision, or observation of construction or construction of an improvement to, or survey of, real property.

(2) Injury to property, real or personal, arising out of any such latent deficiency.

(b) As used in this section, "latent deficiency" means a deficiency which is not apparent by reasonable inspection

(c) As used in this section, "action" includes an action for indemnity brought against a person arising out of his performance or

furnishing of services or materials referred to in this section, except that a cross-complaint for indemnity may be filed pursuant to subdivision (b) of Section 428 10 in an action which has been brought within the time period set forth in subdivision (a) of this section.

(d) Nothing in this section shall be construed as extending the period prescribed by the laws of this state for bringing any action.

(e) The limitation prescribed by this section shall not be asserted by way of defense by any person in actual possession or the control, as owner, tenant or otherwise, of such an improvement, at the time any deficiency in such improvement constitutes the proximate cause for which it is proposed to bring an action.

(f) This section shall not apply to actions based on willful misconduct or fraudulent concealment

SEC 50 Section 583.1 of the Code of Civil Procedure is repealed

SEC. 50 5 Section 682 1 of the Code of Civil Procedure is amended to read

682.1 A writ of execution issued on a judgment for the recovery of money must be substantially in the following form.

(Title of Court)
(Number and abbreviated title of action)
The People of the State of California
To the Sheriff, Constable or Marshal of,
or Process Server Registered in,
the _____ County of _____ Greeting.

On _____ a judgment was entered by the above entitled court in the above entitled
° action in favor of _____ as judgment creditor
° and against _____ as judgment debtor
and the judgment was duly entered in (referring to where entered) for

°° $ principal,
°° $ attorney fees,
°° $ interest, and
°° $_____ costs, making a total amount of
°° $ the judgment as entered, and

Whereas, according to an affidavit and/or a memorandum of costs after judgment filed herein, it appears that further sums have accrued since the entry of judgment, to wit.

°° $ accrued interest, and
°° $_____ accrued costs, together with $_____ fee for the issuance of this writ, making a total of
°° $_____ as accrued costs, accrued interest, and fees

Credit must be given for payments and partial satisfactions in the amount of $_____
which is to be first credited against the total accrued costs and accrued interest,

with any excess credited against the judgment as entered, leaving a net balance actually due on the date of issuance of this writ of

** $_____

of which $_____ is due on the judgment as entered and bears interest at 7 percent per annum, in the amount of $_____ per day, from the date of issuance of this writ to the date of levy, to which must be added the commissions and costs of the officer executing this writ.

Notice by mail of any sale under the writ of execution (has) (has not) been requested. The following named persons have requested such notice of sale:

Names Addresses

After the levy has been made, a copy of this writ of execution shall be mailed by the levying officer to the judgment debtor at the address below unless a copy has been served at the time of the levy.

Name Address

Notice to the Judgment Debtor: You may be entitled to file a claim exempting your property from execution. You may seek the advice of an attorney or may, within 10 days from the date your property was levied upon, deliver an affidavit to the levying officer seeking to exempt such property, as provided in Section 690.50 of the Code of Civil Procedure.

These presents are therefore to command you to satisfy such judgment with interest and costs as provided by law and your costs and disbursements out of the personal property of the debtor not exempt from execution, and if sufficient personal property cannot be found, then out of his real property; or if the judgment be a lien upon real property, then out of the real property belonging to him on the day when the abstract of judgment was filed as provided in Section 674 of the Code of Civil Procedure, or at any time thereafter, make notice by mail of any levy pursuant to this writ of execution, and make return of this writ within not less than 10 days nor more than 60 days after your receipt thereof, with what you have done endorsed hereon. Given under my hand (and the seal of _____) on _____ 19__.

Note to printer: where the asterisk (*) appears in the foregoing form, it is intended that the printed form shall have the same arrangement and number of words in the line.

Where the double asterisk (**) appears in the foregoing form, it is intended that the dollar sign characters ($) shall appear under one another in vertical column

SEC. 51. Section 690.3 of the Code of Civil Procedure is amended to read:

690.3. (a) One housetrailer, mobilehome, houseboat, boat, or

other waterborne vessel in which the debtor, or the family of such debtor, actually resides, of a value not exceeding the following values

(1) For any head of a family, of a value not exceeding forty thousand dollars ($40,000) in actual cash value, over and above all liens and encumbrances on that housetrailer, mobilehome, houseboat, boat, or other waterborne vessel;

(2) For any person 65 years of age or older of a value not exceeding forty thousand dollars ($40,000) in actual cash value, over and above all liens and encumbrances on that housetrailer, mobilehome, houseboat, boat, or other waterborne vessel; and

(3) For any other person, of a value not exceeding twenty-five thousand dollars ($25,000) in actual cash value, over and above all liens and encumbrances on that housetrailer, mobilehome, houseboat, boat, or other waterborne vessel.

(b) The exemption provided by this section shall not apply if such debtor or the spouse of such debtor has an existing homestead as provided by Title 5 (commencing with Section 1237) of Part 4 of Division 2 of the Civil Code or has obtained a prior judicial determination that the dwelling house of the debtor or the family of the debtor is exempt from execution under Section 690.31.

SEC 52. Section 1062.5 is added to the Code of Civil Procedure, to read:

1062 5 Any insurer who issues policies of professional liability insurance to health care providers for professional negligence, as defined in Chapter 1 as amended by Chapter 2, Statutes of 1975, Second Extraordinary Session, any health care provider covered by such a policy, or any potentially aggrieved person, may bring an action in the superior court for a declaration of its, his, or her rights, duties, and obligations under Chapter 1 as amended by Chapter 2, Statutes of 1975, Second Extraordinary Session.

The court shall permit any of the following persons to intervene in the action·

(1) The Attorney General.

(2) Any other person whose appearance is determined by the court to be essential to a complete determination or settlement of any issues in the action.

The action shall be commenced in the superior court in the county in which the Attorney General is required to reside and keep his office pursuant to Section 1060 of the Government Code.

The action shall be set for trial at the earliest possible date and shall take precedence over all cases other than those in which the state is a party

The court may make a binding declaration of the rights, duties, and obligations of the insurer, whether or not further relief is or could be claimed at the time The declaration may be affirmative or negative in form and effect and shall have the force and effect of a final judgment

If the declaration is appealed, the appeal shall be given

precedence in the court of appeal and Supreme Court and placed on the calendar in the order of its date of issue immediately following cases in which the state is a party.

The remedy established by this section is cumulative, and shall not be construed as restricting any remedy established for the benefit of any party to the action by any other provision of law No declaration under this section shall preclude any party from obtaining additional relief based upon the same facts.

SEC 53. Section 6106 of the Commercial Code is amended to read:

6106. (1) This section applies only to a bulk transfer where the consideration consists of cash or an obligation of the transferee to pay cash in the future or a combination thereof

(2) Upon every bulk transfer subject to this section except one made by sale at auction it is the duty of the transferee (or, if the transaction is handled through an escrow, the escrow agent) to apply the consideration in accordance with the provisions of this section so far as necessary to pay those debts of the transferor for which claims are then due and payable and are filed in writing with the transferee or his agent or an escrow agent designated in the notice prior to the date specified in the notice on or after which the bulk transfer is to be consummated This duty of the transferee or escrow agent runs to each creditor timely filing a claim.

(3) If the transferor disputes any claim then due and payable, the transferee or escrow agent shall withhold from distribution the amount thereof (or the pro rata amount under subdivision (2) of Section 6106 1) and shall send a written notice to the creditor filing the claim that the amount will be paid to the transferor (or to the other creditors in accordance with Section 6106.1 (2), as the case may be) unless attached within 25 days If the amount retained is not attached by the creditor within 25 days from the mailing of the notice, it shall be paid by the transferee or escrow agent to the transferor or to the other persons filing claims if they have not been paid in full

(4) If the cash consideration payable is not sufficient to pay all of the claims filed in full, where no escrow has been established pursuant to Section 6106.1 the transferee shall follow the procedures specified in subdivisions (1) through (3) of Section 6106.1.

(5) The transferee or escrow agent, as the case may be, shall within 30 days after the transferee takes possession of the goods either pay the claims filed and not disputed (or the applicable portion thereof to the extent of the consideration under subdivision (2) of Section 6106.1) or institute an action in interpleader pursuant to subdivision (b) of Section 386 of the Code of Civil Procedure and deposit the consideration with the clerk of the court pursuant to subdivision (c) of that section. Such action shall be brought in the appropriate court for the county where the transferor had its principal place of business in this state. Sections 386 1 and 386.6 of the Code of Civil Procedure shall apply in such action.

(6) The notice shall state, in addition to the matters required by Section 6107, the name and address of the person with whom claims may be filed and the last date for filing claims, which shall be the business day before the date specified in the notice on or after which the bulk transfer is to be consummated.

(7) Nothing contained in this section shall release any security interest or other lien on the property which is the subject of the bulk transfer except upon the voluntary release thereof by the secured party or lienholder.

SEC. 54 Section 6321 of the Corporations Code is amended to read:

6321 (a) Except as provided in subdivision (c), (d), or (f), the board shall cause an annual report to be sent to the members not later than 120 days after the close of the corporation's fiscal year. Such report shall contain in appropriate detail the following:

(1) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year.

(2) The principal changes in assets and liabilities, including trust funds, during the fiscal year.

(3) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year.

(4) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year.

(5) Any information required by Section 6322.

(b) The report required by subdivision (a) shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

(c) This section does not apply to corporations which do not have more than 100 members or ten thousand dollars ($10,000) in assets at any time during the fiscal year.

(d) Where a corporation has provided, pursuant to Section 5510, for regular meetings of members less often than annually, then the report required by subdivision (a) need be made to members only with the frequency with which regular membership meetings are required, unless the articles or bylaws require a report more often.

(e) Subdivisions (c) and (d) notwithstanding, a report with the information required by subdivision (a) shall be furnished annually to:

(1) All directors of the corporation; and

(2) Any member who requests it in writing.

(f) A corporation which in writing solicits contributions from 500 or more persons need not send the report otherwise required by subdivision (a) if it does all of the following:

(i) Includes with any written material used to solicit contributions a written statement that its latest annual report will be mailed upon request and that such request may be sent to the corporation at a name and address which is set forth in the statement.

The term "annual report" as used in this subdivision refers to the report required by subdivision (a).

(ii) Promptly mails a copy of its latest annual report to any person who requests a copy thereof; and

(iii) Causes its annual report to be published not later than 120 days after the close of its fiscal year in a newspaper of general circulation in the county in which its principal office is located.

SEC. 55 Section 7235 of the Corporations Code is amended to read.

7235. (a) Except as provided in subdivision (b), a corporation shall not make any loan of money or property to or guarantee the obligation of

(1) Any director or officer of the corporation or of its parent or any subsidiary; or

(2) Any person upon the security of memberships of the corporation or of its parent, unless the loan or guaranty is otherwise adequately secured, except by the vote of the holders of a majority of the voting power of memberships of all classes, regardless of limitations or restrictions on voting rights, other than the membership held by the benefited director, officer or member

(b) Any corporation may lend money to, or guarantee any obligation of or otherwise assist any officer or other employee of the corporation or of any subsidiary, including any officer or employee who is also a director, pursuant to an employee benefit plan available to executives or other employees, whenever the board determines that such loan or guaranty may reasonably be expected to benefit the corporation. If such plan includes officers or directors, it shall be approved by the members (Section 5034) after disclosure of the right under such plan to include officers or directors thereunder. Such loan or guaranty or other assistance may be with or without interest and may be unsecured or secured in such manner as the board shall approve, including, without limitation, a pledge of memberships of the corporation. A corporation may advance money to a director or officer of the corporation or of its parent or any subsidiary for expenses reasonably anticipated to be incurred in the performance of the duties of such director or officer, provided that in the absence of such advance such director or officer would be entitled to be reimbursed for such expenses by such corporation, its parent or any subsidiary.

(c) The provisions of subdivision (a) do not apply to credit unions or to loans permitted under any statute regulating any special class of corporations

SEC 56 Section 14073 of the Corporations Code is amended to read

14073. The board of directors may, in accordance with the bylaws of the corporation, from time to time exercise the right of the corporation to borrow from its members, pursuant to Section 14071, by issuing written notice at least 30 days in advance of the date of payment, stating the aggregate amount to be borrowed and the

terms of such borrowing. All such borrowings shall be prorated among the membership of the corporation in the same proportion as the maximum loan limit of each bears to the aggregate loan limits of all members of the corporation.

SEC 57. Section 15507 of the Corporations Code is amended to read:

15507. (a) A limited partner shall not become liable as a general partner unless, in addition to the exercise of his rights and powers as a limited partner, he takes part in the control of the business.

(b) A limited partner shall not be deemed to take part in the control of the business by virtue of his possessing or exercising a power, specified in the certificate, to vote upon matters affecting the basic structure of the partnership, including the following matters or others of a similar nature.

(1) Election or removal of general partners.

(2) Termination of the partnership.

(3) Amendment of the partnership agreement.

(4) Sale of all or substantially all of the assets of the partnership.

(c) The statement of powers set forth in subdivision (b) shall not be construed as exclusive or as indicating that any other powers possessed or exercised by a limited partner shall be sufficient to cause such limited partner to be deemed to take part in the control of the business within the meaning of subdivision (a).

SEC 58 Section 25013 of the Corporations Code is amended to read

25013 "Person" means an individual, a corporation, a partnership, a joint venture, an association, a joint stock company, a trust, an unincorporated organization, a government, or a political subdivision of a government

SEC. 59. Part 9 (commencing with Section 25800) of Division 1 of Title 4 of the Corporations Code is repealed.

SEC 60 Section 16404 of the Education Code is amended to read·

16404 All money deposited in the State School Building Aid Fund under Section 16080 shall be available only for transfer to the General Fund, as provided in Section 16403. When transferred to the General Fund, such money shall be applied as a reimbursement to the General Fund on account of principal and interest due and payable or paid from the General Fund on the earliest issue of school building bonds for which the General Fund has not been fully reimbursed by such transfer of funds.

SEC 61 Section 16405 of the Education Code is amended to read:

16405 The sum of seventy-five thousand dollars ($75,000) was appropriated, by Chapter 28 of the Statutes of 1952 (Second Extraordinary Session), out of the General Fund to be used as a revolving fund to pay the expenses incurred by the State Treasurer in having said bonds prepared and in advertising their sale or their prior redemption Whenever bonds are sold, out of the first money realized from the sale of said bonds, there shall be redeposited in the revolving fund such sum as the State Treasurer has expended for the

purpose, which may be used for the same purpose and repaid in the same manner whenever additional sales are made. Whenever all the bonds authorized by this chapter have been sold, said revolving fund shall be refunded to the General Fund in the State Treasury.

SEC. 62 Section 16409 of the Education Code is amended to read:

16409 Upon request of the State Allocation Board, supported by a statement of the apportionments made and to be made under Article 1 (commencing with Section 16000) to Article 3 (commencing with Section 16190), inclusive, of Chapter 8 of this part the State School Building Finance Committee shall determine whether or not it is necessary or desirable to issue any bonds authorized under this chapter in order to make such apportionments, and, if so, the amount of bonds then to be issued and sold. A sufficient number of bonds authorized under this chapter shall be issued and sold so that twenty million dollars ($20,000,000) will be available for apportionment on May 5, 1953, or as soon thereafter as such bonds can be issued and sold, and so that five million dollars ($5,000,000) additional will become available for apportionment on June 5, 1953 and on the fifth day of each month thereafter until a total amount of one hundred sixty-five million dollars ($165,000,000) has become available for apportionment. The remainder of the bonds, or so many thereof as may be necessary shall be issued and sold as provided in Section 16410. Successive issues of bonds may be authorized and sold to make such apportionments progressively, and it shall not be necessary that all of the bonds herein authorized to be issued shall be sold at any one time.

SEC 63 A heading is added immediately preceding Section 17700 of the Education Code, to read.

Article 1. General Provisions

SEC. 64. Section 17728 of the Education Code is amended to read:

17728 For the purposes of Sections 15102 and 15106, 50 percent of any remaining payments which would become due from a school district under any lease entered into by the district pursuant to this chapter, if such lease was to run its full term, shall be considered outstanding bonded indebtedness.

No district shall enter into any lease pursuant to this chapter if at the time 50 percent of any remaining rental payments thereunder, which would become due from the district pursuant to this chapter, or pursuant to Article 7 (commencing with Section 39240) of Chapter 1 of Part 23 of Division 3 of Title 2, including the lease to be entered into, if such leases were to run their full term, plus the total amount of district bonded indebtedness outstanding at the time, shall exceed 7 5 percent in the case of an elementary school district or high school district, or 12.5 percent in the case of a unified school district, of the taxable property of the district as shown by the last equalized assessment of the county or counties in which the district is located For the purpose of this section, the taxable

property of the district shall be determined upon the basis that the district's assessed value has not been reduced by the exemption of the assessed value of business inventories in the district or reduced by the homeowners' property tax exemption.

SEC. 65. Section 22727 of the Education Code is amended to read:

22727. If a retirant elects to receive credit for service under the provisions of Section 22725, he shall pay to the system the present value as of his age at the date of election for such service based upon his final compensation and retirement factor at retirement. Such payment to the system shall be in a manner prescribed by the board and the system shall recalculate the retirant's allowance for prospective payment only. The new allowance shall constitute the base for application of the improvement factor under Section 22131. An eligible retirant has until January 1, 1979, to exercise the election in Section 22725.

SEC. 66. Section 23010 of the Education Code is amended to read:

23010. Any overpayment made to or on behalf of any member, former member, beneficiary, disabilitant, or retirant, including but not limited to contributions, interest, benefits of any kind, federal or state tax, or insurance premiums, shall be deducted from any subsequent benefit that may be payable by the system. Such deductions shall be permitted concurrently with any suit for restitution, and recovery of overpayment by adjustment shall reduce by the amount of such recovery the extent of liability for restitution.

SEC. 67. Article 8 (commencing with Section 32370) of Chapter 3 of Part 19 of the Education Code, as added by Chapter 1114 of the Statutes of 1978, is repealed

SEC. 68 Article 9 (commencing with Section 32380) is added to Chapter 3 of Part 19 of the Education Code, to read:

Article 9 Prohibited Activities

32380. As used in this article·

(a) "Person" means any individual, partnership, corporation, association, firm, or public board, agency, or entity

(b) "Prepare" means to put into condition for intended use

(c) "Degree" means any "academic degree" or "honorary degree" or title of any designation, mark, appellation, series of letters or words such as, but not limited to, associate, bachelor, master, doctor, or fellow which signifies, purports, or is generally taken to signify satisfactory completion of the requirements of an academic, educational, technological, or professional program of study or is an honorary title conferred for recognition of some meritorious achievement.

(d) "Diploma" means any diploma, certificate, transcript, document, or other writing in any language other than a degree representing that an individual has completed any course of study.

32381 Any person who prepares, manufactures, or prints, or who offers to prepare, manufacture, or print, for a fee or other

compensation, any document purporting to be a degree or diploma without written authorization to do so from the school authority shall be guilty of a misdemeanor. As used in this section, "school authority" means any of the following:

(a) A governing board of a school district that issued or reissued the degree or diploma, as the case may be.

(b) A private school that issued or reissued the degree or diploma, as the case may be.

(c) Any public or private college, university, or other institution of higher learning that issued or reissued the degree or diploma, as the case may be.

Nothing in this section shall prohibit a person from reproducing, or having reproduced, for his personal use a degree or diploma issued to him by a school authority

32382 No person shall·

(a) Sell, barter, offer to sell or barter, or conspire to sell or barter, any diploma or degree as defined in this article

(b) Buy, obtain by barter, attempt to buy or obtain by barter, or conspire to obtain by barter or buy, any diploma or degree.

(c) Use in connection with any business, trade, profession, or occupation, or attempt to use in connection with any business, trade, profession or occupation, or conspire to use in connection with any business, trade, profession or occupation, any degree or diploma, which has been purchased, obtained by barter, fraudulently or illegally issued, illegally obtained, counterfeited, materially altered, or found.

(d) Use in connection with a business, trade, profession, or occupation, or give or receive, any degree or diploma which has been purchased, obtained by barter, fraudulently or illegally issued, illegally obtained, counterfeited, materially altered, or found.

(e) Attempt to use in connection with a business, trade, profession, or occupation, or attempt to give or receive, any degree or diploma, which has been purchased, obtained by barter, fraudulently or illegally issued, illegally obtained, counterfeited, materially altered, or found

(f) Conspire to use in connection with a business, trade, profession, or occupation, or conspire to give or receive, any diploma or degree evidencing the undertaking or completion of any course of study or scholastic achievement attained if, in fact, such course of study has not been undertaken nor completed or if such scholastic achievement has not been attained.

32383 Any person willfully violating any provision of Section 32382 is guilty of a misdemeanor and is punishable by imprisonment in the county jail, or by a fine of not more than one thousand dollars ($1,000) or by both such fine and imprisonment

32384 Any court of competent jurisdiction is hereby authorized to grant such relief as is necessary to enforce the provisions of this article, including the issuance of an injunction

32385 Actions for injunction under the provisions of this article

may be brought in the name of the people of the State of California upon their own complaint or upon the complaint of any person, or in the name of any authorized public or private school, college, university, or other authorized institution of learning, acting on its own behalf or the general public.

SEC 69. The heading of Chapter 3 (commencing with Section 41300) of Part 24 of the Education Code is amended to read:

CHAPTER 3. STATE SCHOOL FUND

SEC. 70. The heading of Article 7 (commencing with Section 42800) of Chapter 10 of Part 24 of the Education Code is amended and renumbered to read:

Article 1. Revolving Cash Fund

SEC 71. Section 42840 of the Education Code is amended to read:

42840. The governing board of a school district may provide for the accumulation over a period of school years of funds for capital outlay purposes and salaries of school district employees whose work is directly related to projects financed by such funds, derived from the receipt of taxes levied for the district and from other sources including balances, and not required to be used for other than capital outlay purposes

SEC 72 Section 45105 of the Education Code is amended to read·

45105. (a) Positions not requiring certification qualifications created by a governing board of a school district under the Manpower Development and Training Act of 1962, the Economic Opportunity Act of 1964, the Elementary and Secondary Education Act of 1965, or Section 11300 or Section 13650 of the Welfare and Institutions Code, any future federal or state legislative enactment, or any other special funding, and which are not a part of the regular school program shall, nevertheless, be a part of the classified service as established by Section 45103 or Section 45256 of this code.

Persons employed in such positions shall be classified employees and shall enjoy all of the rights, burdens and benefits accorded other classified employees. Their selection and retention shall be made on the same basis as that of persons selected for positions that are a part of the regular school program.

(b) (1) Notwithstanding the provisions of subdivision (a), if specially funded positions are restricted to employment of persons in low-income groups, from designated impoverished areas and other criteria which restricts the privilege of all citizens to compete for employment in such positions, all such positions shall, in addition to the regular class title, be classified as "restricted." Their selection and retention shall be made on the same basis as that of persons selected and retained in positions that are a part of the regular school program, except that persons employed in the following categories of restricted positions shall not be subject to the provisions of Section

45272 or 45273:

(A) The position of instructional aide, as defined in Section 45343

(B) Any other position involving personal contacts with pupils or parents that is established to assist school-staff personnel responsible for school-community relations; educational support services for such areas as counseling, library or health; or the correction or prevention of behavioral problems.

(2) Persons employed in positions properly classified as "restricted" shall be classified employees for all purposes except:

(A) They shall not be accorded employment permanency under Section 45113 or Section 45301 of this code, whichever is applicable.

(B) They shall not acquire seniority credits for the purposes of Sections 45298 and 45308 of this code or, in a district not having the merit (civil service) system, for the purposes of layoff for lack of work or lack of funds as may be established by rule of the governing board

(C) The provisions of Sections 45287 and 45289 shall not apply to "restricted" employees.

(D) They shall not be eligible for promotion into the regular classified service or, in districts that have adopted the merit system, shall not be subject to the provisions of Section 45241, until they have complied with the provisions of subdivision (c).

(c) At any time, after completion of six months of satisfactory service, a person serving in a "restricted" position shall be given the opportunity to take such qualifying examinations as are required for all other persons serving in the same class in the regular classified service If such person satisfactorily completes the qualifying examination, regardless of final numerical listing on an eligibility list, he shall be accorded full rights, benefits and burdens of any other classified employee serving in the regular classified service. His service in the regular classified service shall be counted from the original date of employment in the "restricted" position and shall continue even though he continues to serve in a "restricted" position

(d) This section shall apply to districts that have adopted the merit system in the same manner and effect as if it were a part of Article 6 (commencing with Section 45240) of this chapter.

(e) It is the intent of the Legislature in enacting this section to clearly set forth that positions normally a part of the classified service are included therein regardless of the source of income to sustain such positions and to effectively implement specially funded programs intended to provide job opportunities for untrained and impoverished persons but to do so in a manner that will not be disruptive nor detrimental to the normal employment procedures relating to classified school service

SEC. 73. Section 49071 of the Education Code is amended to read:

49071 (a) To assist in making determinations pursuant to Section 49070, a district superintendent or governing board may convene a hearing panel composed of the following persons,

provided that the parent has given written consent to release information from the relevant pupil's records to the members of the panel so convened:

(1) The principal of a public school other than the public school at which the record is on file.

(2) A certificated employee appointed by the chairman of the certificated employee council of the district, or, if no such council exists, a certificated employee appointed by the parent.

(3) A parent appointed by the superintendent or by the governing board of the district, depending upon who convenes the panel.

(b) The persons appointed pursuant to paragraphs (2) and (3) of subdivision (a) shall, if possible, not be acquainted with the pupil, his parent or guardian, or the certificated employee who recorded the information, except when the parent or guardian appoints the person pursuant to paragraph (2).

(c) The principal appointed to the hearing panel shall serve as its chairman.

(d) The hearing panel shall, in closed session, hear the objections to the information of the parent and the testimony of the certificated employee who recorded the information in question, if any, and if such employee is presently employed by the school district.

The hearing panel shall be provided with verbatim copies of the information which is the subject of the controversy.

Written findings shall be made setting forth the facts and decisions of the panel, and such findings shall be forwarded to the superintendent or the governing board, depending upon who convened the panel.

The proceedings of the hearing shall not be disclosed or discussed by panel members except in their official capacities.

SEC. 74. The heading of Article 3 (commencing with Section 52045) of Chapter 6 of Part 28 of the Education Code is amended and renumbered to read:

Article 4 Funding

SEC. 75. Section 52171.5 of the Education Code is repealed.

SEC. 76. Section 52314 of the Education Code is amended to read:

52314. Any pupil eligible to attend a high school or adult school in a school district subject to the jurisdiction of a county superintendent of schools operating a regional occupational center or regional occupational program, and who resides in a school district which by itself or in cooperation with other school districts, has not established a regional occupational center, or regional occupational program, is eligible to attend a regional occupational center or regional occupational program maintained by the county superintendent of schools. Any school district which in cooperation with other school districts maintains a regional occupational center, or regional occupational program, or any such cooperating school

districts may admit to such center, or program, any pupil, otherwise eligible, who resides in the district or in any of the cooperating districts. Any school district which by itself maintains a regional occupational center, or regional occupational program, may admit to such center, or program, any pupil, otherwise eligible, who resides in the district. No pupil, including adults under Section 52610 shall be admitted to a regional occupational center, or regional occupational program, unless the county superintendent of schools or governing board of the district or districts maintaining the center, or program, as the case may be, determines that the pupil will benefit therefrom and approves of his admission to the regional occupational center or regional occupational program.

A pupil may be admitted on a full-time or part-time basis, as determined by the county superintendent of schools or governing board of the school district or districts maintaining the center, or program, as the case may be.

A county superintendent of schools maintaining a regional occupational program or regional occupational center may admit pupils residing in the county but outside of school districts participating in the county regional occupational program or regional occupational center pursuant to the provisions of Section 46617.5. The county superintendent of schools may authorize pupils who reside in school districts participating in the regional occupational center or regional occupational program conducted by the county superintendent of schools to enroll in other regional occupational programs or regional occupational centers when it is determined that it is in the best interest of the pupils to do so. Such attendance shall be pursuant to an attendance agreement specifying that the county superintendent of schools authorizes the regional occupational center or regional occupational program conducting the classes to report the average daily attendance in the classes to the district of residence for the purpose of receiving state apportionments and determining the revenue limit. The agreements shall specify that the district of residence shall pay the regional occupational program or regional occupational center the actual cost per unit of average daily attendance.

SEC. 77. Section 52331 of the Education Code, as added by Chapter 549 of the Statutes of 1977, is amended and renumbered to read:

52327 The governing board of any district maintaining a regional occupational center may establish a bookstore on district property for the purpose of offering for sale textbooks, workbooks, supplementary textbooks and workbooks, school supplies, stationery supplies, confectionary items, and related auxiliary school supplies and services

The governing board may establish a bookstore fund into which the proceeds derived from the operation of a regional occupational center bookstore may be transferred Moneys in a bookstore fund shall be deposited or invested in one or more of the following ways·

(a) Deposits in a bank or banks whose accounts are insured by the Federal Deposit Insurance Corporation.

(b) Investment certificates or withdrawable shares in state-chartered savings and loan associations and savings accounts of federal savings and loan associations provided such associations are doing business in this state and have their accounts insured by the Federal Savings and Loan Insurance Corporation.

(c) Purchase of United States securities pursuant to subdivision (a) of Section 16430 of the Government Code.

The governing board shall designate an employee or official of the district to act as trustee for funds derived from the operation of a regional occupational center bookstore and to receive such funds in accordance with procedures established by the board.

All necessary expenses, including salaries, wages and costs of capital improvements may be deducted from the revenue of a regional occupational center bookstore. Net proceeds from the operation of a regional occupational center bookstore shall be used for the general benefit of the student body as determined by the governing board Income from a regional occupational center bookstore shall not be included in the district revenue limit Funds derived from the operation of a regional occupational center bookstore shall be subject to audit pursuant to Section 41020.

SEC. 78. Section 56038 of the Education Code is amended to read:

56038. The local school district having any pupil receiving the benefits of special education facilities and services under the provisions of Section 56032 shall report the attendance of such pupil and submit a claim for the special purpose apportionment through the county superintendent of schools to the Superintendent of Public Instruction. The report and claim shall be submitted at the time and in the manner prescribed by the Superintendent of Public Instruction. The county superintendent of schools shall verify the attendance reported and claim submitted in the manner prescribed by the Superintendent of Public Instruction

Pupils enrolled in nonpublic schools under this section on and after January 1, 1978, shall be deemed to be enrolled in public schools for all purposes of Chapter 4 (commencing with Section 41600) of Part 24 and Section 42238.

Any such addition of enrollment for the 1977–78 and 1978–79 fiscal year only, shall not be included in the calculation allowed by Section 42239.

SEC. 79. Section 59201 of the Education Code is amended to read:

59201 The diagnostic schools for neurologically handicapped children are a part of the public school system of the state, except that they derive no revenue from the State School Fund, and have for their object diagnosis, and the determination of the treatment, and educational program of children with neurological handicaps, including autism. These schools provide temporary residence for children, who, by reason of their handicaps, need educational diagnostic services not available in regular public school classes.

SEC. 80. Section 66017 of the Education Code is amended to read:

66017. The chief administrative officer of a community college, state university or college, or the University of California shall take appropriate disciplinary action against any student, member of the faculty, member of the support staff, or member of the administration of the community college, state college, or state university who, after a prompt hearing by a campus body, has been found to have willfully disrupted the orderly operation of the campus Nothing in this section shall be construed to prohibit, where an immediate suspension is required in order to protect lives or property and to insure the maintenance of order, interim suspension pending a hearing; provided that a reasonable opportunity be afforded the suspended person for a hearing within 10 days. The disciplinary action may include, but need not be limited to, suspension, dismissal, or expulsion. The provisions of Sections 89538 to 89540, inclusive, shall be applicable to any state university or college employee dismissed pursuant to this section. The chief administrative officer of each such institution shall submit periodic reports as to the nature and disposition of cases acted upon pursuant to this section to his governing board.

SEC 81. Section 81165 of the Education Code is amended to read:

81165. "School building" as used in this article shall be limited to any physical structure capable of being occupied by pupils, but shall exclude, (a) any bleacher or grandstand with less than six rows of seats, (b) any building which is used exclusively for warehouse, storage, garage, or districtwide administrative office purposes, into which pupils are not required to enter, and off-campus buildings utilized by adult schools or community colleges for voluntary adult education courses or registered apprentice courses, (c) any swimming pool, or (d) any yard or lighting poles or flagpoles or playground equipment which does not exceed 35 feet in height.

If any building so excluded was not constructed in accordance with Article 7 (commencing with Section 81130) of this chapter and was not repaired, reconstructed, or replaced in accordance with this article, there shall be posted in a conspicuous place on such building a public notice stating that such building does not meet the structural standards imposed by law for earthquake safety.

SEC. 82 Section 81363.5 of the Education Code is amended to read

81363 5. Except as provided for in Article 9 (commencing with Section 81190) of Chapter 1 of this part, the sale or lease with an option to purchase of real property by a community college district shall be in accordance with the following priorities and procedures:

(a) First, the property shall be offered for park or recreational purposes pursuant to Article 8 (commencing with Section 54220) of Chapter 5 of Part 1 of Division 2 of Title 5 of the Government Code, in any instance in which such article is applicable.

(b) Second, the property shall be offered for sale or lease with an option to purchase, at fair market value,

(1) In writing, to the state, the Regents of the University of California, the Trustees of the California State University and Colleges, the county and city in which the property is situated, and to any public housing authority in the county in which the property is situated; and

(2) By public notice to any public district, public authority, public agency, public corporation, or any other political subdivision in this state, to the federal government, and to nonprofit charitable corporations existing on December 31, 1979, and organized pursuant to Part 3 (commencing with Section 10200) of Division 2 of Title 1 of the Corporations Code then in effect or organized for charitable purposes on or after January 1, 1980, under Part 2 (commencing with Section 5110) of Division 2 of Title 1 of the Corporations Code. Public notice shall consist of at least publishing its intention to dispose of the real property in a newspaper of general circulation within the district, or if there is no such newspaper, then in any newspaper of general circulation that is regularly circulated in the district. The notice shall specify that the property is being made available to all public districts, public authorities, public agencies, and other political subdivisions or public corporations in this state, and to other nonprofit charitable or nonprofit public benefit corporations.

Publication of notice pursuant to this section shall be once each week for three successive weeks. Three publications in a newspaper regularly published once a week or more often, with at least five days intervening between the respective publication dates not counting such publication dates, are sufficient. The written notice required by paragraph (1) of this subdivision shall be mailed no later than the date of the second published notice.

The entity desiring to purchase or lease the property shall, within 60 days after the third publication of notice, notify the community college district of its intent to purchase or lease the property. If the entity desiring to purchase or lease the property and the district are unable to arrive at a mutually satisfactory price or lease payment during the 60-day period, the property may be disposed of as otherwise provided in this section. In the event the district receives offers from more than one entity pursuant to this subdivision, the school district governing board may, in its discretion, determine which of such offers to accept.

(c) Third, the property may be disposed of in any other manner authorized by law.

SEC. 83. Section 81523 of the Education Code is amended to read:

81523. (a) The governing board of a community college district may lease temporary-use buildings for a term extending to the expected duration of use by the district.

(b) Any lease agreement or contract entered into pursuant to this section shall be initiated by resolution authorizing such action and prescribing the terms thereof adopted by vote of a majority of the members of the governing board

(c) A governing board of a community college district shall not

enter into a lease pursuant to subdivision (a), unless the resolution adopted pursuant to subdivision (b) has been published in a newspaper published in the district and having a general circulation there, or if there is no such newspaper, then in a newspaper having a general circulation in the district, or if there is no such newspaper, then in a newspaper having a general circulation in a county in which the district or any part thereof is situated. Notice shall be published no less than once a week for three weeks prior to the execution of the lease by the board.

(d) Any temporary-use building in which students are expected to enter and which is leased under one, or successive leases, for a total time in excess of three years, or under a lease-purchase contract, shall be subject to the provisions of Article 7 (commencing with Section 81130) and Article 8 (commencing with Section 81160) of Chapter 1 of this part.

SEC. 84. Section 81528 of the Education Code is amended to read:

81528 Any lease contract or agreement entered into pursuant to Section 81526 shall be subject to the following conditions.

(a) A leased relocatable structure in which students are expected to enter and which is to be used for school purposes for a total time in excess of three years shall be subject to the provisions of Article 7 (commencing with Section 81130) and Article 8 (commencing with Section 81160) of Chapter 1 of this part

(b) Subdivision (a) of this section shall not apply to trailer coaches used for classrooms or laboratories if such trailer coaches conform to the requirements of Part 2 (commencing with Section 18000) of Division 13 of the Health and Safety Code, and the rules and regulations promulgated thereunder concerning mobilehomes, are not expanded or fitted together with other sections to form one unit greater than 16 feet in width, are used for special educational purposes, and are used by not more than 12 students at a time, except that such trailer coaches may be used by not more than 20 students at a time for driver training purposes.

(c) The site on which a leased relocatable structure is located shall be owned by the community college district, or shall be under the control of the district pursuant to a lease or a permit.

SEC 85. Section 81529 of the Education Code is amended to read:

81529 (a) Notwithstanding any other provision of law to the contrary, the governing board of a community college district may designate a building, which is primarily used for other than public school purposes, as an "offsite location" for the purpose of conducting instruction in educational programs as prescribed by the governing board, provided that such educational programs require an "offsite location" in order to adequately fulfill the objective of the educational program

(b) Any building used as an "offsite location" pursuant to subdivision (a) shall not be subject to Article 7 (commencing with Section 81130) of, or Article 8 (commencing with Section 81160) of, Chapter 1 of this part

SEC. 86. Section 81530 of the Education Code is amended to read:

81530. The governing board of a community college district may:

(a) Lease buildings and other facilities such as administrative offices, warehouses, athletic facilities, outdoor assembly facilities, auditoriums, quarters for adult education, transportation facilities, and communication facilities, for a period of not to exceed 12 years.

(b) Lease property from the federal government, the state, or any county, city and county, city, or district for the purpose of constructing school buildings and facilities thereon.

(c) Except as otherwise provided, any building leased for a total time in excess of three years, or under a lease-purchase agreement, shall be deemed the construction or alteration of a school building, as those terms are used in Article 7 (commencing with Section 81130) of Chapter 1 of this part. A building or facility used by a community college district under a lease or a lease-purchase agreement into which neither students nor teachers are required to enter and which would be excluded from the meaning of "school building" in Section 81165 shall not be considered to be a "school building" within the meaning of Section 81131.

SEC. 87. Section 87214 of the Education Code is amended to read:

87214. Except as provided in this code, no certification document shall be granted to any person unless and until he has subscribed to the following oath or affirmation: "I solemnly swear (or affirm) that I will support the Constitution of the United States of America, the Constitution of the State of California, and the laws of the United States and the State of California." The oath or affirmation shall be subscribed and certified or declared, pursuant to Section 2015.5 of the Code of Civil Procedure, and shall be filed with the Board of Governors of the California Community Colleges. Any certificated person who is a citizen or subject of any country other than the United States, and who is employed in any capacity in any of the public schools of the state shall, before entering upon the discharge of his duties, subscribe to an oath to support the institutions and policies of the United States during the period of his sojourn within the state. Upon the violation of any of the terms of the oath or affirmation, the Board of Governors of the California Community Colleges shall suspend or revoke the credential which has been issued.

SEC 88. Section 87483 of the Education Code is amended to read.

87483. Notwithstanding any other provision, the governing board of a community college district may establish regulations which allow their certificated employees to reduce their workload from full-time to part-time duties

Such regulations shall include but shall not be limited to the following if such employees wish to reduce their workload and maintain retirement benefits pursuant to Section 22724 or Section 20815 of the Government Code:

(a) The employee must have reached the age of 55 prior to reduction in workload

(b) The employee must have been employed full time in a position requiring certification for at least 10 years of which the immediately preceding five years were full-time employment.

(c) The option of part-time employment must be exercised at the request of the employee and can be revoked only with the mutual consent of the employer and the employee.

(d) The employee shall be paid a salary which is the pro rata share of the salary he would be earning had he not elected to exercise the option of part-time employment but shall retain all other rights and benefits for which he makes the payments that would be required if he remained in full-time employment.

The employee shall receive health benefits as provided in Section 53201 of the Government Code in the same manner as a full-time employee.

(e) The minimum part-time employment shall be the equivalent of one-half of the number of days of service required by the employee's contract of employment during his final year of service in a full-time position.

(f) Notwithstanding the provisions of Section 22724, the following contributions shall be made to the Teachers' Retirement Fund:

(1) The member shall contribute the amount that would have been contributed if the member was employed full time.

(2) The employer shall contribute 13 percent of the salary that would have been paid the member had the member been employed full time.

SEC 89 Section 87603 of the Education Code is amended to read·

87603 The provisions of this article do not apply to the employment of persons as a superintendent, assistant superintendent, or deputy superintendent of a community college district or as a president of a community college employed by contract pursuant to Section 72411.5.

SEC. 90 Section 87662 of the Education Code is amended to read·

87662 The provisions of this article do not apply to persons employed as a superintendent, assistant superintendent, or deputy superintendent of a community college district or as a president of a community college employed by contract pursuant to Section 72411 5

SEC 91. Section 87781 of the Education Code is amended to read

87781 Every certificated employee employed five days a week by a community college district shall be entitled to 10 days' leave of absence for illness or injury and such additional days in addition thereto as the governing board may allow for illness or injury, exclusive of all days he is not required to render service to the district, with full pay for a school year of service A certificated employee employed for less than five schooldays a week shall be entitled, for a school year of service, to that proportion of 10 days' leave of absence for illness or injury as the number of days he is employed per week bears to five and is entitled to such additional days in addition thereto as the governing board may allow for illness

or injury to certificated employees employed for less than five schooldays a week; pay for any day of such absence shall be the same as the pay which would have been received had the employee served during the day. Credit for leave of absence need not be accrued prior to taking such leave by the employee and such leave of absence may be taken at any time during the school year. If such employee does not take the full amount of leave allowed in any school year under this section the amount not taken shall be accumulated from year to year with such additional days as the governing board may allow.

The governing board of each community college district shall adopt rules and regulations requiring and prescribing the manner of proof of illness or injury for the purposes of this section. Such rules and regulations shall not discriminate against evidence of treatment and the need therefor by the practice of the religion of any well-recognized church or denomination.

Nothing in this section shall be deemed to modify or repeal any provision of law contained in Chapter 3 (commencing with Section 3110) of Division 4 of the Health and Safety Code.

The provisions of Section 87780 relating to compensation shall not apply to the first 10 days of absence on account of illness or accident of any such employee employed five days a week or to the proportion of 10 days of absence to which such employee employed less than five days a week is entitled hereunder on account of illness or accident or to such additional days granted by the governing board. Any employee shall have the right to utilize sick leave provided for in this section and the benefit provided by Section 87780 for absences necessitated by pregnancy, miscarriage, childbirth, and recovery therefrom.

SEC. 92 Section 89304 of the Education Code is amended to read:

89304. Upon the favorable vote of two-thirds of the students voting in an election held for the purpose at a state college, in such manner as the trustees shall prescribe, and open to all regular students enrolled in the university or college, the trustees are authorized to fix, in addition to any other student fee the trustees are authorized to fix, a building and operating fee not to exceed twenty dollars ($20) per student per academic year which shall be required of all students attending the university or college. All unexpended funds and money collected by any state college under this section shall be available for financing, operating and constructing a student body center, and until so used, shall, subject to the approval of the trustees, be deposited or invested in trust by the chief fiscal officer of that university or college in any one or more of the following ways:

(a) Deposits in trust accounts of the centralized State Treasury system pursuant to Sections 16305 to 16305 7, inclusive, of the Government Code or in the California State University and Colleges Trust Fund or in a bank or banks whose accounts are insured by the Federal Deposit Insurance Corporation

(b) Investment certificates or withdrawable shares in state-chartered savings and loan associations and savings accounts of

federal savings and loan associations; provided such associations are doing business in this state and have their accounts insured by the Federal Savings and Loan Insurance Corporation.

(c) Purchase of any of the securities authorized for investment by Section 16430 of the Government Code or investment by the State Treasurer in those securities.

(d) Participation in funds which are exempt from federal income tax pursuant to Section 501 (c) (3) of the Internal Revenue Code and which are open exclusively to nonprofit colleges, universities, and independent schools.

(e) Investment certificates or withdrawable shares in federal or state credit unions; provided such credit unions are doing business in this state and have their accounts insured by the National Credit Union Administration; and provided further that any money so invested or deposited is invested or deposited in certificates, shares, or accounts fully covered by such insurance.

The chief fiscal officer of each college shall be custodian of those moneys and provide the necessary accounting records and controls thereof.

The state university or college shall be reimbursed from these funds in an amount to cover the cost of the custodial and accounting services provided by the university or college in connection with these funds.

These funds may be expended by the custodian only upon the submission of an appropriate claim schedule by an elected representative of the student body or his appointee.

SEC 93. Section 94121 of the Education Code is amended to read.

94121 The powers of the authority shall be vested in the members thereof in office from time to time and a majority of the total authorized membership of the authority shall constitute a quorum at any meeting thereof. Action may be taken and motions and resolutions adopted by the authority at any meeting thereof by the affirmative vote of a majority of the members present, unless in any case the bylaws of the authority shall require a larger number No vacancy in the membership of the authority shall impair the right of a quorum to exercise all the rights and perform all the duties of the authority

SEC. 94 Section 707 7 of the Elections Code is amended to read

707.7 (a) If the person or the person and estate is under a conservatorship established pursuant to Chapter 3 (commencing with Section 5350) of Part 1 of Division 5 of the Welfare and Institutions Code, the person may contest his or her disqualification from voting pursuant to the procedure set forth in Section 5358 3 of the Welfare and Institutions Code

(b) When the conservatorship described in subdivision (a) terminates after one year, the person's right to register to vote shall also be automatically restored and notification to the appropriate county clerk shall be made. If a petition is filed for the reappointment of the conservator, a new determination shall be

made as to whether the person should be disqualified from voting.

(c) If the right to vote is restored pursuant to Section 5358.3 of the Welfare and Institutions Code or if the conservatorship is terminated in a proceeding held pursuant to Section 5364 of the Welfare and Institutions Code, the court shall notify the county clerk of the person's county of residence that the person's right to register to vote is restored

SEC. 95. Section 15793 of the Elections Code is repealed.

SEC 96. Section 1237 of the Financial Code is amended to read:

1237. (a) Notwithstanding anything provided to the contrary in this division, the superintendent is empowered to prescribe such rules and regulations as will permit a bank, upon the security of residential property, to make loans and advance credit thereon, upon the execution by the borrower of mortgage payment instruments not authorized under the existing law, provided such instruments have prior approval of the superintendent, and the aggregate at any one time of the outstanding loans by a bank evidenced by such mortgage payment instruments, does not exceed 10 percent of the bank's assets.

(b) The rules and regulations of the superintendent shall be designed to permit limited experimentation to furnish valuable experience and information to the superintendent, the banking industry, and to the public relating to the substance of any permanent regulations or laws which may be forthcoming and to permit banks to operate selected pilot projects on a limited basis. The pilot projects and effective period of the regulations shall not exceed five years from the date of the issuance of such regulations and shall place a high priority on the protection for the consumer and encouraging integration and home ownership of those persons who have previously been excluded from or failed to avail themselves of home ownership. Such regulations, among other things, shall contain provisions relating to the various types of instruments for experimentation, including, but not limited to, forms of graduated payment mortgages, reverse annuity mortgages, flexible payment and flexible rate mortgages and combinations of such mortgages, with the further provision that such alternative mortgage instruments shall be limited in number, simple and comprehensible, and provide adequate opportunities and protections to those persons and classes of persons who have previously not been able to participate in home ownership. The regulations shall also contain a provision requiring that full disclosure be made to potential applicants, among other things, of the nature and effect of the alternative mortgage payment instrument, the payment due each month of the payment term, and all costs or savings attributed to the alternative mortgage instrument

(c) A bank offering any loan authorized by this section shall also offer any borrower who qualifies for its standard mortgage loan a choice of a standard mortgage loan at current market terms A standard mortgage loan means a standard fixed-rate, level-payment

mortgage loan

(d) A report shall be submitted by the superintendent to the Legislature annually on the 15th day of February of each year commencing the second year following the effective date of this legislation, and the report shall include the numbers and types of such mortgage instruments, and the impact of such instruments on minorities, women, young families, low- and middle-income families, and elderly persons

(e) This section shall remain in effect until January 1, 1984, and on such date is repealed.

SEC. 97 Section 1503 of the Financial Code is amended to read:

1503. No foreign corporation, other than a national banking association which is authorized to conduct a trust business in this state, shall have or exercise the powers of a trust company nor directly or indirectly transact or conduct in this state a trust business as defined in Section 106; but any foreign corporation which is authorized by its articles to exercise trust powers may act as trustee for the following purposes.

(a) To deliver bonds and receive payments therefor

(b) To deliver permanent bonds in exchange for temporary bonds of the same issue.

(c) To deliver refunding bonds in exchange for those of a prior issue or issues

(d) To register bonds or to exchange registered bonds for coupon bonds or coupon bonds for registered bonds.

(e) To pay interest on such bonds, and take up and cancel coupons representing such interest payment

(f) To redeem and cancel bonds when called for redemption or to pay and cancel bonds when due.

(g) To certify registered bonds for the purpose of exchanging registered bonds for coupon bonds

A foreign corporation which is authorized by its articles to exercise trust powers may be appointed and may accept appointment and act as trustee under any mortgage, deed of trust, or other instrument securing bonds or other obligations issued or to be issued by any railroad corporation which owns a railroad operating in the State of California and extending into another state.

A foreign corporation exercising in this state the powers conferred by this section shall not establish or maintain directly or indirectly any branch office or agency in this state unless it has complied with all of the applicable provisions of Chapter 14 (commencing with Section 1750)

SEC. 98 Section 18368 of the Financial Code is amended to read

18368 Whenever it appears to the commissioner that

(a) The capital of an industrial loan company is impaired,

(b) An industrial loan company has violated its articles of incorporation or any law of this state,

(c) An industrial loan company is conducting its business in an unsafe or unauthorized manner,

(d) An industrial loan company refuses to submit its books, papers, and affairs to the inspection of any examiner;

(e) An officer of any industrial loan company refuses to be examined upon oath touching the concerns of such industrial loan company;

(f) An industrial loan company has suspended payment of its obligations;

(g) An industrial loan company is in such condition that it is unsound or unsafe for it to transact business;

(h) An industrial loan company neglects or refuses to observe any order of the commissioner made pursuant to this division, unless the enforcement of such order is restrained in a proceeding brought by the industrial loan company;

(i) An industrial loan company fails to participate as a member of Thrift Guaranty Corporation of California in accordance with Chapter 7 (commencing with Section 18475) of this division or fails to pay any assessment levied pursuant thereto within the time specified;

(j) A member industrial loan company of Guaranty Corporation refuses to permit Guaranty Corporation, its appointed certified public accountant or public accountant, or specialized committees or employees to fulfill their duties under Section 18496,

(k) An industrial loan company has sold or issued investment certificates in violation of the provisions of this division;

(*l*) An industrial loan company has failed to maintain in effect a bond required under the provisions of this division; or

(m) Any fact or condition exists which, if it had existed at the time of the original application for authority to organize and establish a corporation to engage in the industrial loan business reasonably would have warranted the commissioner in disapproving the application;

the commissioner may forthwith take possession of the property and business of such industrial loan company and retain possession until such industrial loan company resumes business or its affairs be finally liquidated as herein provided. Such industrial loan company, with the consent of the commissioner, may resume business upon such conditions as he may prescribe.

SEC 99 Section 5700 of the Fish and Game Code is amended to read·

5700 Notwithstanding Sections 5670, 5672, 8341, and 9050, native and nonnative mollusks may be taken in Districts 12 and 13 and moved to other areas to be purified for human consumption under such rules and regulations as shall be established by the commission. Such regulations may include, but are not limited to, bag limits, methods of harvest, and provisions for public use Mollusks taken under this section shall not be used for human consumption unless such use is approved by the State Department of Health Services

SEC 100 Section 5701 of the Fish and Game Code is amended to read

5701. The State Department of Health Services may make sanitary surveys of mollusk-growing areas or may use sanitary surveys of mollusk-growing areas made by qualified state or county agencies, and based on such information may classify such areas for purposes of harvesting and moving mollusks which are to be purified for human consumption in accordance with Section 5700. The State Department of Health Services shall adopt such rules and regulations as are necessary to implement this section

SEC 101 Article 6 (commencing with Section 6550) of Chapter 5 of Part 1 of Division 6 of the Fish and Game Code is repealed

SEC. 102 A heading is added immediately preceding Section 7256 of the Fish and Game Code, to read·

Article 1. Spiny Lobster

SEC. 103 The heading of Article 1 (commencing with Section 7290) of Chapter 2 of Part 2 of Division 6 of the Fish and Game Code is amended and renumbered to read

Article 1.5 Pismo Clams

SEC. 104. Section 8836 4 of the Fish and Game Code is repealed.

SEC 105 The heading of Article 2 (commencing with Section 7301) of Chapter 1 of Part 4 of Division 4 of the Food and Agricultural Code is amended to read:

Article 2. Camelthorn

SEC. 106. Section 14670 of the Food and Agricultural Code is amended and renumbered to read.

14690 Failure to submit a tonnage report of commercial fertilizer and agricultural minerals sales on or before the date specified by the director in regulations, shall subject the registrant to payment of a penalty of fifteen dollars ($15) An additional penalty of ten dollars ($10) shall be charged for each succeeding month a tonnage report remains delinquent, except that the total penalty for a late submission of a monthly tonnage report shall not exceed seventy-five dollars ($75)

SEC 107 The heading of Article 3 (commencing with Section 34261) of Chapter 9 of Part 1 of Division 15 of the Food and Agricultural Code is amended to read.

Article 3. Milk Tests

SEC 108 Section 34592 of the Food and Agricultural Code is amended to read

34592 Market milk which is served by any school, hospital, hotel, boardinghouse, restaurant, soda fountain, lunch counter, or other places where food or drink is served to the public, shall be served in

the individual service bottle or container which has been filled and capped or sealed in a milk room, properly designed and equipped as approved by the director, the cap or seal of which shall not be removed except in the presence of the consumer or patron This section does not

(a) Apply to market cream or half-and-half.

(b) Prohibit the serving of homogenized market milk from a milk dispensing device which has been approved for such use by the director pursuant to Section 34594

(c) Apply to any private boarding school which is licensed pursuant to Chapter 2 (commencing with Section 1250) of Division 2 of the Health and Safety Code which is also a private full-time day school within the meaning of Section 48222 of the Education Code

(d) Apply to any fraternity, sorority, dormitory or eating club, the existence of which is authorized or approved by the board of trustees or other governing agency of a college or university

(e) Apply to any children's center, day care program, or preschool program, as such terms are used in Chapter 2 (commencing with Section 8200) of Part 6 of the Education Code

SEC 109 Section 35971 of the Food and Agricultural Code is amended to read

35971 Half-and-half is a pasteurized market milk product. It shall contain not less than 10 5 percent of milk fat and it shall contain not more than 20,000 bacteria per milliliter or more than 10 coliform bacteria per milliliter at the time of delivery to the consumer. It shall be subject to degrading or exclusion based upon excess bacteria pursuant to Article 14 (commencing with Section 36121) of this chapter

SEC 110 The heading of Article 7 (commencing with Section 36991) of Chapter 2 of Part 3 of Division 15 of the Food and Agricultural Code is amended to read

Article 7 Frozen Yogurt

SEC 111 Section 58382 of the Food and Agricultural Code is amended to read

58382 A person that receives any agricultural product, for sale on commission or for sale or exchange for the benefit of any other person, shall not destroy, abandon, discard as refuse, or dump, such product, without a permit in writing from the commissioner, county health officer, director, State Director of Health Services, or from some other official now or hereafter authorized by law to issue permits for the destruction of such product Such permits, together with a detailed statement of every product which is destroyed pursuant to the permit, shall be kept on file by the person to whom they are issued

SEC 112 Section 61832 of the Food and Agricultural Code is amended to read

61832 "Milk plant" means any place, structure, or building

where a handler receives market milk.

SEC 113 Section 66681 of the Food and Agricultural Code is amended to read:

66681 Nothing in this chapter shall apply to any order, rule, or regulation issued or issuable by the Public Utilities Commission or the Interstate Commerce Commission with respect to the operation of common carriers.

SEC. 114. Section 67023 of the Food and Agricultural Code is amended to read.

67023. "Books and records" mean books, records, contracts, documents, memoranda, papers, correspondence, or other written data pertaining to matters relating to the activities subject to the provisions of this chapter

SEC 115 Section 7 5 of the Government Code is amended to read:

7.5 Whenever, by any law, the director of any state department is made a member of a state board, commission, or committee, or of the governing body of any state agency or authority, the director may designate a deputy director of that department holding a position specified in subdivision (g) of Section 4 of Article VII of the California Constitution to act as such member in his place and stead, to all intents and purposes as though the director were personally present, including the right of the deputy to be counted in constituting a quorum, to participate in the proceedings of the board, commission, committee or other governing body, and to vote upon any and all matters. Not more than one director shall be represented by such a deputy at any meeting or session of a board, commission, committee or other governing body. The director so designating such a deputy shall be responsible for the acts of the deputy acting under such designation in the same manner and to the same extent that the director is responsible for the acts of the deputy performing his official duties as deputy director of the department.

SEC 116. Section 7.6 of the Government Code is amended to read·

7 6. Whenever, by any law, any officer whose office is created by the California Constitution is made a member of a state board, commission, or committee, or of the governing body of any state agency or authority, such officer may designate a deputy of his office holding a position specified in subdivision (c) of Section 4 of Article VII of the California Constitution to act as such member in his place and stead, to all intents and purposes as though he were personally present, including the right of the deputy to be counted in constituting a quorum, to participate in the proceedings of the board, commission, committee or other governing body, and to vote upon any and all matters The constitutional officer so designating a deputy shall be responsible for the acts of the deputy acting under such designation in the same manner and to the same extent that the constitutional officer is responsible for the acts of the deputy performing his official duties as a deputy of the office of the

constitutional officer

The Lieutenant Governor may designate any person in his office holding a position specified in subdivision (c) or (f) of Section 4 of Article VII of the California Constitution to act as a deputy for the purposes of this section only, provided that the Lieutenant Governor may not appoint a person to act as a deputy for him at meetings of the Senate, or of the Regents of the University of California, or of the Trustees of the California State University and Colleges.

The Attorney General may also designate any person in his office holding a position specified in subdivision (m) of Section 4 of Article VII of the California Constitution to act as a deputy for the purpose of this section; provided, that no person designated by the Attorney General pursuant to this section to act as a member on any state board, commission, committee or governing body of which the Attorney General is presiding officer shall act as presiding officer in his place.

The Superintendent of Public Instruction may designate any person in his office holding a position specified in Section 2.1 of Article IX of the California Constitution to act as a deputy for the purposes of this section, provided that the Superintendent of Public Instruction may not appoint a person to act as a deputy for him at meetings of the State Board of Education, of the Regents of the University of California, or of the Trustees of the California State University and Colleges

Notwithstanding the foregoing provisions of this section, not more than one officer subject to this section shall be represented by a deputy subject to this section at any meeting or session of the State Lands Commission.

SEC 117 Section 7.8 of the Government Code is amended to read

7 8 Notwithstanding anything in this code to the contrary, the Directors of Finance, General Services, and Education may appoint any deputy or assistant director in their respective departments to act in their place and stead on the State Allocation Board, irrespective of whether said deputy or assistant director holds a position specified in subdivision (g) of Section 4 of Article VII of the California Constitution, and irrespective of whether there shall be more than one such person representing a director at any meeting of such board Such person, while sitting on said board, shall have all the powers the director he represents would have had, including the right to be counted in a quorum, the right to participate in the proceedings of the board and to vote on any and all matters. The director so designating such a deputy or assistant director shall be responsible for the acts of the person acting under such designation in the same manner and to the same extent that the director is responsible for the acts of the deputy or assistant director performing his official duties as deputy or assistant director of the department.

SEC 118 The heading of Chapter 8 (commencing with Section 4500) of Division 5 of Title 1 of the Government Code is amended

and renumbered to read:

CHAPTER 9. RAPID TRANSIT

SEC. 119. The heading of Chapter 8 (commencing with Section 5700) of Division 6 of Title 1 of the Government Code is amended and renumbered to read:

CHAPTER 9. SALE OF STATE BONDS

SEC 120. Section 6253 of the Government Code is amended to read:

6253. (a) Public records are open to inspection at all times during the office hours of the state or local agency and every citizen has a right to inspect any public record, except as hereafter provided. Every agency may adopt regulations stating the procedures to be followed when making its records available in accordance with this section.

The following state and local bodies shall establish written guidelines for accessibility of records. A copy of these guidelines shall be posted in a conspicuous public place at the offices of such bodies, and a copy of such guidelines shall be available upon request free of charge to any person requesting that body's records:

Department of Motor Vehicles
Department of Consumer Affairs
Department of Transportation
Department of Real Estate
Department of Corrections
Department of the Youth Authority
Department of Justice
Department of Insurance
Department of Corporations
Secretary of State
State Air Resources Board
Department of Water Resources
Department of Parks and Recreation
San Francisco Bay Conservation and Development Commission
State Department of Health Services
Employment Development Department
State Department of Social Services
State Department of Mental Health
State Department of Developmental Services
State Department of Alcohol and Drug Abuse
Office of Statewide Health Planning and Development
Public Employees' Retirement System
Teachers' Retirement Board
Department of Industrial Relations
Department of General Services
Department of Veterans Affairs

Public Utilities Commission
California Coastal Zone Conservation Commission
All regional coastal zone conservation commissions
State Water Quality Control Board
San Francisco Bay Area Rapid Transit District
All regional water quality control boards
Los Angeles County Air Pollution Control District
Bay Area Air Pollution Control District
Golden Gate Bridge, Highway and Transportation District

(b) Guidelines and regulations adopted pursuant to this section shall be consistent with all other sections of this chapter and shall reflect the intention of the Legislature to make such records accessible to the public.

SEC. 121. The heading of Chapter 17.5 (commencing with Section 7301) of Division 7 of Title 1 of the Government Code is amended and renumbered to read:

CHAPTER 17 7. OPEN-SPACE LAND DEDICATION

SEC. 122 Section 7465 of the Government Code is amended to read

7465 For the purposes of this chapter:

(a) The term "financial institution" includes state and national banks, state and federal savings and loan associations, trust companies, industrial loan companies, and state and federal credit unions Such term shall not include a title insurer while engaging in the conduct of the "business of title insurance" as defined by Section 12340 3 of the Insurance Code, an underwritten title company, or an escrow company

(b) The term "financial records" means any original or any copy of any record or document held by a financial institution pertaining to a customer of the financial institution.

(c) The term "person" means an individual, partnership, corporation, association, trust or any other legal entity.

(d) The term "customer" means any person who has transacted business with or has used the services of a financial institution or for whom a financial institution has acted as a fiduciary.

(e) The term "state agency" means every state office, officer, department, division, bureau, board, and commission or other state agency, including the Legislature

(f) The term "local agency" includes a county; city, whether general law or chartered; city and county; school district; municipal corporation, district, political subdivision; or any board, commission or agency thereof, or other local public agency.

(g) The term "supervisory agency" means any of the following:

(1) The State Banking Department
(2) The Department of Savings and Loan.
(3) The Department of Corporations
(4) The State Controller

(5) The Administrator of Local Agency Security.

(h) The term "investigation" includes, but is not limited to, any inquiry by a peace officer, sheriff, or district attorney, or any inquiry made for the purpose of determining whether there has been a violation of any law enforceable by imprisonment, fine, or monetary liability

(i) The term "subpoena" includes subpoena duces tecum.

SEC. 123 Chapter 2.5 (commencing with Section 8110) of Division 1 of Title 2 of the Government Code is repealed

SEC 124 Section 8220 of the Government Code, as added by Chapter 579 of the Statutes of 1977, is amended and renumbered to read

8240. The Legislature finds and declares that despite the fact that women apparently have greater equality in California than in many states, they still are not able to contribute to society according to their full potential With a view to developing recommendations which will enable women to make the maximum contribution to society, the Legislature has created the Commission on the Status of Women

SEC. 125 Section 8221 of the Government Code, as added by Chapter 579 of the Statutes of 1977, is amended and renumbered to read.

8241. There is in the state government the Commission on the Status of Women. The commission shall consist of 17 members· three Members of the Senate and one public member appointed by the Senate Committee on Rules, three Members of the Assembly and one public member appointed by the Speaker, the Superintendent of Public Instruction, the Chief of the Division of Industrial Welfare in the Department of Industrial Relations, and seven public members appointed by the Governor, with the consent of the Senate The Members of the Legislature shall serve at the pleasure of the appointing powers.

Public member appointees of the Speaker and the Senate Committee on Rules, and appointees of the Governor shall serve four-year terms All persons appointed pursuant to Section 2 of Chapter 1378 of the Statutes of 1965, as amended by Chapter 382 of the Statutes of 1973, shall continue in office until the expiration of their term and the appointment of their successors The appointing powers may reappoint a member whose term has expired, and shall immediately fill any vacancy for the unexpired portion of the term in which it occurs

All appointees shall hold office until the appointment of their successors

SEC 126 Section 8222 of the Government Code, as added by Chapter 579 of the Statutes of 1977, is amended and renumbered to read

8242 (a) Each member of the commission shall be entitled to receive his actual necessary expenses while on official business of the commission

(b) The commission shall select annually from its membership, a chairman and vice chairman.

SEC 127 Section 8223 of the Government Code, as added by Chapter 579 of the Statutes of 1977, is amended and renumbered to read

8243. All meetings of the commission shall be open and public and all persons shall be permitted to attend any meetings of the commission

SEC 128 Section 8224 of the Government Code, as added by Chapter 579 of the Statutes of 1977, is amended and renumbered to read

8244. The commission shall have the powers and authority necessary to carry out the duties imposed upon it by this chapter, including, but not limited to, the following

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

(b) 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.

(c) To cooperate with, and secure the cooperation of, any department, division, board, bureau, commission, or other agency of the state to facilitate it properly to carry out its powers and duties hereunder.

(d) To appoint advisers or advisory committees from time to time when the commission determines that the experience or expertise of such advisers or advisory committees is needed for projects of the commission. Section 11009 is applicable to advisers or advisory committees

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

(f) To accept any gifts, donations, grants, or bequests for all or any of the purposes of this chapter.

SEC 129 Section 8225 of the Government Code, as added by Chapter 579 of the Statutes of 1977, is amended and renumbered to read.

8245 (a) The commission shall study the following

(1) Women's educational and employment problems, needs, and opportunities

(2) State laws in regard to the civil and political rights of women, including pensions, tax requirements, property rights, marriage and dissolution of marriage provisions, and similar matters.

(3) The effect of social attitudes and pressures and economic considerations in shaping the roles to be assumed by women in the society.

(4) Any laws, practices, or conditions concerning or affecting women which impose special limitations or burdens upon them or upon society, or which limit or tend to limit opportunities available to women

(b) The commission shall act as an information center on the

status of women and women's educational, employment, and other related needs.

(c) The commission shall recommend, develop, prepare, or coordinate materials, projects, or other activities, and shall give technical and consultative advice to public or private groups or persons concerned with any of the following:

(1) Preventing or minimizing problems brought about by the changing roles and responsibilities of women.

(2) Developing programs to encourage and enable women to be fully contibuting members of society.

(d) A prime function of the commission shall be to encourage women's organizations and other groups to institute local self-help activities designed to meet women's educational, employment, and related needs. The commission shall make reports on its activities, findings, and recommendations to the Legislature from time to time, but not less often than every odd-numbered year

SEC. 130. Section 8524 of the Government Code, as amended and renumbered by Chapter 1625 of the Statutes of 1967, is amended and renumbered to read:

8525 The commission may submit to the Legislature and the Governor, at such time, or times, as the commission deems necessary, interim reports of its activities.

SEC. 131. Section 11011.1 of the Government Code is amended to read·

11011 1. (a) Land that has been declared surplus by the Legislature, pursuant to Section 11011, and is not needed by any state agency shall be offered to local governmental agencies. Except as authorized in subdivisions (b), (c), and (d), transfers of surplus land to local governmental agencies pursuant to this section shall be at fair market value.

(b) Where such land is to be used for park and recreation purposes and operated for such purposes by local agencies at no expense to the state, the Director of General Services with the approval of the State Public Works Board may, notwithstanding any provision in Section 11011, transfer the land to local governmental agencies at less than the fair market value of the land, if such transfer is in the public interest, under the following conditions:

(i) The local public agency has submitted a general development plan for the property which conforms to the agency's general plan pursuant to Article 5 (commencing with Section 65300) of Chapter 3 of Title 7, and which general development plan has been approved by the Director of Parks and Recreation.

(ii) The land shall be developed according to plan within a time period determined by the state but not to exceed 10 years. The deed or other instrument of transfer shall provide that the land shall revert to the state if the land is not developed within the time period so determined by the state.

(iii) The deed or other instrument of transfer shall provide that the land would revert to the state if the use changed to a use not

consistent with parks and recreation purposes during the period of 25 years following the sale.

(c) Where such land is to be used for open-space purposes, as defined herein, and operated by local agencies at no expense to the state, the Director of General Services with the approval of the State Public Works Board may transfer the land to local governmental agencies at fair market value of the land or at any lesser value of the land under the following conditions:

(i) The local public agency has submitted a plan for the use of the property which conforms to the agency's general plan pursuant to Article 5 (commencing with Section 65300) of Chapter 3 of Title 7, and which plan has been approved by the Director of Parks and Recreation.

(ii) The land shall be used according to plan within a time period determined by the state but not to exceed 10 years.

(iii) The deed or other instrument of transfer shall provide that the land would revert to the state if the use changed to a use not consistent with open-space purposes during the period of 25 years following the sale.

(iv) For the purpose of this subdivision, "open-space purpose" means the use of land for public recreation, enjoyment of scenic beauty, or conservation or use of natural resources

(d) Where such land is suitable to be used for the purpose of providing housing for persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, the Director of General Services, with the approval of the State Public Works Board, may offer the land to local agencies within whose jurisdiction the land is located. Provided, however, where such land is not used for the purposes for which it was acquired, and such land is declared surplus land and is not needed by any other state agency pursuant to the provisions of Section 11011, the state shall extend to the individual from whom the land was acquired an offer to purchase such land at current fair market value. Such offer shall extend for 60 days and if not exercised within such period shall be irrevocably terminated. This provision shall not apply to surplus land to which the state has held title for more than seven years. Such land may be transferred at a reasonable cost which will enable the provision of housing for persons and families of low or moderate income Such cost may be less than fair market value. The Department of Housing and Community Development shall recommend to the Department of General Services a cost which will enable the provision of housing for persons and families of low or moderate income. All transfers of land pursuant to this subdivision shall be subject to the following conditions.

(1) The local agency has made all of the following findings:

(A) There is a need for such housing in the community.

(B) The land is suitable for development of such housing.

(2) The local agency develops a plan for such housing in accordance with criteria established by the Department of Housing

and Community Development, which shall include, but not be limited to, criteria respecting the financial condition of the developer, if the housing is to be developed by a private sponsor, and the cost of the project. Such plan shall be approved by the Department of Housing and Community Development.

(3) After transfer of such property from the state to the local agency, the property shall be developed as housing for persons and families of low or moderate income. The local agency may lease such property to any nonprofit corporation, housing corporation, limited dividend housing corporation, or private developer if the local agency determines a private entity is best suited to develop housing for persons and families of low or moderate income In authorizing such private development, the local agency shall impose reasonable terms and conditions as will further the purposes of this subdivision, which shall include, but not be limited to, continued use of the property for housing for persons and families of low or moderate income. A lessee of land pursuant to this subdivision shall agree to limitations on profit in the operation of such property which will benefit the public and assure that the housing provided thereon is within the means of persons and families of low or moderate income. Such agreement shall be binding upon successors in interest of the original lessee and shall inure to the benefit of, and be enforceable by, the state

(4) The local agency shall assure that the land will be used for the purpose of providing low or moderate income housing and shall not permit the use of the dwelling accommodations of the project for any other purpose, except as provided in this section.

In the event a local agency does not comply with the land-use requirements prescribed in this section, as determined by the Department of General Services, the Department of General Services may require that the local agency pay the state the difference between the actual price paid by the local agency for the property and the fair market value of such property, at the time of the department's determination of noncompliance, plus 6 percent interest on such amount for the period of time the land has been held by the local agency.

If the local agency, with the approval of the Department of General Services, and in consultation with the Department of Housing and Community Development, determines that there is no longer a need for low or moderate income housing within the jurisdiction of the local agency and another valid public purpose could be achieved by utilizing the land in an alternative manner, the local agency shall not be required to make any payment to the state for the difference between purchase price and fair market value or interest charges for the period of time the land has been held by the local agency

(5) Failure to comply with the provisions of this section shall not invalidate the transfer, sale, or conveyance of the real property to a bona fide purchaser or encumbrancer for value

(6) The project shall be commenced within 24 months of the original transfer to the local agency. However, the Department of General Services, in consultation with the Department of Housing and Community Development, may for justifiable cause extend the time for commencement of development for an additional 36 months. The aggregate time for commencing development shall not exceed 60 months. If development has not commenced within such time, the land shall revert to the Department of General Services for disposal pursuant to Section 11011.1 of the Government Code or as otherwise authorized by law.

(7) As used in this subdivision, "local agency" means and includes any county, city, city and county, redevelopment agency organized pursuant to Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code, or housing authority organized pursuant to Part 2 (commencing with Section 34200) of Division 24 of the Health and Safety Code, public district or other political subdivision of the state and any instrumentality thereof, which is authorized to engage in or assist in the development or operation of housing for persons and families of low or moderate income and also includes two or more such agencies acting jointly pursuant to Part 1 (commencing with Section 6500) of Division 7 of this code.

(e) The Department of Housing and Community Development, in consultation with the Department of General Services and the Office of Planning and Research, shall make a report to the Legislature on or before January 1, 1981, with respect to effectiveness of the program and shall recommend any necessary legislative changes to the provisions of subdivision (d).

(f) Where such land is to be used for public purposes other than specifically set forth in this section, is to be operated by the local agency at no expense to the state, and the use and enjoyment of the public purpose contemplated will be of broad public benefit, and not a benefit basically of local interest enjoyed and used primarily by the residents of the area of tax jurisdiction of the local agency, the Director of General Services, with the approval of the State Public Works Board, may transfer the land to local governmental agencies at a sales price not less than 50 percent of fair market value. Any such transfer shall provide that if the land is not used for the contemplated purpose during the period of 25 years following the sale, the land shall revert to the state. The Director of General Services may provide additional terms and conditions as he determines to be in the best interest of the state.

(g) If there is more than one appropriate use and more than one offer for the use of a parcel of surplus land, the Department of General Services, in consultation with the Department of Housing and Community Development, the Department of Parks and Recreation, and the Office of Planning and Research, shall determine the most appropriate use for the parcel and offer the land accordingly.

(h) Land that has been declared surplus by the Legislature,

pursuant to Section 11011, is not needed by any state agency, is suitable for development for housing purposes, and is not in the process of being acquired pursuant to other provisions of this section, may upon the request of the Department of Housing and Community Development be retained by the Director of General Services for a period not exceeding five years, during which the Director of General Services shall continue to offer such lands for housing pursuant to subdivision (d).

(i) Transfer of state surplus lands under subdivision (d) shall be at a cost which will enable provision of economically feasible housing for persons and families of low or moderate income.

SEC. 132. Section 11427 of the Government Code is amended to read:

11427. (a) Upon receipt of a petition requesting the adoption, amendment or repeal of a regulation pursuant to this article, a state agency shall notify the petitioner in writing of the filing and then shall within 30 days deny the petition indicating why the agency has reached such a decision on the merits of the petition in writing or schedule the matter for public hearing pursuant to Sections 11423, 11424, and 11425

(b) A state agency may grant or deny such a petition in part, and may grant such other relief or take such other action as it may determine to be warranted by the petition and shall notify the petitioner in writing of such action.

(c) Any interested person may request reconsideration of any part or all of a decision of any agency on any petition submitted. Any such request shall be submitted in accordance with Section 11426 and include the reason or reasons why an agency should reconsider its previous decision no later than 60 days after the date of the decision involved. The agency's reconsideration of any matter relating to a petition shall be subject to the provisions of subdivision (a).

SEC. 133. Section 14876 of the Government Code is amended to read.

14876 (a) Pressmen, typographers, linotypers, compositors, bookbinders, lithographers, engravers, apprentices and assistants and all other employees of the Office of State Printing employed in allied work shall be paid on an hourly wage basis. The basic wage of such employees shall be the prevailing hourly wage paid to persons identified by the State Personnel Board to be in similar and comparable employment by private printers in the major metropolitan areas in California. The State Personnel Board shall accept and give validity to certified copies of agreed upon contracts submitted by either the employer, the employer group, or the employee organization.

The State Personnel Board shall survey only major employers where there are agreed upon contracts Where any such contract contains any provision or provisions which do not reflect the actual practice of the employer, the State Personnel Board shall disregard such provision or provisions.

If the State Personnel Board finds that salary relationships between surveyed classes do not accurately reflect relationships in duties and responsibilities of employees of the Office of State Printing, the board shall adjust such wage rates on an equitable basis notwithstanding the survey findings.

As used in this section, prevailing wages and prevailing benefits means wages and benefits arrived at through negotiation between an employer or employer organization, and an employee organization which is the bona fide representative of the employer's employees and certified as such by the Director of Industrial Relations. In order to be so certified, the employee organization shall be free from employer influence and domination.

(b) In addition to such wages, and the rights and privileges afforded state employees under the provisions of the State Civil Service Act, and other statutes, there shall be paid to each such employee of the Office of State Printing, either directly or to a health and welfare fund on his or her behalf, an amount equal to the prevailing individual contributions paid to health and welfare plans for employees in similar and comparable employment by private printers in the major metropolitan areas. Where such contracts do not disclose the dollar value of health and welfare benefits, the state shall provide the same or substantially the same level of benefits as provided for in such agreed upon contracts. Any adjustments made pursuant to subdivisions (a) and (b) of this section shall be effective as of March 1, 1977, and each March 1, thereafter.

(c) As an alternative to subdivision (b), persons employed and retired from employment in the Office of State Printing may elect within 90 days of October 1, 1977, to be covered under the Public Employees' Medical and Hospital Care Act pursuant to Section 22754 2.

A person first employed to any position described in subdivision (a) after October 1, 1977, may elect to become an "employee" as defined in Section 22754.2 within 90 days of commencing such employment.

Any person who is a member of a health and welfare plan described in subdivision (b) who loses eligibility for participation in such plan, or if the plan of which the person is a member ceases to exist, such person may elect to become an "employee" as defined in Section 22754.2 within 90 days of the date such eligibility is lost or the plan ceases to exist.

(d) In no instance shall the wages and the health and welfare contributions paid by the state to the persons covered under this section be less than the dollar amount paid as of the effective date of this section.

(e) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517 5, the memorandum of understanding shall be controlling without further legislative action, except that if such provisions of a memorandum of understanding require the

expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

SEC 134 Section 14998.7 of the Government Code is amended to read.

14998 7 The council may establish fees to be paid for use of state-owned property and state employee services for the purpose of making commercial motion pictures. All fees collected pursuant to this section shall be deposited in the Motion Picture Council Account which is hereby created in the Special Deposit Fund for disbursement by the council to reimburse the operating departments for their actual additional costs and for support of the council.

(a) Applications by the Motion Picture Council for permission to use state property for making motion pictures shall be made to the Director of General Services who shall, promptly upon receipt of such an application, contact the state agency having jurisdiction over the property specified in the application for the concurrence of such agency in the use of such property The director shall approve or deny such applications within 30 days. The denial of such an application may be made on the basis of·

(1) State cost in permitting such use would exceed the fee established by the Motion Picture Council,

(2) Such use would unduly interfere with the conduct of state business, or

(3) Failure of the permittee to provide full insurance or bond coverage, if required by the Department of General Services, sufficient to reimburse the state for any user-caused damage to the property and to provide adequate personal liability insurance coverage

In the event that the Director of General Services takes no action on such application within 30 days, the application shall be deemed approved by the Director of General Services. If the Director of General Services determines that he is unable to make a decision within the 30 days and so notifies the Motion Picture Council within 25 days of receipt of the application, the director shall then have a total of 45 days from receipt of the application to approve or deny such application In the event no action is taken by the Director of General Services within such 45-day period, the application shall be deemed approved by the Director of General Services

Any state agency having management and control over state property, the use of which is sought by such application, shall permit such property to be used for the purpose of making motion pictures upon approval by the Director of General Services and the payment of the fee established by the Motion Picture Council

(b) If in connection with the use of roads, highways, and freeways, the assistance, control, or protection by Highway Patrol officers is desired, applications by the Motion Picture Council or by an entity engaged in agricultural production to utilize services of Highway Patrol officers in the production of motion pictures or the

transportation of agricultural commodities shall be made to the Commissioner of the Highway Patrol. The commissioner may approve the application provided that employees are available and the department is fully reimbursed for additional costs incurred. Applications to utilize Highway Patrol employee services shall be approved or disapproved by the commissioner within 30 days of receipt of the application and shall be approved sooner if possible.

SEC. 135 Section 16260 of the Government Code is amended to read:

16260. (a) Except as provided in subdivision (x), out of the amount appropriated by Section 16100, there shall be allocated for counties and cities and counties, for the 1978–79 fiscal year only four hundred thirty-six million dollars ($436,000,000) to be distributed as provided in subdivisions (b), (c), (d), and (e).

(b) (1) For each county and city and county, the amount of property taxes collected, plus the amount of homeowner and business inventory exemption reimbursements, for the 1977–78 fiscal year shall be computed by the Controller.

(2) From the amount determined pursuant to paragraph (1), there shall be subtracted the amount allocated to each county and city and county in 1978–79 pursuant to Section 26912.1.

(3) From the remainder determined pursuant to paragraph (2), there shall be subtracted the dollar amount of a county's obligation in 1978–79 relieved by Sections 33 and 34 of the bill.

(4) The amount determined pursuant to paragraph (3) shall be aggregated for counties and cities and counties in the state.

(5) The Controller shall then determine what the percentage computed for each county and city and county pursuant to paragraph (3) is of the total statewide computed pursuant to paragraph (4)

(6) The percentage determined pursuant to paragraph (5) shall be applied to the amount described in subdivision (a), modified by subdivision (x) if applicable, to determine the dollar share of the surplus allocation for each county and city and county.

(c) From each county's or city and county's surplus allocation, there shall be subtracted an amount equal to one-third of the amount by which the county's or city and county's general fund reserve balance on July 1, 1978, as defined in subdivision (e), exceeds 5 percent of the county's or city and county's total 1977–78 revenues.

(d) The remainder determined in subdivision (b) minus the amount determined in subdivision (c), if positive, shall be distributed to each county and city and county by the Controller in accordance with the following schedule·

33 percent—on August 31, 1978, or a subsequent date if the information needed by the Controller is not available by this date;

33 percent—on December 10, 1978, and

34 percent—on May 10, 1979

(e) As used in this section "general fund reserves" includes reserves as of July 1, 1978, that are not legally obligated "General

fund reserves" shall not include.

(1) Noncash assets such as stores, inventory, property and buildings, or other investments purchased prior to June 6, 1978.

(2) Any amounts for self-insurance, for contractual obligations, or for reserves established by law or a governing board policy adopted prior to June 6, 1978.

(3) Any amounts restricted by law or court order.

(4) Any amounts committed to a capital outlay project approved prior to June 6, 1978, by the board of supervisors.

(f) For the purpose of this subdivision, the amount of property tax collections pursuant to existing law for the purpose of making annual payments for the interest and principal on outstanding general obligation bonds or other indebtedness approved by the voters prior to July 1, 1978, shall be excluded from all calculations.

(g) Funds distributed for this section shall be given first for police, sheriff, and fire programs in order not to jeopardize the health and safety of the community. The legislative body shall ensure that the level of police, sheriff, and fire protection programs actually provided in the 1977–78 fiscal year shall be continued in 1978–79

Nothing in this section shall prevent the legislative body from reviewing and establishing its police, sheriff, and fire protection program in the 1978–79 fiscal year in a manner which will make such program more efficient and effective.

Any determination by the legislative body implementing this section is hereby declared to be a legislative act.

(h) The Controller shall estimate the amounts required to be determined pursuant to subdivision (b) (3)

The Controller shall determine the actual amounts and make a reconciliation with the April 10, 1979, distribution.

(x) The amount allocated in subdivision (a) shall be reduced by an amount equal to the county share derived pursuant to Welfare and Institutions Code Sections 11403, 11450(b) and 15200 the dollar amount of any cost-of-living increase in aid payments under the Aid to Families with Dependent Children program, as provided in Section 35 of Chapter 332 of the Statutes of 1978.

SEC 136. Section 16280 of the Government Code is amended to read·

16280. No state funds from the state surplus or state loan funds shall be available to any local public agency which provides a cost-of-living wage or salary increase in the 1978–79 fiscal year for local public agency employees or cost-of-living increases for any other individuals, including AFDC and other welfare recipients, if such increase is in excess of the cost-of-living salary increase provided for state employees. The cost-of-living salary increase provided for state employees shall be determined by dividing the total amount made available by the Legislature for salary increases to state employees by the total salaries paid to state employees. If the Legislature limits the cost-of-living salary increase for state employees on the basis of salary range, the local public agency shall

likewise limit any cost-of-living increase for local public agency employees and other individuals on the same basis.

Any provision of a contract, agreement, or memorandum of understanding between a local public agency and an employee organization or an individual employee which provides for a cost-of-living wage or salary increase to local public agency employees in excess of such increase provided for state employees is null and void to the extent of such excess

This section shall not preclude regular merit increases, established prior to June 6, 1978, longevity or educational increments, promotions, or transfers, but shall preclude the transfer of employees to new positions created with higher pay schedules for the purpose of circumventing this chapter.

As used in this section, the terms "salary" and "wage or salary" shall not include any compensation other than wages or salaries, such as health benefits, retirement benefits, life insurance, vacation time, sick leave, perquisites of all kinds, and reimbursement of expenses.

The amendment of this section made by Chapter 332 of the Statutes of 1978 does not constitute a change in, but is declaratory of, the existing law

SEC. 137 Section 16304 of the Government Code is amended to read.

16304. An appropriation shall be available for encumbrance during the period specified therein, or, if not otherwise limited by law, for three years after the date upon which it first became available for encumbrance An appropriation containing the term "without regard to fiscal years" shall be available for encumbrance from year to year until expended.

An appropriation shall be deemed to be encumbered at the time and to the extent that a valid obligation against the appropriation is created.

As used in this code and in every other statute heretofore or hereafter enacted, the term "unexpended balance" shall be construed to mean "unencumbered balance."

Appropriations for the following purposes are exempt from limitations as to period of availability in any appropriation, and shall remain available from year to year until expended:

(a) Payment of interest and redemption charges on any portion of the bonded debt of the state

(b) Transfers of money from any fund for the benefit of elementary schools, high schools, community colleges, the University of California, or any interest and sinking fund in the State Treasury

(c) Appropriations made for cooperative work under specific agreement or under contract.

(d) Money transferred to revolving funds specifically created by law, including, but not limited to, the Architecture Revolving Fund and the Water Resources Revolving Fund.

(e) Appropriations available for the acquisition of real property to the extent that such appropriations have been encumbered by the

filing of condemnation proceedings on behalf of the State of California prior to the expiration of the period of availability of the appropriation.

(f) Money transferred to and expendable from funds other than the fund in which originally deposited, pursuant to the provisions of law earmarking or appropriating for expenditure certain classes of revenue or other receipts.

(g) Continuing provisions of law appropriating for specific purposes certain classes of revenue or other receipts, upon their deposit in a particular fund in the State Treasury or upon their collection by an agency of this state.

SEC. 138. Section 16304.6a of the Government Code is amended to read.

16304.6a. Within the time during which the appropriation is available for expenditure, the State Board of Control at the request of the Trustees of the California State University and Colleges and with the approval of the Director of Finance, may authorize that unneeded funds in any appropriation for the support of a college which is included in the California State University and Colleges shall be available and shall be deemed appropriated for the support of any college included in the California State University and Colleges

SEC. 139 Section 16430 of the Government Code is amended to read

16430. Eligible securities for the investment of surplus moneys shall be.

(a) Bonds or interest-bearing notes or obligations of the United States, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

(b) Bonds or interest-bearing notes or obligations that are guaranteed as to principal and interest by a federal agency of the United States

(c) Bonds of this state, or those for which the faith and credit of this state are pledged for the payment of principal and interest.

(d) Bonds or warrants, including, but not limited to, revenue warrants, of any county, city, metropolitan water district, California water district, California water storage district, irrigation district in the State of California municipal utility district, or school district of this state

(e) Bonds, consolidated bonds, collateral trust debentures, consolidated debentures, or other obligations issued by federal land banks or federal intermediate credit banks established under the Federal Farm Loan Act, as amended, in debentures and consolidated debentures issued by the Central Bank for Cooperatives and banks for cooperatives established under the Farm Credit Act of 1933, as amended, in bonds or debentures of the Federal Home Loan Bank Board established under the Federal Home Loan Bank Act, in stock, bonds, debentures and other obligations of the Federal National Mortgage Association established under the National Housing Act as

amended, and in the bonds of any federal home loan bank established under said act, obligations of the Federal Home Loan Mortgage Corporation, and in bonds, notes, and other obligations issued by the Tennessee Valley Authority under the Tennessee Valley Authority Act as amended.

(f) Commercial paper of "prime" quality as defined by a nationally recognized organization which rates such securities. Eligible paper is further limited to issuing corporations: (1) organized and operating within the United States; (2) having total assets in excess of five hundred million dollars ($500,000,000); and (3) approved by the Pooled Money Investment Board. Purchases of eligible commercial paper may not exceed 180 days' maturity, represent more than 10 percent of the outstanding paper of an issuing corporation, nor exceed 30 percent of the resources of an investment program. At the request of the Pooled Money Investment Board, such investment shall be secured by the issuer by depositing with the Treasurer securities authorized by Section 53651 of a market value at least 10 percent in excess of the amount of the state's investment.

(g) Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as bankers acceptances, which are eligible for purchase by the Federal Reserve System.

(h) Negotiable certificates of deposits purchased from a nationally or state-chartered bank or savings and loan association. For the purposes of this section, negotiable certificates of deposits do not come within the provisions of Chapter 4 (commencing with Section 16500).

(i) The portion of bank loans and obligations guaranteed by the United States Small Business Administration or the United States Farmers Home Administration.

(j) Student loan notes insured under the Guaranteed Student Loan Program established pursuant to the Higher Education Act of 1965, as amended (20 U.S.C. 1001, et seq.) and eligible for resale to the Student Loan Marketing Association established pursuant to Section 133 of the Education Amendments of 1972, as amended (20 U.S.C. 1087-2).

(k) Obligations issued, assumed, or guaranteed by the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, or the Government Development Bank of Puerto Rico.

SEC. 140. Section 18021.7 of the Government Code is amended to read:

18021.7. (a) It is the policy of the state that the normal workweek of permanent employees in fire suppression classes of the Department of Forestry shall not exceed 84 hours a week. Work in excess of the designated normal workweek may be compensated for in cash or compensating time off in accordance with the regulations of the State Personnel Board.

(b) If the provisions of this section are in conflict with the

provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if such provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

SEC. 141. Section 18051 of the Government Code is amended to read:

18051. (a) The State Personnel Board shall provide by rule for the regulation and accumulation of vacations for civil service employees and may provide for vacations for such employees who are employed less than full time. The State Personnel Board shall prescribe the methods by which employees leaving the employment of one state agency and entering the employment of another state agency may be compensated for, transfer, or otherwise receive proper credit for their accumulated vacation privileges.

(b) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if such provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

SEC. 142 Section 20009.1 of the Government Code is amended to read:

20009.1. "Public agency" also includes the following:

(a) The office of county superintendent of schools with respect to its employees whose compensation is not paid from county funds and with respect to employees of school districts within the jurisdiction of the superintendent which are not contracting agencies

(b) The Commandant, Veterans Home of California, with respect to employees of the post exchange and other post fund activities whose compensation is paid from the post fund of the Veterans Home of California

(c) Any foundation or trust established for the purpose of providing essential activities related to but not normally included as a part of the regular instructional program of a state or community college.

(d) Any student body or nonprofit organization composed exclusively of students of a state or community college or of members of the faculty of a state or community college, or both, and established for the purpose of providing essential activities related to but not normally included as a part of the regular instructional program of the state or community college.

(e) The Adjutant General with respect to persons employed by him pursuant to federal regulations and compensated directly from federal funds.

(f) A state organization which is authorized under subdivision (e) of Section 35172 or 72630 of the Education Code

(g) Any nonprofit corporation whose membership is confined to public agencies as defined in Section 20009.

(h) A section of the California Interscholastic Federation.

(i) Any credit union incorporated under Division 5 (commencing with Section 14000) of the Financial Code, or incorporated pursuant to federal law, with 95 percent of its membership limited to employees who are members of or retired members of the Public Employees' Retirement System or the State Teachers' Retirement System, and their immediate families, and employees of any such credit union. For the purposes of this subdivision, "immediate family" means those persons related by blood or marriage who reside in the household of a member of the credit union who is a member of or retired member of the Public Employees' Retirement System or the State Teachers' Retirement System. The credit union shall pay any costs that are in addition to the normal charges required to enter into a contract with the board. All such payments made by the credit union which are in addition to the normal charges required shall be added to the total amount appropriated by the budget act for the administrative expense of the system.

SEC. 143 Section 20930.85 of the Government Code is amended to read:

20930.85 "Public service" for purposes of this article also means employment under a program sponsored by, and financed at least in part by, the Comprehensive Employment and Training Act of 1973, as amended.

If federal funds are available to pay the employer's contributions required under this section, employees whose transition within 31 days from a position in which they are excluded from membership pursuant to subdivision (f) of Section 20330 into a position with an employer in which membership is not excluded shall receive credit for that excluded service and the following requirements shall be met·

(a) Pursuant to board regulations, the member shall remit to the Public Employees' Retirement System the contributions, without interest, the member would have made had the member not been excluded

(b) The employer for which the excluded service was performed shall remit to the Public Employees' Retirement System the contributions, without interest, that would have been made had the member not been excluded.

(c) Such service credit shall be a charge against the employer for which the excluded service was performed.

SEC. 144 Section 21228 of the Government Code is amended to read

21228. In addition to the increase in allowance authorized and granted pursuant to provisions of Section 21222, and notwithstanding the limitation on such increases imposed by this article, effective July 1, 1977, the monthly allowance paid with respect to a state member, other than a school member, who retired or died prior to January 1,

1976, shall be increased by 3 percent of the first four hundred dollars ($400) of such allowance; provided, however, that no increase under this section shall exceed twelve dollars ($12) per month.

The allowance as so increased shall be paid for time on and after July 1, 1977, and until April 1, 1978. The base allowance shall be the allowance as so increased and the base year shall be the calendar year of 1976 for annual adjustments of allowances increased under this section for time commencing on April 1, 1978.

Where a member to or on account of whom an increased retirement allowance is payable under this section has elected pursuant to Article 4 (commencing with Section 21330) of Chapter 9 of this part to have his retirement allowance modified in accordance with an optional settlement provided in Section 21333, Section 21334, or Section 21335, if both the retired member and his beneficiary are living on the effective date of this section, the increase provided by this section shall be an amount equal to the percentage of the allowance being paid to the retired person, and upon death of the retired person, or upon death of his beneficiary if a different allowance is payable to the retired person because of such death, an equal percentage of the amount then payable to the survivor; and if either such retired person or his beneficiary is not living on said effective date, then the increase provided under this section shall be an amount equal to 3% of the first four hundred dollars ($400) of the allowance being paid to the survivor; provided, however, that no increase under this section shall exceed twelve dollars ($12) per month.

The allowance as so increased shall be paid for time on and after July 1, 1977, and until April 1, 1978. The base allowance shall be the allowance as so increased and the base year shall be the calendar year of 1976 for annual adjustments of allowances increased under this section for time commencing on April 1, 1978.

SEC. 145. Section 22201.7 of the Government Code, as added by Chapter 107 of the Statutes of 1973, is repealed.

SEC. 146. The heading of Part 5 (commencing with Section 22751) of Division 5 of Title 2 of the Government Code is amended to read.

PART 5. THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT

SEC 147 Section 25831 of the Government Code is amended to read

25831 Any fees authorized pursuant to Section 25830 which remain unpaid for a period of 60 or more days after the date upon which they were billed may be collected thereafter by the county as provided herein.

(a) Once a year the board of supervisors shall cause to be prepared a report of delinquent fees The board shall fix a time, date and place for hearing the report and any objections or protests

thereto.

(b) The board shall cause notice of the hearing to be mailed to the landowners listed on the report not less than 10 days prior to the date of the hearing.

(c) At the hearing the board shall hear any objections or protests of landowners liable to be assessed for delinquent fees. The board may make such revisions or corrections to the report as it deems just, after which, by resolution, the report shall be confirmed.

(d) The delinquent fees set forth in the report as confirmed shall constitute special assessments against the respective parcels of land and are a lien on the property for the amount of such delinquent fees. A certified copy of the confirmed report shall be filed with the county auditor for the amounts of the respective assessments against the respective parcels of land as they appear on the current assessment roll The lien created attaches upon recordation, in the office of the county recorder of the county in which the property is situated, of a certified copy of the resolution of confirmation. The assessment may be collected at the same time and in the same manner as ordinary county ad valorem property taxes are collected and shall be subject to the same penalties and the same procedure and sale in case of delinquency as provided for such taxes. All laws applicable to the levy, collection and enforcement of county ad valorem property taxes shall be applicable to such assessment, except that if any real property to which such lien would attach has been transferred or conveyed to a bona fide purchaser for value, or if a lien of a bona fide encumbrancer for value has been created and attaches thereon, prior to the date on which the first installment of such taxes would become delinquent, then the lien which would otherwise be imposed by this section shall not attach to such real property and the delinquent fees, as confirmed, relating to such property shall be transferred to the unsecured roll for collection.

SEC. 148. Section 27281 of the Government Code is amended to read:

27281. Deeds or grants conveying any interest in or easement upon real estate to a political corporation or governmental agency for public purposes shall not be accepted for recordation without the consent of the grantee evidenced by its certificate or resolution of acceptance attached to or printed on the deed or grant. If a certificate of acceptance is used, it shall be in substantially the following form

This is to certify that the interest in real property conveyed by the deed or grant dated _____ from _____ to _____, a political corporation and/or governmental agency is hereby accepted by order of the

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(legislative body)

on _____, (or by the undersigned officer or agent
(date)

on behalf of the

_____
(legislative body)

pursuant to authority conferred by resolution of the

_____
(legislative body)

adopted on _____) and the grantee consents to
(date)

recordation thereof by its duly authorized officer.

Dated _____ By _____

A political corporation or governmental agency, by a general resolution, may authorize an officer or agent to accept and consent to such deeds or grants.

SEC. 149. Section 27285 of the Government Code is amended to read.

27285. The following documents may be recorded without acknowledgment or further proof·

(a) Letters patent from the United States or from the state, executed and authenticated pursuant to existing law.

(b) Leases for the development and extraction of minerals, including oil and gas, in which the United States is the lessor, executed on behalf of the United States by the Secretary of the Interior or by any other properly authorized officer or officers

(c) Copies of interdepartmental letters or decisions of the Department of the Interior or of any duly authorized officer or employee thereof approving assignments or surrenders of such leases or encumbrances thereon or canceling any such leases, certified by the Director of the Bureau of Land Management of the Department of the Interior, or by any duly authorized officer or employee having the custody of such letters of decisions.

(d) Copies of documents filed with the General Land Office of the Department of the Interior or in any district land office executed and acknowledged in a manner which would entitle them to be recorded and by which any interest in such leases or in the production thereunder is conveyed, assigned, encumbered or quitclaimed, certified by the officer or employee of the Department of the Interior having the custody of such documents.

When a copy of any document so certified is recorded, the record has the same force and effect as though it were the record of the original document

SEC. 150 Section 27288 1 of the Government Code is amended to read

27288.1. All documents described in this section now or hereafter authorized by law to be recorded in the official records of a county shall contain the following information in addition to such information as may be required by law pertaining to the particular document

(a) If such document effects or evidences a transfer or

encumbrance of an interest in real property, the name or names in which such interest appears of record, except that a notice of assessment recorded pursuant to Section 3114 of the Streets and Highways Code, and a notice of award of contract recorded pursuant to Section 5248 of the Streets and Highways Code, shall show the name or names of the assessed owners as they appear on the latest secured assessment roll.

(b) If such document releases or terminates any interest, right or encumbrance, it shall contain or have appended thereto all of the names of those persons and entities owning the title or interest being relieved thereby, or the names of the owners of such title or interest as they appeared at the time and in the document creating such interest, right or encumbrance.

(c) In cases where the county tax collector is filing documents with respect to Sections 3513, 3710 and 3805 of the Revenue and Taxation Code, the information contained in such sections shall be deemed to constitute compliance with this section.

No such document shall be recorded or indexed in the official records of a county unless it contains the information required by this section as well as any additional information required by law pertaining to the particular document, but the recorder may rely upon the information contained in or appended to the document being offered for record. The failure of any such document to include all of the names required by this section shall not affect the constructive notice which would otherwise be afforded by the recording of such document This section shall not apply to a vacation or abandonment by a public agency of a public highway or road.

SEC 151. Section 27491.5 of the Government Code is amended to read.

27491.5 The cause of death appearing on a certificate of death signed by the coroner shall be in conformity with facts ascertained from inquiry, autopsy and other scientific findings In case of death without medical attendance and without violence, casualty, criminal or undue means, the coroner may, without holding an inquest or autopsy, make the certificate of death from statements of relatives, persons last in attendance, or persons present at the time of death, after due medical consultation and opinion has been given by one qualified and licensed to practice medicine and so recorded in the records of the death, providing such information affords clear grounds to establish the correct medical cause of death within accepted medical practice and within the requirements for accuracy prescribed by the Division of Vital Statistics of the State Department of Health Services The coroner shall not finally exclude crime, suicide, or accident as a cause of death because of lack of evidence.

SEC 152. Section 31595 2 of the Government Code is amended to read

31595 2. Notwithstanding the provisions of Section 31595, funds received by the county treasurer not required for current disbursements may be used in an amount not exceeding 10 percent

of the assets of the retirement system to purchase assignments of the right to receive rent from leases of real property to a railroad company described in paragraph (1) of subdivision (b) of Section 1365 of the Financial Code.

SEC. 153 Section 31836.1 of the Government Code is amended to read:

31836.1. "Service" for the purpose of qualifying members for the discontinuance of contributions pursuant to Section 31625.2 shall also include service as an employee of the state, a contracting agency under the Public Employees' Retirement System, of another county having a retirement system established under this chapter, or of any other public agency if the compensation for such service constitutes compensation earnable by a member under Section 31835.

SEC. 154. Section 35225 of the Government Code is amended to read:

35225. At any time prior to the conclusion of the hearing, any owner of land or any registered voter within inhabited territory proposed to be annexed or detached, or any owner of land within uninhabited territory proposed to be annexed or detached, may file a written protest against the annexation or detachment. Each protest shall state the name and address of the owner of the land affected and the street address or other description sufficient to identify the location of such land; or the name and address of the registered voter as it appears on the affidavit of registration. Protests may be made on behalf of an owner by an agent authorized in writing by the owner to act as agent with respect to such land. Protests may be made on behalf of a private corporation which is an owner of land by any officer or employee of the corporation without written authorization by the corporation to act as agent in making such protest.

SEC. 155. Section 35421 of the Government Code is amended to read.

35421. Unless otherwise provided in the terms and conditions of the detachment, the city from which territory is detached may from time to time levy and collect from the detached territory its just proportion of liability for payment of the interest and principal of debts of the city contracted prior to detachment.

SEC. 156. Section 45308.3 of the Government Code is amended to read.

45308.3 Notwithstanding Section 45308.1, funds received by city retirement systems and not required for current disbursements may be invested in bonds issued pursuant to the Improvement Bond Act of 1915; provided, that an ad valorem tax on all property taxable by the public agency which authorized the issuance of such bonds, at a rate not exceeding ten cents ($0 10) for each one hundred dollars ($100) of assessed value, computed as of the date of such investment, would produce an amount equal to at least 100 percent of the principal and interest payable in any year thereafter on the issue of bonds in which such investment is made

SEC 157 Section 50280, as added by Chapter 1232 of the Statutes

of 1972, is amended and renumbered to read:

50279.2 Notwithstanding any other provision of this article, in any county in which there is only one incorporated city, the legislative body of such city is hereby created and shall serve as the city selection committee in the county for the purpose of appointing city representatives to boards, commissions and agencies as required by law.

A majority of the members of the legislative body of a city which is created as a city selection committee pursuant to this section shall constitute a quorum of the committee. In order for the city selection committee to make appointments, or in any other manner conduct business of the committee, a quorum shall be required.

The presiding officer of the legislative body of a city which is created as a city selection committee pursuant to this section, shall serve as chairman of the committee. The clerk of the legislative body shall act as permanent secretary and recording officer of the city selection committee and, as permanent secretary and recording officer, shall perform all the duties specified in Section 50276.

SEC. 158. Section 50281 of the Government Code, as added by Chapter 1232 of the Statutes of 1972, is amended and renumbered to read

50279 4. Notwithstanding any other provision of this article, in any county in which city representatives are required to be appointed by a city selection committee to a regional coastal zone conservation commission pursuant to Division 18 (commencing with Section 27000) of the Public Resources Code, the city selection committee created in such county pursuant to this article shall make such appointments. Each such city selection committee shall hold an organizational meeting for such purposes prior to December 31, 1972

SEC. 159. Section 50926 of the Government Code is amended to read:

50926. Whenever any fireman of a city, county, city and county, district, or other public or municipal corporation or political subdivision is injured, dies or is disabled from performing his duties as a fireman by reason of his proceeding to or engaging in a fire suppression or rescue operation, or the protection or preservation of life or property, anywhere in this state, including the local jurisdiction in which he is employed, but is not at the time acting under the immediate direction of his employer, he or his dependents, as the case may be, shall be accorded by his employer all of the same benefits of the Workers' Compensation Law, which he or they would have received had that fireman been acting under the immediate direction of his employer Any injury, disability or death incurred under the circumstances described in this section shall be deemed to have arisen out of and been sustained in the course of employment for purposes of workers' compensation and all other benefits

SEC 160 Section 51082 of the Government Code is amended to

read:

51082. A county or city may require a deed or other instrument described in subdivision (d) of Section 51075 to contain any such restrictions, conditions or covenants as are necessary or desirable to maintain the natural or scenic character of the land or to prevent any activity, use or action which could impair the open-space character of the land.

SEC. 161. Section 51100 of the Government Code is amended to read:

51100. As used in this chapter, unless otherwise apparent from the context:

(a) "Board" means the board of supervisors of a county or city and county, whether general law or chartered, which establishes or proposes to establish a timberland preserve zone pursuant to this chapter.

(b) "Contiguous" means two or more parcels of land that are adjoining or neighboring or are sufficiently near to each other, as determined by the board or council, that they are manageable as a single forest unit.

(c) "Council" means the city council of a city, whether general law or chartered, which establishes or proposes to establish a timberland preserve zone pursuant to this chapter.

(d) "County" or "city" means the county or city having jurisdiction over the land.

(e) "Timber" means trees of any species maintained for eventual harvest for forest products purposes, whether planted or of natural growth, standing or down, on privately or publicly owned land, including Christmas trees, but does not mean nursery stock.

(f) "Timberland" means privately owned land, or land acquired for state forest purposes, which is devoted to and used for growing and harvesting timber, or for growing and harvesting timber and compatible uses, and which is capable of growing an average annual volume of wood fiber of at least 15 cubic feet per acre.

(g) "Timberland preserve zone" means an area which has been zoned pursuant to Section 51112 or 51113 and is devoted to and used for growing and harvesting timber, or for growing and harvesting timber and compatible uses, as defined in subdivision (h).

(h) "Compatible use" is any use which does not significantly detract from the use of the property for, or inhibit, growing and harvesting timber, and shall include, but not be limited to, the following, unless in a specific instance such a use would be contrary to the preceding definition of compatible use:

(1) Management for watershed;

(2) Management for fish and wildlife habitat or hunting and fishing;

(3) A use integrally related to the growing, harvesting and processing of forest products, including but not limited to roads, log landings, and log storage areas,

(4) The erection, construction, alteration, or maintenance of gas,

electric, water, or communication transmission facilities; or

(5) Grazing.

(i) "Parcel" means that portion of an assessor's parcel that is timberland, as defined.

(j) "Anniversary date" means the anniversary of the date on which zoning is established pursuant to Section 51112 or 51113 takes effect.

(k) "Tax rate area" means a geographical area in which there is a unique combination of tax levies.

SEC 162 Section 53609 of the Government Code is amended to read·

53609. Notwithstanding the provisions of this chapter or any other provisions of this code, funds held by a local agency pursuant to a written agreement between the agency and employees of the agency to defer a portion of the compensation otherwise receivable by the agency's employees and pursuant to a plan for such deferral as adopted by the governing body of the agency, may be invested in the types of investments set forth in Sections 53601 and 53602 of this code, and may additionally be invested in corporate stocks, bonds, and securities, mutual funds, savings and loan accounts, credit union accounts, life insurance policies, annuities, mortgages, deeds of trust, or other security interests in real or personal property Nothing herein shall be construed to permit any type of investment prohibited by the Constitution.

Deferred compensation funds are public pension or retirement funds for the purposes of Section 17 of Article XVI of the Constitution

SEC 163 Section 53735 of the Government Code is amended to read

53735 At any time after the creation of the fund the legislative body may transfer to the fund any unencumbered surplus funds remaining on hand at the end of a fiscal year.

SEC 164 Section 54307 of the Government Code is amended to read.

54307 "Local agency" means any city, county, city and county, or any municipal or public corporation or district which is authorized to acquire, construct, own, or operate any enterprise as defined in Section 54309

SEC 165 The heading of Chapter 11 (commencing with Section 54965) of Part 1 of Division 2 of Title 5 of the Government Code is amended and renumbered to read

CHAPTER 10 ANTIPOVERTY PROGRAM, PARTICIPATION

SEC 166 The heading of Chapter 10 (commencing with Section 54970) of Part 1 of Division 2 of Title 5 of the Government Code is amended and renumbered to read

CHAPTER 11 OPEN LISTS OF LOCAL APPOINTIVE OFFICES

SEC. 167 Section 68513 of the Government Code, as added by Chapter 1126 of the Statutes of 1974, is amended and renumbered to read.

68513 2. (a) The Judicial Council shall provide by rule for the maintenance of records as described in subdivision (c), which shall be filed with the council by each official reporter and official reporter pro tempore of any court located in any county with a population of more than 375,000 and less than 400,000, as determined by the 1970 federal census. Such records shall be inspected and audited by the Judicial Council

(b) The Judicial Council shall submit an annual report to the board of supervisors of any such county and to the Legislature summarizing the information contained in the records.

(c) Each such annual report shall include the following information relative to the official court reporters of the county

(1) The quantity and types of transcripts prepared by the official reporters and official reporters pro tempore during the reporting period,

(2) The fees charged and the fees collected for such transcripts,

(3) Expenses incurred by the reporters in connection with the preparation of such transcripts;

(4) The amount of time the reporters have spent in attendance upon the courts for the purpose of reporting proceedings, and the compensation received for this purpose; and

(5) Such other information as the Judicial Council may require

SEC 168 Section 68513 of the Government Code, as added by Chapter 1266 of the Statutes of 1974, is amended and renumbered to read

68513 4 (a) The Judicial Council shall provide by rule for the maintenance of records as described in subdivision (c), which shall be filed with the council by each official reporter and official reporter pro tempore of any court located in any county with a population of more than 205,000 and not over 225,000 as determined by the 1970 federal decennial census Such records shall be inspected and audited by the Judicial Council

(b) The Judicial Council shall submit an annual report to the board of supervisors of any such county and to the Legislature summarizing the information contained in the records

(c) Each such annual report shall include the following information relative to the official court reporters of the county

(1) The quantity and types of transcripts prepared by the official reporters and official reporters pro tempore during the reporting period,

(2) The fees charged and the fees collected for such transcripts,

(3) Expenses incurred by the reporters in connection with the preparation of such transcripts,

(4) The amount of time the reporters have spent in attendance

upon the courts for the purpose of reporting proceedings, and the compensation received for this purpose; and

(5) Such other information as the Judicial Council may require.

SEC. 169. Section 68514 of the Government Code, as added by Chapter 733 of the Statutes of 1974, is amended and renumbered to read:

68514.2. (a) The Judicial Council shall provide by rule for the maintenance of records as described in subdivision (c), which shall be filed with the council by each official reporter and official reporter pro tempore of any court located in any county with a population of more than 300,000 and less than 310,000 as determined by the 1960 federal census. Such records shall be inspected and audited by the Judicial Council.

(b) The Judicial Council shall submit an annual report to the board of supervisors of any such county and to the Legislature summarizing the information contained in the records.

(c) Each such annual report shall include the following information relative to the official court reporters of the county:

(1) The quantity and types of transcripts prepared by the official reporters and official reporters pro tempore during the reporting period;

(2) The fees charged and the fees collected for such transcripts;

(3) Expenses incurred by the reporters in connection with the preparation of such transcripts;

(4) The amount of time the reporters have spent in attendance upon the courts for the purpose of reporting proceedings, and the compensation received for this purpose; and

(5) Such other information as the Judicial Council may require.

SEC. 170 Section 70045.77 of the Government Code is amended to read

70045 77. Notwithstanding any other provision of law, including, but not limited to, Sections 70040, 70041, 70042, and 70045, the following provisions shall be applicable to the full-time official court reporters, if any, in El Dorado County·

(a) The regular full-time official court reporters shall perform the following duties.

(1) Report all criminal proceedings.

(2) Report all civil commitment proceedings and all contempt proceedings.

(3) Report all juvenile proceedings, other than those heard by a juvenile court referee or traffic hearing officer.

(4) Report all family law proceedings

(5) Report all civil jury trials

(6) Report all hearings on petitions for extraordinary relief, including, but not limited to, proceedings for injunctions, mandate, prohibition, certiorari, review, habeas corpus, and coram nobis.

(7) Report all proceedings of the grand jury when requested by the foreman, or by the district attorney or by the county counsel

(8) Report any other court proceedings when a party requests a

court reporter in accordance with rules of the court

(9) Report the preliminary examination of those accused of crimes before magistrates within El Dorado County

(10) Report coroner's inquests when requested by the coroner

(11) Report proceedings for the El Dorado County Board of Equalization when requested by the board

(b) Each regular full-time court reporter shall be paid at a monthly salary rate established according to the following salary schedule·

(Range)	*(Month)*	*(Annual)*
Step A	$1,327	$15,924
Step B	1,388	16,656
Step C	1,453	17,436
Step D	1,521	18,252
Step E	1,592	19,104

Each such reporter shall receive a monthly salary under the schedule corresponding to the length of time that as an official court reporter he has been included either directly or indirectly by contract within the Public Employees' Retirement System of the State of California Except as provided herein, the initial hiring rate for each position shall be step A, provided further, however, that the judges of the superior court may appoint any such court reporter at a higher initial step if in the opinion of the judges of the superior court an individual to be appointed has such experience and qualifications as to entitle that individual to such higher initial step. A step advancement from step A to step B may be granted on the first day of the month following the completion of six full months of service in the position. A person may advance to steps C, D, and E upon completion of successive 12-month periods of service. All merit increases as provided herein shall be made at the determination of the judges of the superior court

The foregoing salary is for compensation for reporting services in the superior court under subdivision (a) of this section For all transcriptions incident to reporting services, each reporter shall receive the fees provided for in Article 9 (commencing with Section 69941) of this chapter

The regular full-time official court reporters shall be entitled to the same privileges with respect to retirement, vacation, sick leave, and group insurance, which either now or hereafter may be provided by ordinance to other employees of the county. In order that the salary provided for in this section shall remain equitable and competitive, the salary herein provided for shall be adjusted and increased by the same salary adjustment percentage enacted on or after June 1, 1976, by the county by ordinance for the classification entitled superior court clerk

(c) When the regular full-time official court reporters are occupied in the performance of their duties and services pursuant to

the provisions of subdivision (a), the judge or judges of the superior court may appoint as many additional official court reporters, who shall be known as official reporters pro tempore, as the business of the courts may require in order that the judicial business of the court in such county may be carried on without delay. They shall be paid in accordance with the per diem, transcription, and other fee provisions of Article 9 (commencing with Section 69941) of this chapter. Such per diem, traveling and other expenses, and the fees chargeable to the county under the terms of these provisions shall be a proper county charge.

SEC. 171 Section 74694 of the Government Code, as added by Chapter 1474 of the Statutes of 1976, is amended and renumbered to read·

74695 The fee for filing the complaint, or other first paper is thirteen dollars ($13), to include all proceedings before trial and all services to be performed in a judgement by default or for the trial of either a question of law or fact, including all affidavits, swearing witnesses and jury, and entry of judgment

The fee for filing the first paper on behalf of any party, other than plaintiff, is eight dollars ($8), for each such party.

The fees provided herein shall be in lieu of those required by Sections 72055 and 72056

SEC. 172. Section 82028 of the Government Code is amended to read.

82028 (a) "Gift" means, except as provided in subdivision (b), any payment to the extent that consideration of equal or greater value is not received and includes a rebate or discount in the price of anything of value unless the rebate or discount is made in the regular course of business to members of the public without regard to official status. Any person, other than a defendant in a criminal action, who claims that a payment is not a gift by reason of receipt of consideration has the burden of proving that the consideration received is of equal or greater value.

(b) The term "gift" does not include·

(1) Informational material such as books, reports, pamphlets, calendars or periodicals. No payment for travel or reimbursement for any expenses shall be deemed "informational material";

(2) Gifts which are not used and which, within 30 days after receipt, are returned to the donor or delivered to a charitable organization without being claimed as a charitable contribution for tax purposes;

(3) Gifts from an individual's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin or the spouse of any such person; provided that a gift from any such person shall be considered a gift if the donor is acting as an agent or intermediary for any person not covered by this paragraph,

(4) Campaign contributions required to be reported under Chapter 4 of this title,

(5) Any devise or inheritance.

SEC 173. Chapter 5 (commencing with Section 160) of Division 1.5 of the Harbors and Navigation Code is repealed.

SEC 174. The heading of Article 1 (commencing with Section 7140) of Chapter 5 of Part 7 of Division 8 of the Harbors and Navigation Code is repealed.

SEC 175 The heading of Article 1 (commencing with Section 7340) of Chapter 9 of Part 7 of Division 8 of the Harbors and Navigation Code is repealed

SEC. 176. Section 103 of the Health and Safety Code is amended to read·

103 The State Department of Health Services succeeds to and is vested with all the duties, powers, purposes, responsibilities, and jurisdiction of the State Department of Health as they relate to public health, licensing and certification of health facilities, except community care facility licensing to which the State Department of Social Services succeeds, and any other functions performed by the Division of Public Health of the State Department of Health on the operative date of the statute amending this section at the 1977 portion of the 1977–78 Regular Session of the Legislature, unless such function is transferred to a different state agency or department as a result of another provision of the statutes of the 1977–78 Regular Session of the Legislature amending this section.

"State department," "department," or "State Department of Health" as used in this code, except in Article 7.5 (commencing with Section 416) of Chapter 2 of Part 1 of Division 1, Part 1.5 (commencing with Section 437) of Division 1, Chapter 2.2 (commencing with Section 1340) of Division 2; Chapter 10 (commencing with Section 1770) of Division 2; and Part 2 5 (commencing with Section 34700) of Division 24, means the State Department of Health Services.

The Office of Statewide Health Planning and Development shall assume the functions and responsibilities of the Facilities Construction Unit of the former State Department of Health, including, but not limited to, those functions and responsibilities performed pursuant to the following provisions of law, Chapter 3 (commencing with Section 430) and Chapter 4 (commencing with Section 436) of Part 1 of Division 1, Section 1260, Section 13113; and Division 12.5 (commencing with Section 15000)

SEC 177 Section 151 of the Health and Safety Code is amended to read

151 The director shall establish such rules, regulations, and standards for hereditary disorders programs as the director deems necessary to promote and protect the public health and safety, in accordance with the principles established herein. Such principles shall include, but not be limited to, the following

(a) The public, especially communities and groups particularly affected by programs on hereditary disorders, should be consulted before any rules, regulations, and standards are adopted by the State

Department of Health Services.

(b) The incidence, severity and treatment costs of each hereditary disorder and its perceived burden by the affected community should be considered; and that where appropriate, state and national experts in the medical, psychological, ethical, social, and economic effects or programs for the detection and management of hereditary disorders be consulted by the State Department of Health Services.

(c) Information on the operation of all programs on hereditary disorders within the state, except for confidential information obtained from participants in such programs, be open and freely available to the public.

(d) Clinical testing procedures established for use in programs, facilities, and projects be accurate, provide maximum information, and that the testing procedures selected produce results that are subject to minimum misinterpretation.

(e) No test or tests shall be performed on any minor over the objection of the minor's parents or guardian, nor may any tests be performed unless such parent or guardian is fully informed of the purposes of testing for hereditary disorders, and is given reasonable opportunity to object to such testing.

(f) No testing, except initial screening for PKU and other diseases which may be added to the newborn screening program, shall require mandatory participation, and no testing programs shall require restriction of childbearing, and participation in a testing program shall not be a prerequisite to eligibility for, or receipt of, any other service or assistance from, or to participate in, any other program, except where necessary to determine eligibility for further programs of diagnoses of or therapy for hereditary conditions.

(g) Counseling services for hereditary disorders be available through the program or a referral source for all persons determined to be or who believe themselves to be at risk for a hereditary disorder as a result of screening programs, that such counseling is nondirective, emphasizes informing the client, and not require restriction of childbearing.

(h) All participants in programs on hereditary disorders be protected from undue physical and mental harm, and except for initial screening for PKU and other diseases which may be added to newborn screening programs, be informed of the nature of risks involved in participation in such a program or project, and those determined to be affected with genetic disease be informed of the nature, and where possible, the cost of available therapies or maintenance programs, and be informed of the possible benefits and risks associated with such therapies and programs

(i) All testing results and personal information generated from hereditary disorders programs be made available to an individual over 18 years of age, or to the individual's parent or guardian. If the individual is a minor or incompetent, all testing results which have positively determined the individual to either have, or be a carrier

of, a heredity disorder shall be given through a physician or other source of health care

(j) All testing results and personal information from hereditary disorders programs obtained from any individual, or from specimens from any individual, be held confidential and be considered a confidential medical record except for such information as the individual, parent, or guardian consents to be released; provided that the individual is first fully informed of the scope of the information requested to be released, of all of the risks, benefits, and purposes for such release, and of the identity of those to whom the information will be released or made available, except for statistical data compiled without reference to the identity of any individual, and except for research purposes, provided that pursuant to 45 Code of Federal Regulations Section 46.101 et seq. entitled "Protection of Human Subjects," the research has first been reviewed and approved by an institutional review board which certifies such approval to the custodian of the information and further certifies that in its judgment the information is of such potentially substantial public health value that modification of the requirement for legally effective prior informed consent of the individual is ethically justifiable.

(k) An individual whose confidentiality has been breached as a result of any violation of the provisions of this chapter may recover compensatory damages, and in addition, may recover civil damages not to exceed ten thousand dollars ($10,000), reasonable attorney's fees, and the costs of litigation.

SEC. 178 Section 321.2 of the Health and Safety Code is amended to read:

321.2 The governing body of each county or counties shall establish a community child health and disability prevention program for the purpose of providing early and periodic assessments of the health status of children in the county or counties by July 1, 1974. However, this shall be the responsibility of the department for all counties which contract with the state for health services Contract counties, at the option of the board of supervisors, may provide services pursuant to this article in the same manner as other county programs, provided such option is exercised prior to the beginning of each fiscal year. Each such plan shall include, but is not limited to, the following requirements:

(a) Outreach and educational services.

(b) Agreements with public and private facilities and practitioners to carry out the programs

(c) Health screening and evaluation services

(d) Referral for diagnosis or treatment when needed and methods for assuring referral is carried out

(e) Recordkeeping and program evaluations

The health screening and evaluation part of each community child health and disability prevention program plan shall include, but is not limited to, the following for each child

(a) A health and development history.

(b) An assessment of physical growth

(c) An examination for obvious physical defects.

(d) Ear, nose, mouth, and throat inspection, including inspection of teeth and gums

(e) Screening tests for vision, hearing, anemia, tuberculosis, diabetes, and urinary tract conditions.

(f) An assessment of nutritional status

(g) An assessment of immunization status.

(h) Where appropriate, testing for sickle cell trait, lead poisoning, and other tests which may be necessary to the identification of children with potential disabilities requiring diagnosis and possibly treatment

Standards for procedures to carry out health screening and evaluation services and to establish the age at which particular tests should be carried out shall be established by the director, with review and recommendation by the board. However, a governing body may include additional health screening and evaluation procedures in its program if approved by the director and the board.

Each community child health and disability prevention program shall, pursuant to standards set by the director, establish a record system which contains a health case history for each child so that costly and unnecessary repetition of screening, immunization and referral will not occur and appropriate health treatment will be facilitated as specified in Section 323 5

SEC 179 Section 324.2 of the Health and Safety Code is amended to read

324 2 In cooperation with the county child health and disability prevention program, the governing body of every school district or private school which has children enrolled in kindergarten shall provide information to the parents or guardians of all children enrolled in kindergarten of the provisions of this article Every school district or private school which has children enrolled in the first grade shall report by January 15 of each year to the county child health and disability prevention program, the State Department of Health Services, and the Department of Education the following information·

(a) The total number of children enrolled in first grade

(b) The number of children who have had a health screening examination, as evidenced by the certificate required by Section 308.5

(c) The number of children whose parents or guardian have given written waiver pursuant to Section 323 5 that they do not want their child to receive a health screening examination.

Each county child health and disability prevention program shall reimburse school districts for information provided pursuant to this section The Superintendent of Public Instruction may withhold state average-daily-attendance funds to any school district for any child for whom a certification or parental waiver is not obtained

SEC 180. Section 429.35 of the Health and Safety Code is amended to read·

429.35. It is the intent of the Legislature to provide for care, including medical, institutional, supportive, and rehabilitative care, necessitated because of severe adverse reaction to any immunization required by state law to be administered to children under 18 years of age.

As used in this article, a severe adverse reaction is one which manifests itself not more than 30 days after the immunization and requires extensive medical care, as defined by regulation of the department.

Medical expenses shall be reimbursed by the state department in an amount not to exceed twenty-five thousand dollars ($25,000).

Eligibility for reimbursement under this section shall be limited to persons requiring extensive medical care, as defined by the state department pursuant to this section. Such reimbursement shall be made without regard to ability to pay and neither the parents nor the estates of such persons shall be liable for repayment to the state of any portion of the amounts reimbursed pursuant to this article.

The state department shall, by regulation, establish procedures for processing claims pursuant to this section.

Whenever reimbursement is provided for medical expenses under this article, the state shall be subrogated to the rights of the person receiving reimbursement of medical expenses for any amounts due to or recoverable by such person from third parties. The subrogation shall be for an amount equal to any claim reimbursed under this article.

There is hereby created in the State Treasury the Immunization Adverse Reaction Fund, which shall be administered by the State Department of Health Services and is appropriated without regard to fiscal years Reimbursements made pursuant to this article shall be made from the Immunization Adverse Reaction Fund.

SEC 181 Section 436 31 of the Health and Safety Code is amended to read

436.31. It is the intent of the Legislature in enacting this article to encourage the development of facilities for community-based programs that assist mental health clients living in any institutional setting, including state and local inpatient hospitals, skilled nursing homes, intermediate care facilities, and community care facilities to move to more independent living arrangements. It is further the intent of the Legislature to encourage local programs to seek funding for facility development from private sources and with the assistance provided pursuant to this chapter

To achieve this purpose in determining eligibility for loan insurance pursuant to this chapter, the following special provisions apply to facilities approved in the county Short-Doyle plan and meeting the intentions of this article:

(a) Facilities shall not require approval pursuant to Section 436.45 by the statewide system of health facility planning, the area health

planning agency, or the Health Advisory Council, for the issuance of loan insurance, unless specifically required for such facilities by the facility category of licensure

(b) Notwithstanding subdivision (i) of Section 436 8, any loan of under three hundred thousand dollars ($300,000) for a nonprofit corporation as well as a political subdivision may be fully insured equal to the total construction cost, except a loan to any proprietary corporation which is insured pursuant to subdivision (d) of this section

(c) The State Department of Mental Health or the local mental health program may provide all application fees, inspection fees, premiums and other such administrative payments as required by this chapter, except with respect to any loan to a proprietary corporation which is insured pursuant to subdivision (d) of this section

(d) The borrower may be a proprietary corporation, provided that the facility is leased to the local mental health program for the duration of the insurance agreement. In such instances, all provisions in this chapter and this article which apply to a nonprofit corporation shall apply to the proprietary corporation, except as provided in subdivisions (b) and (c) of this section

(e) For the purposes of this article, subdivision (c) of Section 436 2 shall include the purchase of existing buildings

(f) Facilities shall not require approval pursuant to Section 436.4 by the statewide system of health facility planning, the area health planning agency, or the Health Advisory Council, for the issuance of loan insurance, until the Director of the Office of Statewide Health Planning and Development and the Director of Mental Health determine that the state plan developed pursuant to Section 436.4 adequately and comprehensively addresses the need for community mental health facilities and such finding is reported to the appropriate policy committees of the Legislature

SEC. 182 Section 437.10 of the Health and Safety Code is amended to read:

437 10 Except as otherwise exempted by Sections 437 11, 437 13, or this section, projects requiring a certificate of need issued by the Office of Statewide Health Planning and Development are the following.

(a) Construction of a new health facility, the increase of bed capacity in an existing health facility, the conversion of an existing health facility from one license category to another, or, on or after January 1, 1977, the conversion of a health facility's existing beds in one bed classification to a different bed classification As used in this section, "license category" means any category of health facility set forth in Section 1250 and "bed classification" means any classification set forth in Section 1250 1 A facility may use beds in one bed classification which, pursuant to the facility's license, have been designated in another bed classification, if all such bed classification changes do not at any point in time exceed 5 percent of the total

number of the facility's beds as set forth by the facility's license and if such use meets the requirements of Chapter 2 (commencing with Section 1250) of Division 2.

In addition, a facility may use an additional 5 percent of its beds in such manner if the director finds that seasonal fluctuations justify it

(b) Establishment of a new specialty clinic, as defined in subdivision (b) of Section 1204, the conversion of an existing primary care clinic to a specialty clinic, or the conversion of an existing specialty clinic to a different category of specialty-clinic licensure. It shall not constitute a project and no certificate of need shall be required for the establishment of a primary care clinic, as defined in subdivision (a) of Section 1204, the conversion of an existing specialty clinic to a primary care clinic, or the conversion of an existing primary care clinic to a different category of primary-care-clinic licensure. Any capital expenditure involved in the establishment of a primary care clinic shall also not constitute a project, except as provided in subdivision (d).

(c) The establishment of a new special service delineated in subdivision (a), (b), (d), (e), (f), (g), or (h) of Section 1255, or the establishment, pursuant to subdivision (c) of Section 1255, of an emergency center which provides basic or comprehensive emergency medical services, as defined by regulation of the state department, or the establishment by a specialty clinic, as defined in subdivision (b) of Section 1204, of a new special service identified by or pursuant to Section 1203

(d) The initial purchase or lease by a facility or by a clinic subject to licensure under Chapter 1 (commencing with Section 1200) of Division 2, of diagnostic or therapeutic equipment with a value in excess of one hundred fifty thousand dollars ($150,000) in a single fiscal year, or for which the cumulative cost exceeds such amount in more than one fiscal year For purposes of this subdivision, the purchase or lease of one or more articles of functionally related diagnostic or therapeutic equipment, as determined by the state department, shall be considered together

(e) Any project requiring a capital expenditure for a health facility, or for a specialty clinic as defined in subdivision (b) of Section 1204, or for the services, equipment or modernization of such facility or clinic in excess of one hundred fifty thousand dollars ($150,000) in the current fiscal year or cumulation to an expenditure of one hundred fifty thousand dollars ($150,000) in the same fiscal year or subsequent fiscal years for a single project.

For the purposes of this subdivision, a "capital expenditure" shall mean any of the following.

(1) An expenditure, including an expenditure for a construction project undertaken by the facility or clinic as its own contractor, which under generally accepted accounting principles is not properly chargeable as an expense of operation and maintenance and which exceeds one hundred fifty thousand dollars ($150,000).

The cost of studies, surveys, legal fees, land, offsite improvements, designs, plans, working drawings, specifications, and other activities essential to the acquisition, improvement, expansion, or replacement of the physical plant and equipment with respect to which such expenditure is made shall be included in determining whether such cost exceeds one hundred fifty thousand dollars ($150,000). Where the estimated cost of a proposed project, including cost escalation factors appropriate to the area in which the project is located, is, within 60 days of the date on which the obligation for such expenditure is incurred, certified by a licensed architect or engineer to be one hundred fifty thousand dollars ($150,000) or less, such expenditure shall be deemed not to exceed one hundred fifty thousand dollars ($150,000) regardless of the actual cost of such project. However, in any such case where the actual cost of the project exceeds one hundred fifty thousand dollars ($150,000) the health facility or clinic on whose behalf such expenditure is made shall provide written notification of such cost to the state department not more than 30 days after the date on which such expenditure is incurred. Such notification shall include a copy of the certified estimate.

(2) The acquisition, under lease or comparable arrangement, or through donation, of any facility or part thereof, or equipment for a facility or clinic, the expenditure for which would have been considered a capital expenditure if the person had acquired it by purchase. For the purposes of this paragraph, "donation" shall not include a bequest.

(3) Any change in a proposed capital expenditure which itself meets the criteria set forth in this subdivision.

A "capital expenditure" shall include the total cost of the proposed project as certified by a licensed architect or engineer based on preliminary plans or specifications and concurred in by the state department. For the purposes of this subdivision, "project" shall not include the purchase of real property for future use or the transfer of ownership, in whole or part, of an existing health facility or clinic or the acquisition of all or substantially all of the assets or stock thereof.

For the purposes of this subdivision, "modernization" means the alteration, expansion, repair, remodeling, replacement, or renovation of existing buildings, including initial equipment thereof, and the replacement of equipment of existing buildings.

The state department shall annually adjust the capital expenditure thresholds set forth in subdivisions (d) and (e) of this section to reflect changes in the cost of living, as determined by the Department of Finance, using 1976 as the base year.

SEC. 183. Section 441.3 of the Health and Safety Code is amended to read.

441.3. The California Hospital Commission is hereby renamed the California Health Facilities Commission, which shall be an independent state commission. The membership of the commission

shall be expanded on and after July 1, 1975, to 15 members. The Governor shall appoint three new members described in subdivision (c) and five new members described in subdivision (e). As vacancies on the commission occur, members shall be appointed with qualifications specified in this section.

The commission shall consist of the following membership.

(a) One member who within the 10 years preceding his initial appointment has had at least five years' experience in the field of health insurance or in the administration of a health care service plan.

(b) One member who is experienced in the management of a comprehensive group-practice prepayment health care service plan registered under Chapter 2.2 (commencing with Section 1340) of Division 2.

(c) Four members who are executive officers of a health facility or a group of health facilities subject to the provisions of this part, one of whom shall be an executive officer of a nonprofit general acute care hospital or group of nonprofit general acute care hospitals, one of whom shall be an executive officer of an investor-owned general acute care hospital or group of investor-owned general acute care hospitals, one of whom shall be an executive officer of an investor-owned skilled nursing facility or group of skilled nursing facilities, and one of whom shall be an executive officer of a nonprofit skilled nursing facililty or group of nonprofit skilled nursing facilities.

(d) One member who is a physician and surgeon licensed under the provisions of Chapter 5 (commencing with Section 2000) of Division 2 of the Business and Professions Code with at least five years' experience in the practice of medicine in this state.

(e) Eight public members

SEC 184 Section 1155.7 of the Health and Safety Code, as added by Chapter 1364 of the Statutes of 1974, is amended and renumbered to read.

1158. In the event a health emergency is declared by the board of supervisors in a county or by a health district board, the local health officer during such state of emergency shall have supervision and control over all environmental health and sanitation programs and personnel employed by the county or district during such state of emergency

SEC. 185 Section 1277 of the Health and Safety Code is amended to read:

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 health facility is operated in the manner required by this chapter and by the rules and regulations adopted hereunder.

(b) Notwithstanding any provision of Division 7 (commencing with Section 7100) of the Welfare and Institutions Code or any other

law to the contrary, the licensure requirements for professional personnel in state and other governmental health facilities licensed by the state department shall not be less than for professional personnel in health facilities under private ownership. Such personnel who have been continuously employed on January 1, 1979, in the same state or other governmental health facilities licensed by the state department, including those persons on authorized leave, shall be exempt from the requirements of this subdivision. The requirements of this subdivision may be waived by the state department for new graduates and recruits from outside of this state for a period not to exceed two years from the date of their employment, on which date they shall have proper licenses or be terminated.

(c) 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.

(d) The state department shall apply the same standards to state and other governmental health facilities that it licenses as it applies to health facilities in private ownership. The state department shall report to the Legislature by March 1 of each year any waivers of requirements imposed by its regulations granted during the prior calendar year to any health facility.

SEC 186. Section 1343 of the Health and Safety Code is amended to read:

1343. (a) The provisions of this chapter shall apply to health care service plans and specialized health care service plans as defined in subdivisions (f) and (n) of Section 1345.

(b) The commissioner may by the adoption of such rules as deemed necessary and appropriate, either unconditionally or upon specified terms and conditions or for specified periods, exempt from the provisions of this chapter any class or persons or plan contracts if the commissioner finds such action to be in the public interest and not detrimental to the protection of subscribers, enrollees, or persons regulated under this chapter, and that the regulation of such persons or plan contracts is not essential to the purposes of this chapter.

(c) The commissioner, upon request of the State Director of Health Services may exempt from the provisions of this chapter any pilot program contracting with the State Department of Health Services pursuant to Article 7 (commencing with Section 14490), Chapter 8, Part 3, Division 9 of the Welfare and Institutions Code. Such exemption may be subject to such conditions as the commissioner deems appropriate.

(d) The provisions of this chapter shall not apply to:

(1) A person organized and operating pursuant to a certificate issued by the Insurance Commissioner unless the entity is directly providing the health care service through such entity-owned or contracting health facilities and providers, in which case the

provisions of this chapter shall apply to the insurer's plan and to the insurer.

(2) A plan directly operated by bona fide public or private institution of higher learning which directly provides health care services only to its students, faculty, staff, administration, and their respective dependents.

(3) A nonprofit corporation formed under Chapter 11A (commencing with Section 11491) of Part 2 of Division 2 of the Insurance Code.

(e) The provisions of Section 1357 shall not apply to:

(1) A plan, or to any officer, director, or partner of a plan acting in the course of their employment by such plan, unless such officer, director, or partner receives compensation specifically related to the sale of subscriptions or enrollments to the plan

(2) A provider, or an employee of a provider or of a plan, who disseminates information about the plan only incidentally to such employment and at the unsolicited request of a subscriber, enrollee, or member of the public.

(3) A person who disseminates information concerning plans and plan benefits only as a public employee, only as an employee or representative of a subscriber group, or only as an employee of a person contracting with a plan on behalf of subscribers or enrollees.

SEC. 187 Section 1580 of the Health and Safety Code is amended to read:

1580. The state department shall adopt and may from time to time 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. The regulations shall prescribe standards of safety and sanitation for the physical plant of adult day health centers and standards for the quality of adult day health care services, including, but not limited to, staffing with duly qualified personnel. In adopting such regulations, the state department shall take into account the physical and mental capabilities and needs of the persons to be served, and consideration shall be given to flexible application of safety and sanitation standards, if necessary, to be consistent with the legislative intent of establishing adult day health care programs in locations easily accessible to economically disadvantaged older persons. Program standards contained in regulations adopted pursuant to this section shall be those specified in Chapter 8.7 (commencing with Section 14520) of Part 3 of Division 9 of the Welfare and Institutions Code.

SEC 188. Section 1760 of the Health and Safety Code is amended to read:

1760. The State Department of Health Services shall maintain, in

cooperation with local agencies, an emergency medical services program including, but not limited to, the following:

(a) Collection of data on the use of emergency medical services which will be of value in their development.

(b) Evaluation of emergency medical services

(c) Establishment of recommended standards for emergency medical services.

(d) Provision of plans for optional programs whereby the largest possible number of people can be trained in cardiopulmonary resuscitation and lifesaving first aid techniques.

(e) Provision of plans whereby community medical emergency services can be augmented by assistance from nearby communities and from other resources throughout the state at large.

(f) Providing consultation services with the emergency medical care committee of each county established under Section 1750 of this code.

(g) Establishment of emergency medical training and educational standards for ambulance personnel.

SEC. 189. Section 1760 6 of the Health and Safety Code is amended to read:

1760.6. The Advisory Committee on Emergency Medical Services is hereby created and established in the State Department of Health Services. The committee shall advise the director on regulations to be adopted by the department for implementation of this article. The committee may give the director general advice in regard to communications, medical equipment, training, personnel, facilities, widespread training of people in cardiopulmonary resuscitation and lifesaving first aid techniques, and other subjects relating to emergency medical services. The committee shall be composed of 18 members The Governor shall appoint 16 members as follows: one representative of a private ambulance company, one hospital administrator, three physicians and surgeons, two of whom are primarily engaged in the practice of emergency medical care, and one of whom is in private practice, three licensed professional nurses who are licensed pursuant to the provisions of Chapter 6 (commencing with Section 2700) or Chapter 6.5 (commencing with Section 2840) of Division 2 of the Business and Professions Code, two of whom are primarily engaged as an emergency registered nurse, one county health officer, one mobile intensive care paramedic, as defined in subdivision (a) of Section 1481, two public members, one of whom has been active in community efforts to improve emergency medical services, one representative of a public emergency medical services agency, one chief of a city or county fire department or fire protection district, one representative of the Department of the California Highway Patrol, and one representative of the State Department of Health Services, who shall serve as chairman.

The Senate Rules Committee and the Speaker of the Assembly shall each appoint one public member.

The members of the advisory committee shall receive no compensation for their services, but shall be reimbursed for their actual, necessary traveling and other expenses incurred in the discharge of their duties.

The committee shall meet on the call of the chairman

SEC. 190. Section 1765 of the Health and Safety Code is amended to read:

1765 The State Department of Health Services shall promote the development of programs to train large numbers of people in cardiopulmonary resuscitation and lifesaving first aid techniques. Local agencies and other organizations desiring to establish such public training programs shall receive the full cooperation and assistance of the state department.

SEC. 191. Article 5 (commencing with Section 11850) of Chapter 1 of Part 2 of Division 10.5 of the Health and Safety Code, as added by Chapter 380 of the Statutes of 1978, is repealed.

SEC. 192. Article 5 (commencing with Section 11850) of Chapter 1 of Part 2 of Division 10.5 of the Health and Safety Code, as added by Chapter 429 of the Statutes of 1978, is repealed.

SEC. 193. The first Section 11971 of the Health and Safety Code, as added by Chapter 1252 of the Statutes of 1977, is amended and renumbered to read:

11970.5. As used in this chapter, "narcotic and drug abuse program" means any program which provides any service of care, treatment, rehabilitation, counseling, vocational training, self-improvement classes or courses, methadone maintenance treatment, methadone detoxification treatment, or other medication services for detoxification and treatment, and any other services which are provided either public or private, whether free of charge or for compensation, which are intended in any way to alleviate the problems of narcotic addiction or habituation or drug abuse addiction or habituation or any problems in whole or in part related to the problem of narcotics addiction or drug abuse, or any combination of such problems.

SEC. 194. Section 19940.5 of the Health and Safety Code is amended and renumbered to read·

19990.5 The provisions of Section 17920.9, and the rules and regulations adopted pursuant thereto, shall be applicable to the sale, offering for sale, or use in the construction of any factory-built housing of any frame building system, and to any factory-built housing in which any such system is used as a component.

SEC 195 Section 24175 of the Health and Safety Code is amended to read:

24175 (a) Except as otherwise provided in this section, no person shall be subjected to any medical experiment unless the informed consent of such person is obtained.

(b) If an adult person, who is incompetent as defined in Section 1435 2 of the Probate Code, is under the care and custody of a guardian pursuant to Division 4 (commencing with Section 1400) of

the Probate Code, informed consent for a medical experiment involving such person shall be obtained from such person's guardian.

(c) If an adult person is under a conservatorship of the person or of the person and estate, pursuant to Division 5 (commencing with Section 1701) of the Probate Code, informed consent for a medical experiment involving such person shall be obtained from such person's conservator

(d) If an adult person who is gravely disabled, as defined in subdivision (h) of Section 5008 of the Welfare and Institutions Code, and is under a conservatorship of the person or of the person and estate, pursuant to Chapter 3 (commencing with Section 5350) of Article 8 of Part 1 of Division 5 of the Welfare and Institutions Code, informed consent for a medical experiment involving such person shall be obtained from such person, unless the conservator of such person has the right to consent to medical treatment on behalf of the conservatee, pursuant to subdivisions (c) and (d) of Section 5357 and Section 5358 of the Welfare and Institutions Code.

(e) If an adult person who is developmentally disabled, as defined in subdivision (a) of Section 4512 of the Welfare and Institutions Code, and has neither a guardian or conservator and is mentally incapable of giving informed consent, informed consent shall be obtained for a medical experiment involving such person, pursuant to subdivision (c) of Section 4655 of the Welfare and Institutions Code

(f) Informed consent given by a person other than the human subject pursuant to subdivisions (b) through (e), inclusive, of this section shall only be for medical experiments related to maintaining or improving the health of the human subject or related to obtaining information about a pathological condition of the human subject.

SEC. 196. Section 32359 of the Health and Safety Code is amended to read·

32359. The Department of General Services shall, without cost or obligation to the state, assist the Chowchilla Memorial Hospital District, and any other hospital district with a bed capacity of less than 100 beds which has entered into a joint powers agreement with the Chowchilla Memorial Hospital District, in procuring insurance for the purpose of paying medical injury tort judgments or settlements exceeding one million dollars ($1,000,000) in the aggregate Any such procurement may, upon request of the hospital district concerned, be made by the Department of General Services on behalf of such hospital district.

SEC 197 The heading of Part 6 (commencing with Section 36000) of Division 24 of the Health and Safety Code is amended and renumbered to read

PART 6 5 VALIDATION PROCEDURES

SEC. 198 The heading of Article 2 (commencing with Section 40420) of Chapter 5 5 of Part 3 of Division 26 of the Health and Safety

Code is amended and renumbered to read

Article 2.5. Governing Body

SEC. 199 Chapter 7 (commencing with Section 41260) of Part 2 of Division 31 of the Health and Safety Code is repealed

SEC. 200. Section 41312 of the Health and Safety Code is amended and renumbered to read:

50913 For its activities under this division the president shall prepare a preliminary budget on or before December 1 of each year for the ensuing fiscal year to be reviewed by the Secretary of the Business and Transportation Agency, the Director of Finance, and the Joint Legislative Budget Committee. An analysis of the agency's proposed budget prepared by the Joint Legislative Budget Committee, together with any comments of the committee, shall be transmitted to the chairpersons of the fiscal committee of each house of the Legislature and to the chairperson of the board prior to the board's final adoption of the agency's budget

SEC 201 Section 41360 of the Health and Safety Code is amended and renumbered to read·

51000. The California Housing Finance Fund is hereby created in the State Treasury.

Construction loan funds may be transferred to the construction lender or to the contractor as necessary to meet draws for progress payments pursuant to rules and regulations of the agency.

All money in the fund is hereby continuously appropriated to the agency for carrying out the purposes of this part, and, notwithstanding the provisions of Chapter 2 (commencing with Section 12850) of Part 2 5 of Division 3 of Title 2 of the Government Code or the provisions of Article 2 (commencing with Section 13320) of Chapter 3 of Part 3 of such division, or the provisions of Sections 11032 and 11033 of the Government Code, application of the fund shall not be subject to the supervision or budgetary approval of any other officer or division of state government. However, the agency's budget shall be reviewed as provided in Section 50913 The agency may pledge any or all of the moneys in the fund as security for payment of the principal of, and interest on, and redemption premiums on, bonds issued pursuant to this part, and, for such purpose or as necessary or convenient to the accomplishment of any other purpose of the agency, may divide the fund into separate accounts All moneys accruing to the agency pursuant to this part from whatever source shall be deposited in the fund

SEC 202 Section 42031 of the Health and Safety Code is amended and renumbered to read.

51654 Notwithstanding the provisions of Chapter 2 (commencing with Section 12850) of Part 2 5 of Division 3 of Title 2 of the Government Code or the provisions of Article 2 (commencing with Section 13320) of Chapter 3 of Part 3 of such division, application of the insurance fund shall not be subject to the

supervision or budgetary approval of any other officer or division of state government. However, the agency's budget respecting such fund shall be reviewed as provided in Section 50913.

SEC. 203. Section 44532 2 of the Health and Safety Code is amended to read·

44532.2. To the extent that separate funding has been authorized for projects to control pollution from electrical generation facilities pursuant to Section 44541.2, the authority shall separately accept applications for such projects which have been certified as provided in Section 44531. Applications accepted under this section shall be reviewed on a quarterly basis and financing allocated in accordance with the priorities specified in Section 44532. Section 44533 shall not apply to projects financed pursuant to this section.

SEC. 204. Section 50517 of the Health and Safety Code, as amended and renumbered by Chapter 380 of the Statutes of 1978, is repealed

SEC. 205. Section 50517 of the Health and Safety Code, as amended by Chapter 1351 of the Statutes of 1978, is repealed.

SEC. 206. Section 50517 is added to the Health and Safety Code, to read:

50517. The Housing Predevelopment Loan Fund shall be administered by the director and such persons within the department as the director may designate.

The revolving loan fund shall be administered in accordance with the following:

(a) The department may not commit more than 20 percent of the total moneys appropriated to the fund to any single borrower at any point in time.

(b) The department shall require adequate security for all loans made from the revolving loan fund. The term "adequate security" includes, but need not be limited to, a first lien on any property purchased with loan fund moneys, a promissory note, or an assignment of a land option except that in the case of Indian Trust Land a mortgage on a leasehold interest in the property shall be acceptable.

(c) The department shall, from time to time, direct the State Treasurer to invest moneys of the revolving loan fund which are not required for its current needs in such eligible securities as the department shall designate from among those specified in Section 16430 of the Government Code. The department may direct the State Treasurer to deposit moneys from the revolving loan fund in interest-bearing accounts in state or national banks or other financial institutions having principal offices in this state. The department may alternatively require the transfer of moneys in the revolving loan fund to the Surplus Money Investment Fund for investment pursuant to Article 4 (commencing with Section 16470) of Chapter 3, Part 2, Division 4, Title 2 of the Government Code. All interest, dividends, and pecuniary gains from such investments or deposits shall accrue to the Housing Predevelopment Loan Fund

(d) In complying with the provisions of Section 50408, the department shall also report annually to the Legislature and the Governor on the administration of the revolving loan fund. Such report shall include, but need not be limited to, (1) the number of units assisted, (2) the average income of households assisted and the distribution of annual incomes among assisted households, (3) the rents in assisted units, (4) the number and amount of loans made to each local governmental agency or nonprofit corporation in the preceding year, (5) data on the number of delinquencies and defaults, (6) recommendations, as needed, to improve operations of the revolving loan fund, (7) the number of loans made at interest rates lower than the average rate returned by the investment of state funds through the Pooled Money Investment Board for the past five fiscal years and the income of households assisted by such loans, and (8) the public transportation services conveniently available to assisted households.

(e) (1) Except as provided in paragraph (2) of this subdivision, all loans made from the Housing Predevelopment Loan Fund shall bear interest. The rate of interest for any loan shall be computed annually, and shall be the same as the average rate returned by the investment of state funds through the Pooled Money Investment Board for the five fiscal years immediately preceding the year in which the loan payment is made.

(2) The department may reduce or eliminate interest on the loans, if, in the exercise of sound discretion, the department determines such action is necessary for the provision of decent housing to very low income households, as described in Section 50105, provided, however, that if the department eliminates interest on a loan, it shall charge a loan origination fee of not to exceed 2 percent of the loan amount.

SEC. 207. Section 50531 of the Health and Safety Code is amended to read:

50531. (a) There is hereby created in the State Treasury the Urban Housing Development Loan Fund.

All money in the loan fund is hereby continuously appropriated to the department for carrying out the purposes of this chapter. The loan fund shall be a revolving loan fund which shall be used to make loans to local agencies or nonprofit corporations for assisted housing in urban areas, for occupancy primarily by persons of low income.

All interest, dividends, and pecuniary gains from investments or deposits of moneys in the loan fund shall accrue to the loan fund notwithstanding Section 16305.7 of the Government Code.

There shall be paid into the fund the following:

(1) Any moneys appropriated and made available by the Legislature for the purposes of the fund

(2) Any moneys which the department receives in repayment of loans made from the fund, including any interest on loans made therefrom

(3) Any other moneys which may be made available to the

department for the purposes of this chapter from any other source or sources.

(b) If on January 1, 1981, any moneys appropriated pursuant to Section 4 of the act enacting this section remain unencumbered in the loan fund, such unencumbered balance shall be transferred from the loan fund to the General Fund in the State Treasury. This subdivision shall have no application to any other moneys deposited in the loan fund including moneys paid into the loan fund pursuant to paragraph (2) of subdivision (a).

SEC 208. Section 50697 of the Health and Safety Code is amended to read:

50697. (a) The department shall encourage or support all housing advisory service activities in the state and shall do so in accordance with the policies, goals and objectives of the California Statewide Housing Plan.

(b) The department may seek commitments, on a matching or other basis, from local agencies for the financial support of local housing advisory service programs.

(c) The department may seek, obtain, and utilize public and private funds to carry out the purposes and general provisions of this chapter.

(d) The department may adopt procedures and regulations necessary to implement the provisions of this chapter.

SEC. 209. Section 50913 of the Health and Safety Code is repealed.

SEC 210. Section 51000 of the Health and Safety Code is repealed.

SEC. 211. Section 51350 of the Health and Safety Code, as amended and renumbered by Chapter 380 of the Statutes of 1978, is repealed.

SEC. 212. Section 51350 of the Health and Safety Code, as amended by Chapter 1318 of the Statutes of 1978, is repealed.

SEC. 213. Section 51350 is added to the Health and Safety Code, to read:

51350. (a) The agency may from time to time, after action of the Housing Bond Credit Committee as provided in Section 51360, issue its negotiable bonds in such principal amount as the agency shall determine to be necessary to provide sufficient funds for financing housing developments and other residential structures and for the payment of interest on bonds of the agency, establishment of reserves to secure such bonds, and other expenditures of the agency incident to, and necessary or convenient to, issuance of such bonds.

(b) Sale of the bonds of the agency shall be coordinated by the State Treasurer. To obtain a date for the sale of bonds, the agency shall inform the State Treasurer of the amount of the proposed issue. Upon such notification, the State Treasurer shall provide three 10-day periods, within the 90 days next following, when the bonds can be sold. The agency may choose any date during the suggested periods or any other date to which the agency and the State

Treasurer have mutually agreed. The State Treasurer shall sell the bonds on the date chosen according to terms approved by the agency.

The Housing Bond Credit Committee shall exercise its powers with due regard for the right of the holders of bonds of the agency at any time outstanding, and nothing in, or done pursuant to, this section shall in any way limit, restrict, or alter the obligation or powers of the agency or any member, officer, or representative of the agency or the State Treasurer to carry out and perform in every detail each and every covenant, agreement, or contract at any time made or entered into on behalf of the agency with respect to its bonds or its benefits, or the security of the holders thereof.

(c) The aggregate principal amount of nonguaranteed bonds which may be issued pursuant to this part shall not exceed three hundred million dollars ($300,000,000), exclusive of indebtedness incurred to refund or renew previously issued bonds of the agency to the extent of the outstanding principal indebtedness of such previously issued bonds, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds. Guaranteed taxable bonds, or in lieu thereof and in the discretion of the agency, nonguaranteed tax-exempt bonds in addition to those authorized by the preceding sentence, to be issued by the agency may be authorized in an amount not exceeding one hundred fifty million dollars ($150,000,000), exclusive of indebtedness incurred to refund or renew previously issued bonds of the agency to the extent of the outstanding principal indebtedness of such previously issued bonds, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds.

SEC 214. Section 51654 of the Health and Safety Code is repealed.

SEC. 215. Section 1152 of the Insurance Code is amended to read:

1152. Domestic incorporated stock insurers, except those governed by Sections 3016, 10530, 12373, 12465 and 12640 06, shall be governed exclusively by the provisions of this section as to payment or distribution of dividends to stockholders. Such insurers may make dividends only from the surplus of admitted assets in excess of the aggregate of the following:

(a) The aggregate par value of the entire issued or subscribed shares;

(b) A surplus equal to 50 percent of the aggregate par value of the entire issued or subscribed shares;

(c) A premium reserve on policies in force at least equal to the unearned portions of the gross premiums charged for covering the risks computed by such method as is provided in this code, prescribed by the commissioner in absence of such provision, or on a pro rata basis in the absence of such provision or prescription;

(d) Proper reserves for expenses, taxes, and outstanding losses computed as set forth in this code;

(e) Proper reserves for all other liabilities.

No dividends shall be declared out of such surplus derived from the mere appreciation in the value of assets not yet realized, nor shall any dividends be declared from any part of such surplus derived from an exchange of assets, unless and until such profits have been realized or unless the assets received are currently realizable in cash.

SEC. 216. Section 1858.2 of the Insurance Code is amended to read:

1858.2. At the election of the commissioner, or if the insurer organization group or association does not make such changes as may be necessary to correct the noncompliance specified in the notice issued under Section 1858.1, or at the request of such person as provided for in Section 1858.1, or if such person has failed to establish to the satisfaction of the commissioner that such noncompliance does not exist, then the commissioner may hold a public hearing by mailing a notice to such person not less than 30 days prior to the date set for hearing specifying the matters to be considered at the hearing.

SEC. 217. Section 11512.15 of the Insurance Code, as added by Chapter 1322 of the Statutes of 1978, is amended and renumbered to read.

11512.10 Every nonprofit hospital service contract which provides for the surgical procedure known as a mastectomy and which is issued, amended, delivered or renewed in this state on or after July 1, 1980, shall include coverage for prosthetic devices or reconstructive surgery incident to the mastectomy, providing that such mastectomy is performed after July 1, 1980. Coverage for prosthetic devices and reconstructive surgery shall be subject to the deductible and coinsurance conditions applied to the mastectomy, and all other terms and conditions applicable to other benefits. As used in this section, "mastectomy" means the removal of all or part of the breast for medically necessary reasons, as determined by a licensed physican and surgeon.

Any provision in any contract issued, amended, delivered or renewed in this state on or after July 1, 1980, which is in conflict with this section shall be of no force or effect.

SEC 218. Section 11520 of the Insurance Code is amended to read:

11520. The following organizations and persons may receive transfers of property, conditioned upon their agreement to pay an annuity to the transferor or his nominee, after obtaining from the commissioner a certificate of authority so to do:

(a) Any charitable, religious, benevolent or educational organization, pecuniary profit not being its object or purpose, after being in active operation for at least 10 years; provided, nevertheless, that 10 years of active operation shall not be required in case of:

(i) A nonprofit corporation organized and controlled by a hospital classified and licensed by the Department of Public Health as a general hospital pursuant to Chapter 2 (commencing with Section

1400) of Division 2 of the Health and Safety Code; and

(ii) An incorporated educational institution offering courses of instruction beyond high school, organized pursuant to Section 29003 of the Education Code, and which is, and for at least one year has been, qualified pursuant to Article 1 (commencing with Section 29001) of Chapter 1 of Division 21 of the Education Code to issue diplomas or degrees as defined in Section 29001 of such code;

(b) Every organization or person maintaining homes for the aged for pecuniary profit.

The provisions of this section shall not apply to organizations subject to and operating under Chapter 10 (commencing with Section 1770) of Division 2 of the Health and Safety Code.

SEC. 219. The heading of Part 3 (commencing with Section 11550) of Division 2 of the Insurance Code is amended to read:

PART 3. LIABILITY, WORKERS' COMPENSATION, AND COMMON CARRIER LIABILITY INSURANCE

SEC. 220. The heading of Chapter 2 (commencing with Section 11630) of Part 3 of Division 2 of the Insurance Code is amended to read

CHAPTER 2 WORKERS' COMPENSATION POLICIES

SEC. 221. Section 11630 of the Insurance Code is amended to read:

11630. As used in this chapter, the term "compensation" means the benefits insured by workers' compensation insurance.

SEC. 222. Section 11656.7 of the Insurance Code, as added by Chapter 463 of the Statutes of 1978, is amended and renumbered to read:

11656.1 Upon request of the State Department of Social Services, the State Compensation Insurance Fund may issue one workers' compensation insurance policy insuring all recipients of in-home supportive services under Article 7 (commencing with Section 12300), Chapter 3, Part 3, Division 9 of the Welfare and Institutions Code for whom and to the extent that the State Department of Social Services has an obligation to perform or assure the performance of rights, duties and obligations relating to such services as specified in Section 12302.2 of the Welfare and Institutions Code

SEC 223. The heading of Chapter 3 (commencing with Section 11690) of Part 3 of Division 2 of the Insurance Code is amended to read.

CHAPTER 3. REGULATION OF BUSINESS OF WORKERS' COMPENSATION INSURANCE

SEC 224 Section 12640 07 of the Insurance Code is amended to

read·

12640 07 Mortgage guaranty insurance may be transacted in this state only by a stock or mutual casualty insurer holding a certificate of authority for the transaction of such insurance pursuant to this chapter (commencing with Section 12460.01), and shall be written only to insure loans secured by authorized real estate securities as defined in Article 1 (commencing with Section 12640.01) of this chapter Any reciprocal insurer engaging in this type of business shall be bound by all provisions of this chapter, including the requirements as to paid-in capital and paid-in surplus.

SEC. 225. Section 12744 of the Insurance Code is amended to read:

12744. (a) No person shall issue or offer to issue home protection contracts in this state unless such person holds a home protection company license issued by the department, except as provided in subdivision (b) of this section.

(b) An insurer admitted for the class of insurance defined in Section 120 is authorized, in addition to the underwriting powers granted by such class, to issue home protection contracts, but the provisions of this part shall not be otherwise applicable to such insurers or their contracts.

(c) No license shall be granted to a foreign applicant that has not fulfilled the requirements of Sections 716 and 717 For purposes of this part, the term "class of insurance" as used in said sections shall mean the business of a home protection company. This section shall not prohibit the admission of a foreign home protection company which has actively transacted home protection business in its state of domicile for three years or more.

(d) The department shall by regulation prescribe forms for applications for home protection company licenses consistent with the provisions of this part. Any reference to certificate of authority in Article 3 (commencing with Section 699) of Chapter 1 of Part 2 of Division 1, shall mean home protection company license.

SEC. 226 Section 12975.7 of the Insurance Code is amended to read·

12975.7 Except as provided in Sections 12975.1 and 12995, all moneys received by the commissioner pursuant to this code shall be transmitted to the State Treasurer to be deposited in the State Treasury to the credit of the Insurance Fund. The money in the Insurance Fund received from the commissioner pursuant to this section is hereby appropriated as follows.

(a) To pay the refunds authorized by this code

(b) The balance of the money in the fund shall, on order of the Controller, be transferred to the State General Fund.

SEC. 227 Section 1174 of the Labor Code is amended to read·

1174 Every person employing labor in this state shall:

(a) Furnish to the commission, at its request, reports or information which the commission requires to carry out this chapter Such reports and information shall be verified if required by the

commission or any member thereof.

(b) Allow any member of the commission or the employees of the Division of Labor Standards Enforcement free access to the place of business or employment of such person to secure any information or make any investigation which they are authorized by this chapter to ascertain or make. The commission may inspect or make excerpts, relating to the employment of employees, from the books, reports, contracts, payrolls, documents, or papers of such person

(c) Keep a record showing the names and addresses of all employees employed and the ages of all minors.

(d) Keep at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by, and the wages paid to, employees employed at the respective plants or establishments, and which shall be kept in accordance with rules established for this purpose by the commission. All such records shall be kept on file for at least one year

SEC. 228 Section 1175 of the Labor Code is amended to read:

1175 Any person, or officer or agent thereof, is guilty of a misdemeanor who:

(a) Neglects or refuses to furnish the information requested under the provisions of Section 1174.

(b) Refuses access to his place of business or employment to any member of the commission or employee of the Division of Labor Standards Enforcement when administering or enforcing this chapter

(c) Hinders such member, or employee in securing information authorized by Section 1174.

(d) Fails to keep any of the records required by Section 1174.

SEC 229 Section 1195 of the Labor Code is amended to read:

1195. Any person may register with the Division of Labor Standards Enforcement a complaint that the wage paid to an employee for whom a minimum wage has been fixed by the commission is less than that rate. The division shall investigate the matter and take all proceedings necessary to enforce the payment of a wage not less than the minimum wage

SEC 230 Section 1394 of the Labor Code is amended to read·

1394 Nothing in this article or Article 2 (commencing with Section 1285) of Chapter 2 of this part shall prohibit or prevent any of the following

(a) The employment of minors 16 years of age or over for more than eight hours in one day or more than 48 hours in one week (i) in agricultural, horticultural, viticultural, or domestic labor, (ii) in any industry, business, or establishment operated for the purpose of grading, sorting, cleaning, drying, cooling, icing, packing, or otherwise preparing any agricultural product for distribution, including all the operations incidental thereto, or (iii) in any operation performed in a permanent fixed structure or establishment on the farm or on a moving packing plant on the farm for the purpose of preparing agricultural products for market when

such operations are done on the premises owned or operated by the same employer who produced the products referred to herein, including all operations incidental thereto.

(b) Notwithstanding subdivision (a), no employer shall employ any minor 16 years of age or over in any industry, business, or establishment described in subdivision (a) for more than six hours on a day when such minor is required by law to attend school, or more than 20 hours in any school week in which the minor is required by law to attend school.

(c) The employment of any minor at agricultural, horticultural, viticultural, or domestic labor during the time the public schools are not in session, or during other than school hours, when the work performed is for or under the control of his parent or guardian and is performed upon or in connection with premises owned, operated or controlled by the parent or guardian; but nothing herein shall permit children under school age to work at such occupations, while the public schools are in session.

(d) The employment of any minor by engineers engaged in survey work as part of a survey crew in the field.

(e) The full-time employment of minors who meet all other legal employment requirements, if they are exempt from compulsory school attendance under Section 48231 of the Education Code.

SEC. 231. The heading of Article 5 (commencing with Section 1860) of Chapter 1 of Part 7 of Division 2 of the Labor Code is amended to read:

Article 5. Securing Workers' Compensation

SEC. 232. Section 1861 of the Labor Code is amended to read:

1861. Each contractor to whom a public works contract is awarded shall sign and file with the awarding body the following certification prior to performing the work of the contract: "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

SEC 233. The heading of Division 4 (commencing with Section 3200) of the Labor Code is amended to read·

DIVISION 4 WORKERS' COMPENSATION AND INSURANCE

SEC. 234 The heading of Division 4.5 (commencing with Section 6100) of the Labor Code is amended to read·

DIVISION 4 5 WORKERS' COMPENSATION AND INSURANCE STATE EMPLOYEES NOT OTHERWISE COVERED

SEC 235. Section 6324 of the Labor Code is amended to read:

6324 The application to the superior court accompanied by affidavit showing that such place of employment, machine, device, apparatus, or equipment is being operated in violation of a safety order or standard, or in violation of Section 25910 of the Health and Safety Code, and that such use or operation constitutes a menace to the life or safety of any person employed thereabout and accompanied by a copy of the order or standard applicable thereto is a sufficient prima facie showing to warrant, in the discretion of the court, the immediate granting of a temporary restraining order. No bond shall be required from the division as a prerequisite to the granting of any restraining order.

SEC. 236. Division 3.5 (commencing with Section 660) of the Military and Veterans Code is repealed

SEC. 237. Section 272 of the Penal Code is amended to read:

272. Every person who commits any act or omits the performance of any duty, which act or omission causes or tends to cause or encourage any person under the age of 18 years to come within the provisions of Sections 300, 601, or 602 of the Welfare and Institutions Code or which act or omission contributes thereto, or any person who, by any act or omission, or by threats, commands, or persuasion, induces or endeavors to induce any person under the age of 18 years or any ward or dependent child of the juvenile court to fail or refuse to conform to a lawful order of the juvenile court, or to do or to perform any act or to follow any course of conduct or to so live as would cause or manifestly tend to cause any such person to become or to remain a person within the provisions of Sections 300, 601, or 602 of the Welfare and Institutions Code, is guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not exceeding two thousand five hundred dollars ($2,500), or by imprisonment in the county jail for not more than one year, or by both such fine and imprisonment in a county jail, or may be released on probation for a period not exceeding five years. The district attorney shall prosecute all violations charged under this section.

SEC. 238 Section 502½ of the Penal Code is amended and renumbered to read.

502 5 Every person who, after mortgaging or encumbering by deed of trust any real property, and during the existence of such mortgage or deed of trust, or after such mortgaged or encumbered property shall have been sold under an order and decree of foreclosure or at trustee's sale, and with intent to defraud or injure the mortgagee or the beneficiary or trustee, under such deed of trust, his representatives, successors or assigns, or the purchaser of such mortgaged or encumbered premises at such foreclosure or trustee's sale, his representatives, successors or assigns, takes, removes or carries away from such mortgaged or encumbered premises, or otherwise disposes of or permits the taking, removal or carrying away or otherwise disposing of any house, barn, windmill, water tank, pump, engine or other part of the freehold that is attached or affixed

to such premises as an improvement thereon, without the written consent of the mortgagee or beneficiary, under deed of trust, his representatives, successors or assigns, or the purchaser at such foreclosure or trustee's sale, his representatives, successors or assigns, is guilty of larceny and shall be punished accordingly.

SEC. 239. The heading of Chapter 11 (commencing with Section 548) of Title 13 of Part 1 of the Penal Code is amended and renumbered to read:

CHAPTER 10. CRIMES AGAINST INSURED PROPERTY AND INSURERS

SEC. 240. Section 597 of the Penal Code is amended to read:

597. (a) Every person who maliciously maims, wounds, tortures, or mutilates a living animal which is the property of another, or maliciously kills an animal which is the property of another, is guilty of an offense punishable by imprisonment in the state prison, or in a county jail for not more than one year.

(b) Except as otherwise provided in subdivision (a), every person who overdrives, overloads, drives when overloaded, overworks, tortures, torments, deprives of necessary sustenance, drink or shelter, cruelly beats, mutilates, or cruelly kills any animal, or causes or procures any animal to be so overdriven, overloaded, driven when overloaded, overworked, tortured, tormented, deprived of necessary sustenance, drink or shelter, or to be cruelly beaten, mutilated, or cruelly killed; and whoever, having the charge or custody of any animal, either as owner or otherwise, subjects any animal to needless suffering, or inflicts unnecessary cruelty upon the same, or in any manner abuses any animal, or fails to provide the same with proper food, drink, shelter or protection from the weather, or who drives, rides or otherwise uses the same when unfit for labor, is for every such offense, guilty of a misdemeanor.

SEC 241 Section 830.4 of the Penal Code is amended to read:

830.4. (a) The following persons are peace officers while engaged in the performance of the duties of their respective employments:

(1) Security officers of the California State Police Division.

(2) The Sergeant at Arms of each house of the Legislature

(3) Bailiffs of the Supreme Court and of the courts of appeal.

(4) Guards and messengers of the Treasurer's office.

(5) The Director of the Department of Navigation and Ocean Development and employees of such department designated by him pursuant to Section 71.2 of the Harbors and Navigation Code.

(6) The hospital administrator of a state hospital under the jurisdiction of the State Department of Mental Health or the State Department of Developmental Services, and police officers designated by him pursuant to Section 4312 of the Welfare and Institutions Code

(7) Any railroad or steamboat company policeman commissioned

by the Governor pursuant to Section 8226 of the Public Utilities Code.

(8) Persons designated by a cemetery authority pursuant to Section 8325 of the Health and Safety Code.

(9) Harbor policemen regularly employed and paid as such by a county, city, or district, and the port warden and special officers of the Harbor Department of the City of Los Angeles. However, notwithstanding the provisions of Section 171c, 171d, or 12027, such persons are not peace officers for purposes of such sections except when designated by local ordinance or, if the local agency is not authorized to act by ordinance, by resolution, either individually or by class, as peace officers for such purposes.

(10) (A) Special officers of the Department of Airports of the City of Los Angeles commissioned by the city police commission.

(B) Any such officer so commissioned on or before July 6, 1973, shall have completed the course of instruction required by Section 832 by September 1, 1973. Any officer so commissioned after July 6, 1973, shall have completed the course of instruction within 60 days after such commissioning. Any person who, within the time prescribed by this paragraph for such person, does not satisfactorily complete the course of instruction required by Section 832, shall not have the powers of a peace officer thereafter.

(C) Notwithstanding subdivision (b), the authority of such airport security officers shall not extend beyond the territory of the airport boundaries, except when in pursuit of any offender or suspected offender.

(11) The chief of toll services, captains, lieutenants, and sergeants employed by the Department of Transportation on vehicular crossings pursuant to Chapter 13 (commencing with Section 23250) of Division 11 of the Vehicle Code.

(12) Persons employed as members of a security department of a school district pursuant to Section 39670 of the Education Code.

(13) Duly authorized federal employees, when they are engaged in enforcing applicable state or local laws on property owned or possessed by the United States government and with the written consent of the sheriff or the chief of police, respectively, in whose jurisdiction such property is situated.

(14) Security guards of the County of Los Angeles.

(15) (A) Persons regularly employed and designated by the Board of Directors of the Monterey Peninsula Airport District as airport policemen.

(B) Any such person employed on or before July 6, 1973, shall have completed the course of instruction required by Section 832 by September 1, 1973 Any person so employed after July 6, 1973, shall have completed the course of instruction within 60 days after such employment Any person who, within the time prescribed by this paragraph for such person, does not satisfactorily complete the course of instruction required by Section 832, shall not have the powers of a peace officer thereafter.

(C) Notwithstanding subdivision (b), the authority of such airport security officers shall not extend beyond the territory of the airport boundaries, except when in pursuit of any offender or suspected offender.

(16) Any person regularly employed as an airport security officer by any airport operated by the City and County of San Francisco, Orange County, or the County of San Joaquin if he meets the following requirements:

(A) If employed by the City and County of San Francisco or Orange County on or before July 6, 1973, he shall have completed the course of instruction required by Section 832 by September 1, 1973, or if employed after July 6, 1973, he shall have completed such course of instruction within 60 days after such employment. If employed by the County of San Joaquin on or before September 25, 1973, he shall have completed the course of instruction required by Section 832 by December 1, 1973; or if employed after September 25, 1973, he shall have completed such course of instruction within 60 days after such employment Any person who, within the time prescribed by this paragraph for such person, does not satisfactorily complete the course of instruction required by Section 832, shall not have the powers of a peace officer thereafter.

(B) He shall be commissioned as a peace officer by the police commission or the board of supervisors of the city and county, or county, as the case may be, operating the airport.

(C) Notwithstanding subdivision (b), the authority of such airport security officers shall not extend beyond the territory of the airport boundaries, except when in pursuit of any offender or suspected offender.

(D) In the case of any person regularly employed as an airport security officer by any such airport located in the County of San Mateo, he shall either be deputized by, or have the written consent of, the Sheriff of San Mateo County

(17) Housing authority patrol officers employed by the City of Los Angeles or by the Housing Authority of the County of Contra Costa or by the Housing Authority of the County of Los Angeles.

(18) (A) Persons regularly employed and designated by the City of Fresno as airport security officers for the Fresno Air Terminal.

(B) Before exercising the powers of a peace officer, all persons so employed shall have satisfactorily completed the course of instruction so required by Sections 832 and 832 1

(C) Notwithstanding subdivision (b), the authority of such airport security officers shall not extend beyond the territory of the airport boundaries, except when in pursuit of any offender or suspected offender

(19) Any person regularly employed as an airport security officer by any airport operated by the City of Palm Springs if he meets the following requirements.

(A) If employed by the City of Palm Springs on or before July 1, 1976, he shall have completed the course of instruction required by

Section 832 by September 1, 1976, or if employed after July 1, 1976, he shall have completed the course of instruction required by Section 832 within 60 days of employment. Any person who, within the time prescribed by this paragraph for such person, does not satisfactorily complete the course of instruction required by Section 832, shall not have the powers of a peace officer.

(B) He shall be commissioned as a peace officer by the City Council of the City of Palm Springs.

(C) Notwithstanding subdivision (b), the authority of such airport security officers shall not extend beyond the territory of the airport boundaries, except when in pursuit of any offender or suspected offender.

(20) Transit police officers of the Southern California Rapid Transit District Before exercising the powers of a peace officer, any person so employed shall have satisfactorily completed the courses of instruction required by Section 832

(b) The authority of any such peace officer extends to any place in the state as to a public offense committed or which there is probable cause to believe has been committed with respect to persons or property the protection of which is the immediate duty of such officer; provided, that the primary duty of any such peace officer pursuant to paragraph (20) of subdivision (a) shall be the enforcement of the law in or about properties owned, operated or administered by the district when performing necessary duties with respect to patrons, employees and properties of the district, provided, further, that he shall not otherwise act as a peace officer in enforcing the law except (1) when in pursuit of any offender or suspected offender from within or about properties owned, operated or administered by the district when performing necessary duties with respect to patrons, employees and properties of the district; (2) to make arrests otherwise lawful for crimes committed, or which there is probable cause to believe have been committed, in his presence or within or about properties owned, operated or administered by the district; or (3) when, while in uniform such officer, as a peace officer, is requested by a peace officer or other person to render such assistance as is appropriate under such circumstances to the officer or other person making such request, or to act upon his complaint

SEC 242 The heading of Chapter 5 (commencing with Section 1029) of Title 6 of Part 2 of the Penal Code is amended to read

CHAPTER 5 TRANSMISSION OF CERTAIN INDICTMENTS AND INFORMATIONS

SEC 243 Section 2054 5 of the Penal Code is repealed

SEC 244 Section 2079 5 of the Penal Code is repealed

SEC 245 Section 2729 of the Penal Code, as added by Chapter 46 of the Statutes of 1943, is repealed

SEC 246 Article 6 (commencing with Section 2800) of Chapter

5 of Title 1 of Part 3 of the Penal Code is repealed.

SEC. 247 Section 2931 of the Penal Code is amended to read:

2931 (a) In any case in which an inmate was sentenced to the state prison pursuant to Section 1170, or if he committed a felony before July 1, 1977, and he would have been sentenced under Section 1170 if the felony had been committed after July 1, 1977, the Department of Corrections shall have the authority to reduce the term prescribed under such section by one-third for good behavior and participation consistent with subdivision (d) of Section 1170.2. A document shall be signed by a prison official and given to the inmate, at the time of compliance with Section 2930, outlining the conditions which the inmate shall meet to receive the credit. The conditions specified in such document may be modified upon any of the following:

(1) Mutual consent of the prisoner and the Department of Corrections

(2) The transfer of the inmate from one institution to another.

(3) The department's determination of the prisoner's lack of adaptability or success in a specific program or assignment. In such case the inmate shall be entitled to a hearing regarding the department's decision

(4) A change in custodial status

(b) Total possible good behavior and participation credit shall result in a four-month reduction for each eight months served in prison or in a reduction based on this ratio for any lesser period of time Three months of this four-month reduction, or a reduction based on this ratio for any lesser period, shall be based upon forebearance from any or all of the following activities:

(1) Assault with a weapon; or escape

(2) Physically assaultive behavior; possession of a weapon without permission, possession of controlled substances without prescription; attempt to escape, or urging others, with the intent to cause a riot, to commit acts of force or violence, at a time and place under circumstances which produce a clear and present and immediate danger of a riot which results in acts of force or violence.

(3) Intentional destruction of state property valued in excess of fifty dollars ($50); falsification of a significant record or document; possession of escape tools without permission; or manufacture, sale or unauthorized possession or use of alcoholic beverages or any substance defined as a poison in Schedule D of Section 4160 of the Business and Professions Code. Activities specified in paragraph (1) may result in a maximum denial of good behavior credit of 45 days for each such prohibited activity Activities specified in paragraph (2) may result in a maximum denial of good behavior credit of 30 days for each such prohibited activity Activities specified in paragraph (3) may result in a maximum denial of good behavior credit of 15 days for each such prohibited activity Nothing in this section shall prevent the Department of Corrections from seeking criminal prosecution for violations of law

(c) One of the four-month reductions, or a formula based on this ratio for a lesser period, shall be based solely upon participation in work, educational, vocational, therapeutic or other prison activities. Failure to succeed after demonstrating a reasonable effort in the specified activity shall not result in loss of participation credit. Failure to participate in the specified activities can result in a maximum loss of credit of 30 days for each failure to participate However, those confined either by choice or due to behavior problems shall be given specified activities commensurate with the custodial status

SEC. 248 Section 4532 of the Penal Code is amended to read·

4532 (a) Every prisoner arrested and booked for, charged with, or convicted of a misdemeanor, and every person committed under the terms of Section 5654, 5656, or 5677 of the Welfare and Institutions Code as an inebriate, who is confined in any county or city jail or prison or industrial farm or industrial road camp or who is engaged on any county road or other county work or who is in the lawful custody of any officer or person, or who is employed or continuing in his regular educational program or authorized to secure employment or education away from the place of confinement, pursuant to the Work Furlough Rehabilitation Law (Section 1208), or who is authorized for temporary release for family emergencies or for purposes preparatory to his return to the community pursuant to Section 4018.6, and who thereafter escapes or attempts to escape from such county or city jail, prison, industrial farm or industrial road camp or from the custody of the officer or person in charge of him while engaged in or going to or returning from such county work or from the custody of any officer or person in whose lawful custody he is, is guilty of a felony and, if such escape or attempt to escape was not by force or violence, is punishable by imprisonment in the state prison for not exceeding one year and one day to be served consecutively, regardless of any prior convictions, or in the county jail not exceeding one year; provided, however, that if such escape or attempt to escape is by force or violence, such person is guilty of a felony and is punishable by imprisonment in the state prison for two, four, or six years to be served consecutively, or in the county jail not exceeding one year; provided, that when said second term of imprisonment is to be served in the county jail it shall commence from the time such prisoner would otherwise have been discharged from said jail.

The willful failure of a prisoner, whether convicted of a felony or a misdemeanor, employed or continuing in his regular educational program or authorized to secure employment or education pursuant to the Work Furlough Rehabilitation Law (Section 1208) or authorized for temporary release for family emergencies or for purposes preparatory to his return to the community pursuant to Section 4018 6, to return to the place of confinement not later than the expiration of a period during which, pursuant to that law, he is authorized to be away from such place of confinement, is an escape

from such place of confinement punishable as provided in this subdivision.

A conviction of violation of this subdivision, not by force or violence, shall not be charged as a prior felony conviction in any subsequent prosecution for a public offense

(b) Every prisoner arrested and booked for, charged with, or convicted of a felony who is confined in any county or city jail or prison or industrial farm or industrial road camp or who is engaged on any county road or other county work or who is in the lawful custody of any officer or person, or who is confined pursuant to Section 4011 9, who escapes or attempts to escape from such county or city jail, prison, industrial farm or industrial road camp or from the custody of the officer or person in charge of him while engaged in or going to or returning from such county work or from the custody of any officer or person in whose lawful custody he is, or from such confinement pursuant to Section 4011 9, is guilty of a felony and, if such escape or attempt to escape was not by force or violence, is punishable by imprisonment in the state prison for 16 months, or two or three years to be served consecutively, or in the county jail not exceeding one year, provided, that if such escape or attempt to escape is by force or violence, such person is guilty of a felony and is punishable by imprisonment in the state prison for two, four, or six years to be served consecutively, or in the county jail not exceeding one year, provided that when such second term of imprisonment is to be served in the county jail it shall commence from the time such prisoner would otherwise have been discharged from such jail

SEC 249 Section 5076.1 of the Penal Code is amended to read

5076 1 The board shall meet at each of the state prisons at such times as may be necessary for a full and complete study of the cases of all prisoners whose applications for parole come before it Other times and places of meeting may also be fixed by the board Each member of the board shall receive his actual necessary traveling expenses incurred in the performance of his official duties Where the board performs its functions by meeting en banc in either public or executive sessions to decide matters of general policy, at least five members shall be present, and no such action shall be valid unless it is concurred in by a majority vote of those present.

The board may meet and transact business in panels Each panel shall consist of at least three persons No action shall be valid unless concurred in by a majority vote of the persons present

Consideration of parole release for persons sentenced to life imprisonment pursuant to subdivision (b) of Section 1168 shall be heard by a panel, a majority of whose members are members of the Community Release Board A recommendation for recall of a sentence under subdivisions (d) and (f) of Section 1170 shall be made by a panel, a majority of whose members are members of the Community Release Board

The board may employ representatives to whom it may assign appropriate duties, including that of hearing cases and making

decisions. Such decisions shall be made in accordance with policies approved by a majority of the total membership of the board.

SEC. 250 Section 11050.5 of the Penal Code, as added by Section 2.5 of Chapter 790 of the Statutes of 1978, is repealed

SEC. 251. Section 11161.5 of the Penal Code 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, marriage, family or child counselor, psychologist, 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, by any peace officer, or by any probation officer, and it appears to the physician and surgeon, dentist, resident, intern, podiatrist, chiropractor, marriage, family or child counselor, psychologist, religious practitioner, registered nurse, school superintendent, supervisor of child welfare and attendance, certificated pupil personnel employee, school principal, teacher, licensed day care worker, administrator of a public or private summer day camp or child care center, social worker, peace officer, or probation officer, 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, that the minor has been sexually molested, or that any injury prohibited by the terms of Section 273a has been inflicted upon the minor, 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 or molestation

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, that a minor has been sexually molested, or that any injury prohibited by the terms of Section 273a has been inflicted upon a minor, he shall file a report without delay with the local police authority having jurisdiction and with 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 unless it can be proven that a false report was made and the person knew or should have known that the report was false

No person required to make a report pursuant to this section, nor any person taking photographs at his or her direction, shall incur any civil or criminal liability for taking photographs of a suspected victim of child abuse, or causing photographs to be taken of a suspected victim of child abuse, without parental consent, or for disseminating such photographs with the reports required by this section. However, the provisions of this section shall not be construed to grant immunity from such liability with respect to any other use of such photographs.

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, sexual molestation of, or infliction of any injury prohibited by the terms of Section 273a upon, the same minor or 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, marriage, family or child counselor, psychologist, 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 300 of the Welfare and Institutions Code and the duty of the probation officer has been transferred to the county welfare department pursuant to Section 272 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

SEC 252. Section 13517 of the Penal Code, as added by Chapter 1225 of the Statutes of 1978, is amended and renumbered to read:

13518 (a) The commission shall prepare guidelines establishing standard procedures which may be followed by police agencies in the detection, investigation, and response to cases in which a minor is a victim of an act of abuse or neglect prohibited by this code. The guidelines shall include procedures for determining whether or not a child should be taken into protective custody.

(b) The course of training leading to the basic certificate issued by the commission shall, not later than July 1, 1979, include adequate

instruction in the procedures described in subdivision (a).

(c) The commission shall prepare and implement an optional course of training of specialists in the investigation of cases in which a minor is a victim of an act of abuse or neglect prohibited by this code.

(d) The commission shall consult with the State Office of Child Abuse Prevention in developing the guidelines and optional course of training.

SEC. 253. The heading of Chapter 11 (commencing with Section 190) of Division 1 of the Probate Code, as added by Chapter 990 of the Statutes of 1972, is amended and renumbered to read:

CHAPTER 12. DISCLAIMER OF TESTAMENTARY AND OTHER INTERESTS

SEC 254 The heading of Division 2a (commencing with Section 260) of the Probate Code is amended to read·

DIVISION 2A. ADMINISTRATION OF ESTATES OF MISSING PERSONS

SEC 255 A heading is added immediately preceding Section 1435.1 of the Probate Code, to read:

CHAPTER 2A MANAGEMENT, CONTROL, AND DISPOSITON OF COMMUNITY PROPERTY AND HOMESTEAD PROPERTY OF INSANE OR INCOMPETENT PERSONS

SEC. 256. Section 6226 of the Public Resources Code, as added by Chapter 1210 of the Statutes of 1975, is repealed.

SEC. 257. Section 9962 of the Public Resources Code is amended to read:

9962. The district shall have primary local responsibility for regulating and improving water management practices on privately owned lands within the primary management area of the Suisun Marsh in conformity with Division 19 (commencing with Section 29000) and the Suisun Marsh Protection Plan. To carry out this responsibility, the district shall have the following powers in addition to those conferred on the district by this division:

(a) The district shall issue regulations requiring compliance with any water management plan or program for privately owned lands within the primary management area if such plan or program has been prepared by the district and approved and certified by the San Francisco Bay Conservation and Development Commission as a component of the local protection program required by Chapter 6 (commencing with Section 29500) of Division 19. Violation of any such regulation by any person is a misdemeanor.

(b) In addition to any other assessment authorized by this division, within an improvement district within the district, the

board shall levy a separate assessment in an amount equal to the annual costs of normal operations and maintenance, if any, within the improvement district Except as expressly provided in Section 9963, any such assessment shall otherwise be established, levied, and apportioned in accordance with the provisions of Chapter 10 (beginning with Section 9801) of this division.

SEC 258 Section 25402.1 of the Public Resources Code is amended to read·

25402.1. In order to implement the requirements of subdivisions (a) and (b) of Section 25402, the commission shall do all of the following·

(a) Develop a public domain computer program which will enable contractors, builders, architects, engineers, and government officials to estimate the energy consumed by various classes of buildings with various types of occupancies The commission may charge a fee for the use of the program, which fee shall be based upon the actual cost of the program, including any computer costs.

(b) Include a prescriptive method of complying with the standards including design aids such as a manual, sample calculations and model structural designs. The prescriptive program shall be based on the standards developed pursuant to Chapter 11 5 (commencing with Section 19878) of Part 3 of Division 13 of the Health and Safety Code as it existed prior to September 16, 1977.

(c) Produce, no later than 180 days after adoption of the standards, an energy conservation manual for use by designers, builders, and contractors of nonresidential buildings. The manual shall be furnished upon request at a price sufficient to cover the costs of production and shall be distributed at no cost to all affected local agencies The manual shall contain, but not be limited to, the following·

(1) The standards for energy conservation established by the commission

(2) Forms, charts, tables, and other data to assist designers and builders in meeting the standards

(3) Design suggestions for meeting or exceeding the standards.

(4) Any other information which the commission finds will assist persons in conforming to the standards

(5) Instructions for use of the computer program for calculating energy consumption in residential and nonresidential buildings

(6) The prescriptive method for use as an alternative to the computer program

(d) The commission shall establish a continuing program of technical assistance to local building departments in the enforcement of subdivisions (a) and (b) of Section 25402 and this section The program shall include the training of local officials in building technology and enforcement procedures related to energy conservation, and the development of complementary training programs conducted by local governments, educational institutions, and other public or private entities The technical assistance

program shall include the preparation and publication of forms and procedures for local building departments in performing the review of building plans and specifications. The commission shall provide, on a contract basis, a review of building plans and specifications submitted by a local building department, and shall adopt a schedule of fees sufficient to repay the cost of such services

(e) The provisions of subdivisions (a) and (b) of Section 25402 and this section, and the rules and regulations of the commission adopted pursuant thereto, shall be enforced by the building department of every city, county, or city and county

(1) No building permit for any residential or nonresidential building shall be issued by a local building department unless a review by the building department of the plans for the proposed residential or nonresidential building contains detailed energy system specifications and confirms that the building satisfies the minimum standards established pursuant to subdivision (a) or (b) of Section 25402 and this section applicable to such building

(2) Where there is no such local building department the commission shall enforce the provisions of subdivisions (a) and (b) of Section 25402 and this section.

(3) If a local building department fails to enforce subdivisions (a) and (b) of Section 25402 and this section or any other provision of this chapter or standard adopted pursuant thereto the commission may provide such enforcement after furnishing 10 days' written notice to the local building department

(4) A city, county, or city and county may by ordinance or resolution prescribe a schedule of fees sufficient to pay the costs incurred in the enforcement of subdivisions (a) and (b) of Section 25402 and this section. The commission may establish a schedule of fees sufficient to pay the costs incurred by such enforcement

(f) The provisions of subdivisions (a) and (b) of Section 25402 and this section shall apply only to new residential and nonresidential buildings on which actual site preparation and construction have not commenced prior to the effective date of rules and regulations adopted pursuant to those sections that are applicable to such buildings Nothing in those sections shall prohibit either of the following:

(1) The enforcement of state or local energy conservation or energy insulation standards adopted prior to the effective date of rules and regulations adopted pursuant to subdivisions (a) and (b) of Section 25402 and this section with regard to residential and nonresidential buildings on which actual site preparation and construction have commenced prior to that date

(2) The enforcement of city or county energy conservation or energy insulation standards, whenever adopted, with regard to residential and nonresidential buildings on which actual site preparation and construction have not commenced prior to the effective date of rules and regulations adopted pursuant to subdivisions (a) and (b) of Section 25402 and this section provided

that the city or county files the basis of its determination that the standards are cost effective with the commission and the commission finds that such standards will require the diminution of energy consumption levels permitted by the rules and regulations adopted pursuant to those sections

(g) The commission may exempt from the requirements of this section and of any regulations adopted pursuant thereto any proposed building for which compliance would be impossible without substantial delays and increases in cost of construction, if the commission finds that substantial funds have been expended in good faith on planning, designing, architecture or engineering prior to the date of adoption of such regulations.

(h) Should a dispute arise between an applicant for a building permit and the building department regarding interpretation of Section 25402 or the regulations adopted pursuant thereto, either party may submit the dispute to the commission for resolution. The commission's determination of the matter shall be binding on the parties.

(i) Nothing in Section 25130, 25131, or 25402, or in this section shall be construed to prevent enforcement of any regulation adopted pursuant to this chapter, or Chapter 11 5 (commencing with Section 19878) of Part 3 of Division 13 of the Health and Safety Code as they existed prior to September 16, 1977.

SEC. 259 Section 311 of the Public Utilities Code is amended to read.

311 The commission, each commissioner, the executive director, and the assistant executive directors may administer oaths, certify to all official acts, and issue subpoenas for the attendance of witnesses and the production of papers, waybills, books, accounts, documents, and testimony in any inquiry, investigation, hearing, or proceeding in any part of the state.

The administrative law judges may administer oaths, examine witnesses, issue subpoenas, and receive evidence, under such rules as the commission adopts.

SEC 260 Section 1408 of the Public Utilities Code is amended to read.

1408 Within 10 days prior to the time set for the first hearing on the petition, which time shall be not less than 30 days after the filing of the petition, the executive director of the commission shall serve or cause to be served upon the petitioner a written notice specifying the time and place of the hearing. In all respects not in this chapter otherwise specified, service and the proof of service shall be made as provided by the Code of Civil Procedure. Upon the completion of service upon the petitioner or upon any owner or claimant named in the petition, the commission shall have full and complete jurisdiction over such petitioner, owner, or claimant, with full and complete jurisdiction, insofar as such petitioner, owner, or claimant is concerned, to make each finding referred to in this chapter. The failure to make service upon any person alleging that he is an owner

or claimant but not named in the petition shall in no way affect the jurisdiction of the commission over owners and claimants on whom service has been made.

SEC 261. Section 1904 2 of the Public Utilities Code is amended to read·

1904.2 (a) In every case in which an applicant's security issues are subject to the jurisdiction of the Federal Energy Regulatory Commission pursuant to Section 204 of the Federal Power Act (49 Stat. 850, 16 U.S.C. 824c) or the applicant is an electrical or gas corporation whose security issues are subject to the jurisdiction of a public utilities regulatory agency of another state, no fees shall be charged and collected pursuant to subdivision (b) of Section 1904 and pursuant to Section 1904.1 for any face value of the bonds, notes, or other evidences of indebtedness, or the proposed maximum proceeds of stock, as the case may be, which exceeds the face value or maximum proceeds bearing the same proportion to the total face value or maximum proceeds as the gross operating revenues of the applicant derived from operations within the state bear to all of the applicant's gross operating revenues.

(b) As used in this section, "gross operating revenues" means such revenues as are shown on the accounts of the applicant as of the close of the calendar year immediately preceding the issuance by the commission of the certificate for which fees are charged and collected pursuant to subdivision (b) of Section 1904 or pursuant to Section 1904.1.

SEC. 262 The heading of Chapter 9 (commencing with Section 2821) of Part 2 of Division 1 of the Public Utilities Code is amended and renumbered to read:

CHAPTER 8 TELEPHONE CORPORATIONS

SEC. 263. The heading of Chapter 8 (commencing with Section 2851) of Part 2 of Division 1 of the Public Utilities Code is amended and renumbered to read:

CHAPTER 9. SOLAR ENERGY SYSTEMS

SEC. 264 Section 12823 of the Public Utilities Code, as added by Chapter 14 of the Statutes of 1978, is amended and renumbered to read

12825 (a) A district furnishing light, heat, or power may engage in activities to reduce wasteful, uneconomical or unnecessary uses of energy, including, but not limited to, public information programs, the sale of insulation, the sale, rental and lease of materials or equipment for the purpose of conserving energy or reducing the need for the installation of electric generating facilities, and the adoption of voluntary and mandatory load management programs, and may also engage in activities to accelerate and participate in the development of alternative sources of energy including, but not

limited to, the supply of equipment for use in connection therewith, and may do all things necessary or convenient to the full exercise of the powers herein granted. The interest rates charged on extended payment contracts for such materials or equipment shall not exceed that necessary to cover the district's full cost of money plus its administrative costs and anticipated losses due to nonpayment on such contracts.

(b) This section does not constitute a change in, but is declaratory of, the existing law.

SEC. 265. Section 21669.5 of the Public Utilities Code is repealed

SEC 266. Section 96151.1 of the Public Utilities Code is repealed.

SEC. 267 Section 423 of the Revenue and Taxation Code is amended to read·

423. Except as provided in Section 423.7, when valuing enforceably restricted open-space land, 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 enforceably restricted, 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 Any cash rent or its equivalent considered in determining the fair rent of the land shall be the amount for which comparable lands have been rented, determined by average rents paid to owners as evidenced by typical land leases in the area, giving recognition to the terms and conditions of the leases and the uses permitted within the leases and within the enforceable restrictions imposed.

(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 provisions under which the land is enforceably restricted. 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.

(3) Notwithstanding any other provision herein, if the parties to an instrument which enforceably restricts the land stipulate therein an amount which constitutes the minimum annual income per acre to be capitalized, then the income to be capitalized shall not be less than the amount so stipulated

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 by which the land is enforceably restricted including, but not limited to, that from the production of salt and from typical crops grown in the area during a typical rotation period as evidenced by historic cropping patterns and agricultural commodities grown. 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, as evidenced by historic cropping patterns and agricultural commodities grown 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 has been charged against the revenue 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.

(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 (1/4) 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. The estimated total tax rate shall be the cumulative rates used to compute the state's reimbursement of local governments for revenues lost on account of homeowners' property tax exemptions in the tax rate area in which

the enforceably restricted land is situated.

(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 for 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

(e) If the parties to an instrument which creates an enforceable restriction expressly so provide therein, the valuation resulting from the capitalization of income method described in this section shall not exceed the valuation that would have resulted by the consideration of sales of otherwise comparable lands.

(f) If the parties to an instrument which creates an enforceable restriction expressly so provide therein, the assessor shall assess those improvements which contribute to the income of land in the manner provided herein. As used in this subdivision "improvements which contribute to the income of the land" shall include, but are not limited to, wells, pumps, pipelines, fences, and structures which are necessary or convenient to the use of the land within the enforceable restrictions imposed.

SEC. 268. Section 8101.6 of the Revenue and Taxation Code is amended to read:

8101.6. (a) No refund of any tax shall be granted on motor vehicle fuel used in propelling passenger carrying vehicles, except six cents ($0.06) of the tax imposed upon each gallon of motor vehicle fuel used in propelling passenger carrying vehicles used for the transportation of persons for hire, compensation, or profit of the following:

(1) Any transit district, transit authority, or city owning and operating a local transit system itself or through a wholly owned nonprofit corporation

(2) Any private entity providing transportation services under contract or agreement, except general franchise agreements, with a public agency authorized to provide public transportation services, only for fuels consumed while providing services under such contracts or agreements entered into subsequent to the effective date of this act.

(3) Any passenger stage corporation subject to the jurisdiction of the Public Utilities Commission when the motor vehicles of such passenger stage corporation are exclusively operated in urban or suburban areas or between cities in close proximity, provided, however, that the exemption is not extended to any line or lines operated by such passenger stage corporation which shall exceed 50 miles of one-way route mileage.

(4) Any common carrier of passengers operating exclusively on

any line or lines within the limits of a single city between fixed termini or over a regular route, 98 percent of whose operations, as measured by total route mileage operated, are exclusively within the limits of a single city, and who by reason thereof is not a passenger stage corporation subject to the jurisdiction of the Public Utilities Commission.

(b) The exemption provided for in subdivision (a) shall not be applicable to motor vehicle fuel used by a charter-party carrier of passengers. The term "charter-party carrier of passengers" has the same meaning as that specified in Section 5360 of the Public Utilities Code and shall further include those transportation services described in subdivisions (a) and (e) of Section 5353 of the Public Utilities Code, if such transportation service is rendered as contract carriage and not as common carriage of passengers

SEC 269. Section 8657 of the Revenue and Taxation Code is repealed

SEC. 270. Section 17202.2 of the Revenue and Taxation Code is repealed

SEC. 271. Section 17202.3 of the Revenue and Taxation Code is repealed.

SEC 272. Section 17228 of the Revenue and Taxation Code, as added by Chapter 1079 of the Statutes of 1977, is amended and renumbered to read:

17228.5 (a) Every taxpayer, at his election, shall be entitled to a deduction with respect to the amortization of the amortizable basis of any certified historic structure (as defined in subdivision (d)) based on a period of 60 months. Such amortization deduction shall be an amount, with respect to each month of such period within the taxable year, equal to the amortizable basis at the end of such month divided by the number of months (including the month for which the deduction is computed) remaining in the period. Such amortizable basis at the end of the month shall be computed without regard to the amortization deduction for such month. The amortization deduction provided by this section with respect to any month shall be in lieu of the depreciation deduction with respect to such basis for such month provided by Sections 17208 to 17211.7, inclusive The 60-month period shall begin, as to any historic structure, at the election of the taxpayer, with the month following the month in which the basis is acquired, or with the succeeding taxable year

(b) The election of the taxpayer to take the amortization deduction and to begin the 60-month period with the month following the month in which the basis is acquired, or with the taxable year succeeding the taxable year in which such basis is acquired, shall be made by filing with the Franchise Tax Board, in such manner, in such form, and within such time as the Franchise Tax Board may by regulations prescribe, a statement of such election.

(c) A taxpayer who has elected under subdivision (b) to take the amortization deduction provided in subdivision (a) may, at any time

after making such election, discontinue the amortization deduction with respect to the remainder of the amortization period such discontinuance to begin as of the beginning of any month specified by the taxpayer in a notice in writing filed with the Franchise Tax Board before the beginning of such month. The depreciation deduction provided under Section 17208 to 17211.7, inclusive, shall be allowed, beginning with the first month as to which the amortization deduction does not apply, and the taxpayer shall not be entitled to any further amortization deduction under this section with respect to such certified historic structure.

(d) For purposes of this section—

(1) The term "certified historic structure" means a building or structure which is of a character subject to the allowance for depreciation provided in Sections 17208 to 17211.7, inclusive which—

(A) Is listed in the National Register,

(B) Is located in a registered historic district and is certified by the Secretary of the Interior as being of historic significance to the district, or

(C) Is located in an historic district designated under a statute of the appropriate state or local government if such statute is certified by the Secretary of the Interior to the Franchise Tax Board as containing criteria which will substantially achieve the purpose of preserving and rehabilitating buildings of historic significance to the district

(2) The term "amortizable basis" means the portion of the basis attributable to amounts expended in connection with certified rehabilitation

(3) The term "certified rehabilitation" means any rehabilitation of a certified historic structure which the Secretary of the Interior has certified to the Franchise Tax Board as being consistent with the historic character of such property or the district in which such property is located.

(e) The depreciation deduction provided by Sections 17208 to 17211.7, inclusive, shall, despite the provisions of subdivision (a), be allowed with respect to the portion of the adjusted basis which is not the amortizable basis

(f) In the case of property held by one person for life with remainder to another person, the deduction under this section shall be computed as if the life tenant were the absolute owner of the property and shall be allowable to the life tenant.

(g) (1) For rules relating to the listing of buildings and structures in the National Register and for definitions of "National Register" and "Registered Historic District," see Section 470 et seq of Title 16 of the United States Code

(2) For special rule with respect to certain gain derived from the disposition of property the adjusted basis of which is determined with regard to this section, see Section 18211

(h) This section shall apply with respect to additions to capital account after December 31, 1976, and before June 15, 1981

SEC 273 Section 17237 5 of the Revenue and Taxation Code, as added by Chapter 1132 of the Statutes of 1977, is amended and renumbered to read.

17238. (a) Every taxpayer, at the election of the taxpayer, shall be entitled to a deduction of the cost of repairing or remodeling any building, facility or transportation vehicle owned or leased by the taxpayer at the time of such repairing or remodeling, in order to permit handicapped or elderly individuals to enter or leave such building, facility or transportation vehicle, to increase the access handicapped or elderly individuals would have to such building, facility or transportation vehicle, or to allow handicapped or elderly individuals more effective use of such building, facility or transportation vehicle.

(b) The deduction authorized by this section shall be taken with respect to the taxable year in which such repairing or remodeling is completed.

(c) The deduction provided by this section with respect to any taxable year shall be in lieu of any deduction with respect to such repairing or remodeling relating to exhaustion, wear and tear or obsolescence.

(d) If any building, facility or transportation vehicle is owned by more than one person, a taxpayer may deduct a portion of the costs of such repairing or remodeling apportionate to the interest in such building, facility or transportation vehicle which is owned by the taxpayer

(e) For purposes of this section, "building, facility or transportation vehicle" means a building, facility or transportation vehicle, or part thereof, which is intended to be used, and is actually used, by the taxpayer, the taxpayer's family, or the general public, in the taxpayer's business or trade or the taxpayer's place of residence; provided, that such residence is located within the State of California.

(f) For purposes of this section, "handicapped individual" means any individual who has a physical or mental disability (including, but not limited to, blindness or deafness) which for such individual constitutes or results in a functional limitation to employment, or who has any physical or mental impairment (including, but not limited to, a sight or hearing impairment) which substantially limits one or more major life activities of such individual, and "elderly individual" means an individual who is 65 years of age or older.

(g) The deduction authorized by this section shall not exceed twenty-five thousand dollars ($25,000) with respect to any taxpayer for any taxable year

(h) The Franchise Tax Board shall prescribe such regulations as may be necessary to carry out the provisions of this section, and may prescribe regulations as to the deductibility of repairs or remodeling with respect to residences in cooperation with the Department of Rehabilitation and the Office of the State Architect

(i) This section shall apply to taxable years beginning after

December 31, 1976 and before January 1, 1980.

SEC 274. Section 20605 of the Revenue and Taxation Code is amended to read.

20605 (a) The postponement of property taxes pursuant to this chapter shall not affect the obligation of a borrower to continue to make payments to a lender with respect to an impound, trust, or other type of account described in Section 2954 of the Civil Code which was established prior to the effective date of subdivision (b).

(b) Except where required by federal law or regulation and notwithstanding Sections 7153.2 and 7153 8 of the Financial Code, or in the case of a loan which is made, guaranteed, or insured by a federal government lending or insuring agency requiring the borrower to make payments to a lender with respect to an impound, trust, or other type of account described in Section 2954 of the Civil Code, or where this subdivision would impair the obligations of a loan agreement executed prior to the effective date of this subdivision, no lender shall require a borrower to maintain an impound, trust or other type of account with regard to taxes once such borrower has elected to postpone such taxes pursuant to this chapter and has first submitted to such lender evidence of tax postponement. Any payments made by such borrower, prior to the time of submission of such evidence of tax postponement, to such an impound, trust or other type of account with regard to taxes for any such period, if not previously used in payment or partial payment of such taxes, shall be refunded to such borrower within thirty days thereafter.

SEC. 275. Section 24343.5 of the Revenue and Taxation Code is repealed.

SEC. 276. Section 24343.6 of the Revenue and Taxation Code is repealed

SEC. 277 Section 24380 of the Revenue and Taxation Code, as added by Chapter 1132 of the Statutes of 1977, is amended and renumbered to read:

24382. (a) Every taxpayer, at the election of the taxpayer, shall be entitled to a deduction of the cost of repairing or remodeling any building, facility or transportation vehicle owned or leased by the taxpayer at the time of such repairing or remodeling, in order to permit handicapped or elderly individuals to enter or leave such building, facility or transportation vehicle, to increase the access handicapped or elderly individuals would have to such building, facility or transportation vehicle, or to allow handicapped or elderly individuals more effective use of such building, facility or transportation vehicle, provided that the repair or remodeling meets one or more standards established pursuant to Section 4450 or 4451 of the Government Code In the absence of such state standards, those standards established by the Secretary of the Treasury of the United States with the concurrence of the Architectural and Transportation Barriers Compliance Board shall be used

(b) The deduction authorized by this section shall be taken with respect to the income year in which such repairing or remodeling is

completed.

(c) The deduction provided by this section with respect to any income year shall be in lieu of any deduction with respect to such repairing or remodeling relating to exhaustion, wear and tear or obsolescence.

(d) If any building, facility or transportation vehicle is owned by more than one person, a taxpayer may deduct a portion of the costs of such repairing or remodeling apportionate to the interest in such building, facility or transportation vehicle which is owned by the taxpayer.

(e) For purposes of this section, "building, facility or transportation vehicle" means a building, facility or transportation vehicle, or part thereof, which is intended to be used, and is actually used, by the taxpayer or the general public, in the taxpayer's business or trade.

(f) For purposes of this section, "handicapped individual" means any individual who has a physical or mental disability (including, but not limited to, blindness or deafness) which for such individual constitutes or results in a functional limitation to employment, or who has any physical or mental impairment (including, but not limited to, a sight or hearing impairment) which substantially limits one or more major life activities of such individual, and "elderly individual" means an individual who is 65 years of age or older.

(g) The deduction authorized by this section shall not exceed twenty-five thousand dollars ($25,000) with respect to any taxpayer for any income year

(h) The Franchise Tax Board shall prescribe such regulations as may be necessary to carry out the provisions of this section

(i) This section shall apply to income years beginning after December 31, 1976 and before January 1, 1980

SEC 278 Section 25402 5 of the Revenue and Taxation Code, as added by Chapter 848 of the Statutes of 1971, is repealed.

SEC. 279 Section 30321 of the Revenue and Taxation Code is amended to read:

30321 The amounts required to be paid by any person under this part together with interest and penalties shall be satisfied first in any of the following cases·

(a) Whenever the person is insolvent

(b) Whenever the person makes a voluntary assignment of his assets.

(c) Whenever the estate of the person in the hands of executors, administrators, or heirs is insufficient to pay all the debts due from the deceased.

(d) Whenever the estate and effects of an absconding, concealed, or absent person required to pay any amount under this part are levied upon by process of law

This section does not give the state a preference over any lien or security interest which was recorded or perfected prior to the time when the state records or files its lien pursuant to subdivision (b) or

(c) of Section 30322.

The preference given to the state by this section shall be subordinate to the preferences given to claims for personal services by Sections 1204 and 1206 of the Code of Civil Procedure.

SEC 280 Section 191 of the Streets and Highways Code is amended 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 2107.6. Such amounts shall be a proration of five million dollars ($5,000,000), less the federal subventions for grade separation projects which were included in allocations made pursuant to Chapter 8 (commencing with Section 2400) of Division 3 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 281 Section 906.5 of the Streets and Highways Code, as added by Chapter 68 of the Statutes of 1978, is amended and renumbered to read:

906 6 Notwithstanding Section 906, a county may maintain a highway of less than 40 feet in width if all the cost of maintenance thereof is paid for by a maintenance district created pursuant to Chapter 26 (commencing with Section 5820) of Part 3 of Division 1

SEC. 282. Section 2107.1 of the Streets and Highways Code, as added by Chapter 1153 of the Statutes of 1973, is amended and renumbered to read

2107.6. Commencing with the 1976–77 fiscal year, the State Controller shall deduct annually, 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 283 Section 312 of the Unemployment Insurance Code is amended to read:

312 Each officer and employee of the department 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 284. Section 315 of the Unemployment Insurance Code is amended to read:

315 The Appeals Division within the department includes the appeals board and its clerical staff and assistants and the referees and their supervisors and clerical staff and assistants

SEC. 285 Section 316 of the Unemployment Insurance Code is amended to read

316 There shall be maintained within an appropriate division of

the department, 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, in English and Spanish, in such number as he may determine.

SEC. 286. Section 325 of the Unemployment Insurance Code is amended to read:

325. (a) The department 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. 287 Section 326 of the Unemployment Insurance Code is amended to read·

326 The department 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. 288. Section 401 of the Unemployment Insurance Code is amended to read.

401 There is in the department 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. 289. 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 made under the provisions of Section 1328 may constitute a ruling under Section 1030.

SEC. 290. Section 1094 of the Unemployment Insurance Code is amended to read:

1094. Except as otherwise specifically provided in this code, the information obtained in the administration of this code shall be for the exclusive use and information of the director in discharge of his duties and shall not be open to the public, nor admissible in evidence in any action or special proceeding, other than one arising out of the provisions of this code or one arising out of the provisions of 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. Such information may be tabulated and published in statistical form for the use and information of state departments and the public, except that the name of the employing unit or of any worker shall never be divulged in the course of such tabulation or publication.

SEC. 291. Section 1253.2 of the Unemployment Insurance Code is amended to read:

1253.2. An unemployed individual who is in all respects otherwise eligible for unemployment compensation benefits shall not be deemed ineligible for any week in which pursuant to the provisions of a collective bargaining agreement he is allowed not more than one uncompensated day off in that week or is allowed not more than one uncompensated holiday on one day in that week if:

(a) He is employed in longshoring operations;

(b) His employer regularly offers employment to individuals employed in such operations seven days a week;

(c) He is able to work and available for work for six days of the week except as provided in Section 1253.1 or 1253.12.

SEC. 292. Section 1258.5 of the Unemployment Insurance Code is amended 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 for the Disability Fund as required by Section 986; or

(c) Carry either workers' compensation insurance or possess a certificate of self-insurance as required by Division 4 (commencing with Section 3201) of the Labor Code

SEC. 293. Section 1265.7 of the Unemployment Insurance Code, as added by Chapter 1156 of the Statutes of 1977, is amended and renumbered to read:

1265.9 Notwithstanding any other provision of this division, payments for severance pay or terminal pay to an individual who is terminated from his or her employment as a direct result of the expansion of a federal redwood park in northern California by reason of legislation enacted by Congress in 1977 or 1978, shall not be construed to be wages or compensation for personal services under this division, and benefits payable under this division shall not be denied or reduced because of the receipt of such payment.

SEC. 294. 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. Except as otherwise provided in this article, the department shall promptly pay benefits if it finds the claimant is eligible or shall promptly deny benefits if it finds the claimant is ineligible.

SEC. 295 Section 1327 of the Unemployment Insurance Code is amended to read·

1327 The department 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. 296. Section 1329 of the Unemployment Insurance Code is amended to read:

1329. Upon the filing of a new claim for benefits, the department 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 shall promptly notify the claimant of the computation The department shall promptly notify each of the claimant's base period employers of the computation after the payment of the first weekly benefit

SEC 297. 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 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 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 shall be an interested party to any appeal.

SEC. 298. Section 1339 of the Unemployment Insurance Code is amended to read:

1339. (a) The department shall pay unemployment compensation benefits through public employment offices or such other agency as may be prescribed by authorized regulations of the director

(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. 299 Section 2113 of the Unemployment Insurance Code is amended to read:

2113. Nothing in this division shall prevent the department 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 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 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 shall deposit amounts received from any person under this section in the fund from which the overpayments were made.

SEC. 300. 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 (commencing with Section 100) of this division, except that with respect to service for any public entity as defined by Section 605 "employment" for the purposes of this part includes only:

(1) Service for a hospital established, maintained and operated pursuant to Division 23 (commencing with Section 32000) of the Health and Safety Code

(2) Service performed by blind individuals and otherwise

handicapped individuals, who do not hold civil service or permanent tenure positions, employed by the State of California for work in the California Industries for the Blind.

(3) Service performed for a public housing administration agency whether operated by state or local governmental subdivisions.

(4) Service performed by a state employee to the extent provided by Section 2781.

(5) Service performed by an inmate of a state prison or institution under the jurisdiction of the Department of Corrections to the extent provided by Chapter 5.8 (commencing with Section 1480) of Part 1 of Division 1.

(6) Service covered under this part by an elective coverage agreement.

(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 health facility as defined in Section 1250 of the Health and Safety Code including the institutions described in subdivision (a) of Section 1270 of the Health and Safety Code but not including county hospitals, 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.

This section shall become operative on July 1, 1978.

SEC 301 Section 2701 of the Unemployment Insurance Code is amended to read:

2701. Disability benefits shall be paid by the department through public employment offices or other agencies approved by the director

SEC. 302. 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 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

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 to the claimant, except that such time shall be extended by the department upon a showing of good cause.

SEC. 303. Section 2707 of the Unemployment Insurance Code is amended to read:

2707. The department 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. 304. 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 any information known to him which may bear upon the eligibility of the claimant.

SEC. 305. Section 2782 of the Unemployment Insurance Code is amended to read:

2782 (a) The provisions of Chapter 4 (commencing with Section 2901), Chapter 5 (commencing with Section 3001), and Chapter 6 (commencing with Section 3251) of Part 2 of this division do not apply to this chapter.

(b) The provisions of Article 2 (commencing with Section 2651), Article 6 (commencing with Section 2765) and Article 7 (commencing with Section 2775) of Chapter 2 of Part 2 of this division do not apply to this chapter.

(c) Sections 2609, 2610, 2611, 2625, 2712, and 2712.5 do not apply to this chapter.

SEC. 306. 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 such records as the director may by authorized regulations require for the proper administration of this part

SEC 307 Section 3654 of the Unemployment Insurance Code is amended to read:

3654 The department 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.

SEC. 308. Section 4004 of the Unemployment Insurance Code is amended to read:

4004. (a) The department shall establish, for each eligible individual who files an application therefor, an extended compensation account with respect to such individual's benefit year The amount established in such account, subject to subdivision (b) of this section, shall be not less than whichever of the following is the least.

(1) Fifty percent of the total amount of regular compensation payable to him during such benefit year under this division.

(2) Thirteen times his average weekly benefit amount.

(3) Thirty-nine times his average weekly benefit amount, reduced by the regular compensation paid to him during such benefit year under this division.

(b) The amount determined under subdivision (a) of this section shall be reduced by the aggregate amount of additional compensation paid to the individual under Part 3 (commencing with Section 3501) of this division for prior weeks of unemployment in such benefit year which did not begin in an extended benefit period

(c) For purposes of subdivision (a) of this section, an individual's weekly benefit amount for a week is the amount of regular compensation under Part 1 (commencing with Section 100) of this division payable to such individual for such week of total unemployment.

SEC. 309 Section 4654 of the Unemployment Insurance Code is amended to read:

4654. The department 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

SEC 310 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, 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. 311. Section 5002 of the Unemployment Insurance Code is amended to read:

5002. The provisions of this division shall be administered by the department.

SEC. 312. 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. EMPLOYMENT DEVELOPMENT DEPARTMENT

SEC. 313 Section 1662 of the Vehicle Code is amended to read:

1662. Notwithstanding any other provision of law, the department shall have no duty to investigate alleged violations of the provisions of Chapter 3 (commencing with Section 11500) of Division 5 by any person defined as an "automobile dismantler" by subdivision (b) of Section 220 and Section 221, unless notice of such alleged violations has been given the department by the district attorney, county counsel, city attorney, or other duly constituted law enforcement agency

SEC. 314. Section 10652 of the Vehicle Code is amended to read:

10652. Whenever any vehicle of a type subject to registration under this code has been stored in a garage, repair shop, parking lot, or trailer park for 30 days, the keeper shall report such fact to the Department of Justice in Sacramento by receipted mail, which shall at once notify the legal owner as of record. This section shall not apply to any vehicle stored by a peace officer or employee designated in Section 22651 pursuant to Article 3 (commencing with Section 22850) of Chapter 10 of Division 11.

SEC. 315 Chapter 1.5 (commencing with Section 11200) of Division 5 of the Vehicle Code is repealed

SEC. 316 Section 11509.5 of the Vehicle Code is amended to read:

11509.5 A person whose automobile dismantler's license has been revoked or whose application for a license has been denied may reapply for such license after a period of not less than one year has elapsed from the effective date of the decision revoking the license or denying the application, provided, however, that if such decision was based upon paragraph (3), (9), or (10) of subdivision (a) of Section 11509, or Section 11513, an earlier reapplication may be made accompanied by evidence satisfactory to the department that such grounds no longer exist

SEC 317. Section 11615.5 of the Vehicle Code is amended to read

11615.5 It is unlawful and a violation of this code for a person holding a license under this chapter to make a retail sale of a motor vehicle, except to the lessee of such vehicle, required to be registered pursuant to Division 3 (commencing with Section 4000) or subject to identification pursuant to Division 16.5 (commencing with Section 38000) if such person files with the department a report of sale as provided in Section 4456 with respect to such retail sale, without making the return and payment of any sales tax due and required by Section 6451 of the Revenue and Taxation Code

SEC 318 Section 11713.1 of the Vehicle Code, as added by Chapter 996 of the Statutes of 1973, is amended and renumbered to read:

11713.05. It shall be unlawful and a violation of this code for any manufacturer, manufacturer branch, distributor, or distributor branch licensed under this code to coerce or attempt to coerce any dealer in this state.

(a) To order or accept delivery of any motor vehicle, part or accessory thereof, appliance, equipment or any other commodity not required by law which shall not have been voluntarily ordered by the dealer.

(b) To order or accept delivery of any motor vehicle with special features, appliances, accessories or equipment not included in the list price of such motor vehicles as publicly advertised by the manufacturer or distributor

(c) To order for any person any parts, accessories, equipment, machinery, tools, appliances, or any commodity whatsoever

(d) To participate in an advertising campaign or contest, any promotional campaign, promotional materials, training materials, showroom or other display decorations or materials at the expense of the dealer

(e) To enter into any agreement with the manufacturer, manufacturer branch, distributor, or distributor branch, or to do any other act prejudicial to the dealer by threatening to cancel a franchise or any contractual agreement existing between the dealer and manufacturer, manufacturer branch, distributor, or distributor branch Notice in good faith to any dealer of the dealer's violation of any terms or provisions of such franchise or contractual agreement shall not constitute a violation of this article

SEC. 319. Section 11810 of the Vehicle Code is amended to read·

11810. (a) The department may, pending a hearing, temporarily suspend the license issued to a vehicle salesman for a period not to exceed 30 days if the director finds that such action is required in the public interest In any such case, a hearing shall be held and a decision thereon issued within 30 days after notice of the temporary suspension

(b) Except where the provisions of this code require the refusal to issue a license, the department may issue a probationary license subject to conditions to be observed by the licensee in the exercise

of the privilege granted The conditions to be attached to the exercise of the privilege shall be such as may, in the judgment of the department, be in the public interest and suitable to the qualifications of the applicant as disclosed by the application and investigation by the department of the information contained therein.

(c) If the department issues or renews a vehicle salesman's license requiring conditions of probation or if the department refuses to issue a vehicle salesman's license, the applicant shall be entitled to demand in writing a hearing before the director or his representative within 60 days after notice of refusal to issue or issuance of the probationary license.

(d) A person whose license has been revoked or whose application for a license has been denied may reapply for such license after a period of not less than one year has elapsed from the effective date of the decision revoking the license or denying the application; provided, however, that if such decision was based upon subdivision (a) of Section 11806, an earlier reapplication may be made accompanied by evidence satisfactory to the department that such grounds no longer exist.

SEC. 320. Section 13000 of the Vehicle Code is amended to read:

13000 (a) The department may issue an identification card to any person attesting to the true name, correct age, and other identifying data as certified by the applicant for such identification card

(b) Any person 62 years of age or older may apply for, and the department upon receipt of a proper application therefor shall issue, an identification card bearing the notation "Senior Citizen".

(c) Every application for an identification card shall be signed and verified by the applicant before a person authorized to administer oaths and shall be supported by such bona fide documentary evidence of the age and identity of such person as the department may require.

(d) Any person 62 years of age or older, and any other qualified person, may apply for, or possess, an identification card under the provisions of either subdivision (a) or (b), but not under both such provisions.

SEC 321. Section 17302 of the Vehicle Code is amended to read:

17302. The driver, or the owner and driver, jointly, as the case may be, are also liable for all damages which any highway or bridge sustains as the result of any operation, driving, or moving of any vehicle which exceeds any of the limitations imposed by Division 15 (commencing with Section 35000), Chapter 1 (commencing with Section 29000) of Division 13, Section 21461 with respect to a sign erected under Section 35655, and Sections 21712 and 23114 even though the vehicle is exempted from the limitations by Section 35001, 35103, 35104, 35105, 35106, 35108, 35250, 35400, 35414, or 36615.

SEC 322 Section 21104 of the Vehicle Code is amended to read

21104 No ordinance or resolution proposed to be enacted under

Section 21101 or subdivision (d) of Section 21100 is effective as to any highway not under the exclusive jurisdiction of the local authority enacting the same, except that an ordinance or resolution which is submitted to the Department of Transportation by a local legislative body in complete draft form for approval prior to the enactment thereof is effective as to any state highway or part thereof specified in the written approval of the department. No such ordinance or resolution enacted under subdivision (c) of Section 21101 which applies to any state highway included in the national system of interstate and defense highways, shall subsequently be disapproved until such disapproval has been concurred in by a four-fifths vote of the California Transportation Commission except that no such ordinance or resolution enacted prior to January 1, 1969, under subdivision (c) of Section 21101 which applies to any state highway included in the national system of interstate and defense highways, shall subsequently be disapproved until such disapproval has been concurred in by both the local authority and by a four-fifths vote of the California Transportation Commission.

SEC. 323. Section 21207.5 of the Vehicle Code is amended to read:

21207.5 Notwithstanding Sections 21207 and 23127 of this code, or any other provision of law, no motorized bicycle may be operated on a bicycle path or trail, bikeway, bicycle lane established pursuant to Section 21207, equestrian trail, or hiking or recreational trail, unless it is within or adjacent to a roadway or unless the local authority or the governing body of a public agency having jurisdiction over such path or trail permits, by ordinance, such operation.

SEC. 324. Section 22452.5 of the Vehicle Code is amended to read:

22452.5. The Department of Transportation and local authorities, with respect to highways under their respective jurisdictions, may place signs at railroad grade crossings permitting any vehicle described in subdivision (a) of Section 22452 to traverse such crossings without stopping. Such signs shall be placed in accordance with criteria adopted by the Public Utilities Commission. Prior to placing such signs, the Department of Transportation or local authority shall consult with the Department of the California Highway Patrol, railroad corporations involved, and the operators involved and shall secure the permission of the Public Utilities Commission if a railroad corporation under the jurisdiction of the Public Utilities Commission is affected. Prior to permitting the placement of such signs, the Public Utilities Commission shall seek the concurrence of the Department of the California Highway Patrol.

SEC. 325. Section 23102.3 of the Vehicle Code is amended to read.

23102.3. For any 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, and the court may order suitable treatment for the person, in addition to imposing

any penalties required by this code.

SEC. 326. Section 25802 of the Vehicle Code is amended to read.

25802. The provisions of Sections 24002, 24005, 24250, 24251, 24400 through 24404, inclusive, 24600 through 24604, inclusive, 24606 through 24610, inclusive, 24012, Articles 4, 5, 6, 9, 11, and 13 (commencing with Sections 24800, 24950, 25100, 25350, 25450, and 25650, respectively) of Chapter 2 of this division, Chapters 3, 4, and 5 (commencing with Sections 26301, 26700 and 27000, respectively) of this division, and the provisions of Chapters 2, 3, 4, and 5, (commencing with Sections 29200, 29800, 30800, and 31300, respectively) of Division 13 shall not apply to logging vehicles or any vehicle of a type subject to registration under this code which is not designed, used or maintained for the transportation of persons or property and which is only incidentally operated or moved over a highway, but any such vehicle shall be subject to the provisions of Sections 2800, 2806, 24004, 25260, 25803, 25950, 25952, 26457, 27454, 27602, 31500, 40150, and Article 12 (commencing with Section 25500) of Chapter 2 of this division.

SEC. 327. Section 27157 of the Vehicle Code is amended to read.

27157. The State Air Resources Board, after consultation with, and pursuant to the recommendations of, the commissioner, shall adopt such reasonable regulations as it determines are necessary for the public health and safety regarding the maximum allowable emissions of pollutants from vehicles upon a highway. Such regulations shall apply only to vehicles required by Part 5 (commencing with Section 43000) of Division 26 of the Health and Safety Code or any federal law or regulation to be equipped with devices or systems to control emission of pollutants from the exhaust and shall not be stricter than the emission standards required of that model year motor vehicle when first manufactured.

SEC. 328. Section 40001 of the Vehicle Code is amended to read

40001 (a) It is unlawful for the owner, or any other person, employing or otherwise directing the driver of any vehicle to cause the operation of the vehicle upon a highway in any manner contrary to law.

(b) It is unlawful for an owner to request, cause, or permit the operation of any vehicle:

(1) Which is not registered or for which any fee has not been paid under this code

(2) Which is not equipped as required in this code

(3) Which does not comply with the size, weight, or load provisions of this code.

(4) Which does not comply with the regulations promulgated pursuant to this code, or with applicable city or county ordinances adopted pursuant to this code

(5) Which is not in compliance with the provisions of Part 5 (commencing with Section 43000) of Division 26 of the Health and Safety Code and the rules and regulations of the State Air Resources Board

Whenever the owner or lessee is prosecuted for a violation pursuant to the provisions of this section the court may, on the request of the owner or lessee, take appropriate steps to make the driver of the vehicle, or any other person who directs the loading, maintenance or operation of the vehicle, a codefendant.

In the event such codefendant is held solely responsible and found guilty, the court may dismiss the charge against the owner or lessee.

SEC 329 Section 41603 of the Vehicle Code is amended to read:

41603. No state or local agency employing peace officers engaged in the enforcement of this code shall use the number of arrests or citations issued by a peace officer as the sole criterion for promotion, demotion, dismissal, or the earning of any benefit provided by the agency Any such arrests or citations, and their ultimate dispositions, may only be considered in evaluating the overall performance of a peace officer. Such an evaluation may include, but shall not be limited to, criteria such as attendance, punctuality, work safety, complaints by citizens, commendations, demeanor, formal training, and professional judgment.

SEC. 330. Section 42001 of the Vehicle Code is amended to read:

42001. (a) Except as provided in Sections 42001 5 and 42001 9, 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 2800.1, 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

(c) Notwithstanding the provisions of subdivision (a), every pedestrian convicted of an infraction for a violation of this code or of any local ordinance adopted pursuant to this code shall be punished by a fine not exceeding fifty dollars ($50)

(d) Subdivision (a) shall have no application to any violation punishable pursuant to Section 42001 7, any violation by a pedestrian, or Article 2 (commencing with Section 42030) of Chapter 1 of this division relating to weight violations

SEC 331 Section 1050 of the Water Code is amended to read

1050 This division is hereby declared to be in furtherance of the policy contained in Section 2 of Article X of the California Constitution and in all respects for the welfare and benefit of the people of the state, for the improvement of their prosperity and their living conditions, and the board and the department shall be regarded as performing a governmental function in carrying out the provisions of this division.

SEC. 332. Section 13990 of the Water Code, as added by Chapter 322 of the Statutes of 1978, is amended and renumbered to read.

13890 Grant funds shall be expended by the public agency within three years of the making of the grant. No grant funds may be expended by the public agency unless the public agency is able to demonstrate to the department, within one year of the making of the grant, supported by an acceptable bid, that the amount to be expended for the project will be within 20 percent of the public agency's cost estimate for the project.

SEC. 333. Section 13991 of the Water Code, as added by Chapter 322 of the Statutes of 1978, is amended and renumbered to read:

13891. For the purpose of administering the provisions of this chapter, the total expenditures of bond proceeds by the department and the State Department of Health Services in any fiscal year may not exceed 3 percent of the total of the grants awarded in such fiscal year pursuant to this chapter.

SEC. 334 Section 13992 of the Water Code, as added by Chapter 322 of the Statutes of 1978, is amended and renumbered to read:

13892. The department, after public notice and hearing and with the advice of the State Department of Health Services, shall adopt rules and regulations necessary to carry out the purposes of this chapter. Such rules and regulations shall be transmitted to the Legislature within 60 days after the effective date of this chapter.

SEC. 335. Section 35950.1 of the Water Code, as added by Chapter 2 of the Statutes of 1968, is repealed

SEC. 336. Section 35950 2 of the Water Code, as added by Chapter 2 of the Statutes of 1968, is repealed.

SEC. 337 Section 35950.3 of the Water Code, as added by Chapter 2 of the Statutes of 1968, is repealed.

SEC 338 Section 35950.4 of the Water Code, as added by Chapter 2 of the Statutes of 1968, is repealed.

SEC. 339 Section 35950 5 of the Water Code, as added by Chapter 2 of the Statutes of 1968, is repealed

SEC 340. Section 35950 6 of the Water Code, as added by Chapter 2 of the Statutes of 1968, is repealed

SEC 341 Section 35950 7 of the Water Code, as added by Chapter 2 of the Statutes of 1968, is repealed

SEC. 342 Section 36433 of the Water Code, as added by Chapter 2 of the Statutes of 1968, is repealed

SEC 343 Section 36434 of the Water Code, as added by Chapter 2 of the Statutes of 1968 is repealed

SEC 344 Section 50903 of the Water Code, as added by Chapter

1108 of the Statutes of 1978, is amended and renumbered to read

50904 A district may, by resolution of the board, provide a procedure for and collect charges and fees, by way of the tax bills of the county or counties in which such district is located. Such charges and fees shall appear as a separate item on the tax bill, shall be collected at the same time and in the same manner as county ad valorem property taxes are collected, and shall be subject to the same penalties and the same procedure and sale in case of delinquency as provided for such taxes The district shall, on or before August 1st of each year, certify to the county auditor the charges and fees to be collected. The county may deduct from the revenue so collected for the district an appropriate amount for the billing and collection services rendered to the district

SEC 345 Section 55668.1 of the Water Code is repealed

SEC 346. Section 206 of the Welfare and Institutions Code is amended to read:

206 No person taken into custody solely upon the ground that he is a person described in Section 300 or adjudged to be such and made a dependent child of the juvenile court pursuant to this chapter solely upon that ground shall, in any detention under this chapter, be brought into direct contact or personal association with any person taken into custody on the ground that he is a person described by Section 601 or 602, or who has been made a ward of the juvenile court on either such ground

Separate, segregated facilities for such persons alleged to be within the description of Section 300, or persons adjudged to be such and made dependent children of the court pursuant to this chapter solely upon that ground shall be provided by the board of supervisors. Such separate, segregated facilities may be provided in the juvenile hall or elsewhere

The facilities required by such section shall, with regard to minors alleged or adjudged to come within subdivision (a), (b), or (d) of Section 300 be nonsecure The facilities provided to minors alleged or adjudged to come within subdivision (c) of Section 300 shall be secure.

No record of the detention of such a person shall be made or kept by any law enforcement agency or the Department of Justice as a record of arrest.

SEC. 347. Section 207 of the Welfare and Institutions Code is amended to read

207. (a) No court, judge, referee, or peace officer shall knowingly detain in any jail or lockup any person under the age of 18 years, unless a judge of the juvenile court shall determine that there are no other proper and adequate facilities for the care and detention of such person, or unless such person has been transferred by the juvenile court to another court for proceedings not under the Juvenile Court Law and has been charged with or convicted of a felony If any person under the age of 18 years is transferred by the juvenile court to another court and is charged with or convicted of

a felony as herein provided and is not released pending hearing, such person may be committed to the care and custody of a sheriff, constable, or other peace officer who shall keep such person in the juvenile hall or in such other suitable place as such latter court may direct, provided that no such person shall be detained in or committed to any hospital except for medical or other remedial care and treatment or observation.

(b) Notwithstanding the provisions of subdivision (a), no minor shall be detained in any jail, lockup, juvenile hall, or other secure facility who is taken into custody solely upon the ground that he is a person described by Section 601 or adjudged to be such or made a ward of the juvenile court solely upon that ground, except as provided in subdivision (c). If any such minor, other than a minor described in subdivision (c), is detained, he shall be detained in a sheltered-care facility or crisis resolution home as provided for in Section 654, or in a nonsecure facility provided for in subdivision (a), (b), (c), or (d) of Section 727.

(c) A minor taken into custody upon the ground that he is a person described in Section 601, or adjudged to be a ward of the juvenile court solely upon that ground, may be held in a secure facility, other than a facility in which adults are held in secure custody, in any of the following circumstances:

(1) For up to 12 hours after having been taken into custody for the purpose of determining if there are any outstanding wants, warrants, or holds against the minor in cases where the arresting officer or probation officer has cause to believe that such wants, warrants, or holds exist.

(2) For up to 24 hours after having been taken into custody, in order to locate the minor's parent or guardian as soon as possible and to arrange the return of the minor to his parent or guardian.

(3) For up to 24 hours after having been taken into custody, in order to locate the minor's parent or guardian as soon as possible and to arrange the return of the minor to his parent or guardian, whose parent or guardian is a resident outside of the state wherein the minor was taken into custody, except that such period may be extended to no more than 72 hours when the return of the minor cannot reasonably be accomplished within 24 hours due to the distance of the parents or guardian from the county of custody, difficulty in locating the parents or guardian, or difficulty in locating resources necessary to provide for the return of the minor.

(d) Any minor detained in juvenile hall pursuant to subdivision (c) may not be permitted to come or remain in contact with any person detained on the basis that he has been taken into custody upon the ground that he is a person described in Section 602 or adjudged to be such or made a ward of the juvenile court upon that ground.

(e) Minors detained in juvenile hall pursuant to Sections 601 and 602 may be held in the same facility provided they are not permitted to come or remain in contact within that facility.

(f) Every county shall keep a record of each minor detained under subdivision (c), the place and length of time of such detention, and the reasons why such detention was necessary Every county shall report, on a monthly basis, this information to the Department of the Youth Authority, on forms to be provided by that agency.

The Youth Authority shall not disclose the name of the detainee, or any personally identifying information contained in reports sent to the Youth Authority under this subdivision.

SEC 348 Section 908 of the Welfare and Institutions Code is amended to read·

908. (a) Where the juvenile court has ordered payment of money to be made for the cost of legal services referred to by Section 903 1, for the cost of probation supervision referred to by Section 903.2, or for the cost of care, support, or maintenance in any county institution, or as reimbursement to the county for the expense of support and maintenance of any ward, dependent child, or other minor person as provided in this article, or as additional payment for the expense of support and maintenance of such ward, dependent child, or other minor person to the person, association, or institution that, under court order, is caring for and maintaining such ward, dependent child, or other minor person, either from the earnings, property, or estate of such ward, dependent child, or other minor person, or by his parents or guardian, or by any other person liable for his support, upon affidavit of the county officers designated by the board of supervisors that any payment is due and has not been made, execution may issue for such payment upon the order and at the discretion of the court after 15 days' prior notice to the person or estate ordered to make such payment

(b) Whenever an order for execution may issue pursuant to subdivision (a) for the total amount due, the court may, upon the same notice required for an order of execution under subdivision (a), enter an order for payment of such amount, and such order shall be considered a judgment for purposes of Section 674 of the Code of Civil Procedure

SEC. 349 Section 1710 of the Welfare and Institutions Code is amended to read

1710. There is in the Health and Welfare Agency the Department of the Youth Authority

SEC 350 Section 1776 of the Welfare and Institutions Code is amended to read:

1776 Whenever an alleged parole violator is detained in a county detention facility pursuant to a valid exercise of the powers of the Youth Authority as specified in Sections 1753, 1755, and 1767.3 and when such detention is initiated by the Youth Authority and is related solely to a violation of the conditions of parole and is not related to a new criminal charge, the county shall be reimbursed for the costs of such detention by the Department of the Youth Authority Such reimbursement shall be expended for maintenance, upkeep, and improvement of juvenile hall and jail conditions,

facilities, and services Before the county is reimbursed by the department, the total amount of all charges against that county authorized by law for services rendered by the department shall be first deducted from the gross amount of the reimbursement authorized by this section. Such net reimbursement shall be calculated and paid monthly by the department. The department shall withhold all or part of such net reimbursement to a county whose juvenile hall or jail facility or facilities do not conform to minimum standards for local detention facilities as authorized by Section 6030 of the Penal Code or Section 210 of this code.

SEC. 351. Section 4002 of the Welfare and Institutions Code is amended to read:

4002 As used in Division 5 (commencing with Section 5000) and Division 6 (commencing with Section 5600) of this code, the terms "State Department of Health" and "Department of Health" shall be construed to refer to and mean the State Department of Mental Health when the reference is to mental disorders, and to refer and mean the State Department of Developmental Services when the reference is to developmental disabilities.

SEC. 352. Section 4121 of the Welfare and Institutions Code is amended to read·

4121 All expenses incurred in returning such persons to other states shall be paid by this state, the person or his relatives, but the expense of returning residents of this state shall be borne by the states making the returns.

The cost and expense incurred in effecting the transportation of such nonresident persons to the states in which they have residence shall be advanced from the funds appropriated for that purpose, or, if necessary, from the money appropriated for the care of delinquent or mentally disordered persons upon vouchers approved by the State Board of Control

SEC. 353 Section 4133 of the Welfare and Institutions Code is amended to read

4133. All day hospitals and rehabilitation centers maintained by the State Department of Mental Health shall be subject to the provisions of this code pertaining to the admission, transfer, and discharge of patients at the state hospitals, except that all admissions to such facilities shall be subject to the approval of the chief officer thereof. Charges for services rendered to patients at such facilities shall be determined pursuant to Section 4025. The liability for such charges shall be governed by the provisions of Article 4 (commencing with Section 7275) of Chapter 2 of Division 7, except at the hospitals maintained by the State Department of Developmental Services such liability shall be governed by the provisions of Article 4 (commencing with Section 6715) of Chapter 3 of Part 2 of Division 6 and Chapter 3 (commencing with Section 7500) of Division 7

SEC. 354 Section 4308 of the Welfare and Institutions Code is amended to read

4308. As often as a vacancy occurs in a hospital under the jurisdiction of the Director of Mental Health, he shall appoint, as provided in Section 4301, a clinical director, a hospital administrator, a hospital director, and program directors.

A hospital administrator shall be a college graduate preferably with an advanced degree in hospital, business or public administration and shall have had experience in this area. He shall receive a salary which is competitive with other private and public mental hospital administrators.

A clinical director for a state hospital for the mentally disordered shall be a physician who has passed, or shall pass, an examination for a license to practice medicine in California and shall be a qualified specialist in a branch of medicine that includes diseases affecting the brain and nervous system. The clinical director for any state hospital shall be well qualified by training or experience to have proven skills in mental hospital program administration.

The hospital director shall be either the hospital administrator or the clinical director He shall be selected based on his overall knowledge of the hospital, its programs, and its relationship to its community, and on his demonstrated abilities to administer a large facility.

The standards for the professional qualifications of a program director shall be established by the Director of Mental Health for each patient program. The director shall not adopt any regulations which prohibit a licensed psychiatrist, psychologist, psychiatric technician, or clinical social worker from employment in a patient program in any professional, administrative, or technical position; provided, however, that the program director of a medical-surgical unit shall be a licensed physician.

If the program director is not a physician, a physician shall be available to assume responsibility for all those acts of diagnosis, treatment, or prescribing or ordering of drugs which may only be performed by a licensed physician.

SEC 355. Section 4420 of the Welfare and Institutions Code is amended to read·

4420. In order to assure an adequate number of qualified psychiatric technicians, psychiatrists, physicians and surgeons, psychologists, nurses, social workers, laboratory and other technicians, and ancillary workers, the department shall negotiate with any or all of the following: the University of California, the state colleges, the community colleges, private universities and colleges, and public and private hospitals, and arrange such affiliations or make such contracts for educational or training programs and awards training grants or stipends as may be necessary. Arrangements may be made in the hospitals and clinics operated by the department for the clinical experience essential to such educational and training programs, and positions in the department as interns and residents may be established

SEC. 356. Section 4505 of the Welfare and Institutions Code is

amended to read.

4505 For the purposes of subdivisions (f) and (g) of Section 4503, if the patient is a minor age 15 years or over, the right to refuse may be exercised either by the minor or his parent, guardian, conservator, or other person entitled to his custody.

If the patient or his parent, guardian, conservator, or other person responsible for his custody do not refuse the forms of treatment or behavior modification described in subdivisions (f) and (g) of Section 4503, such treatment and behavior modification may be provided only after review and approval by a peer review committee. The Director of Developmental Services shall, by March 1, 1977, adopt regulations establishing peer review procedures for this purpose.

SEC 357. Section 4570 of the Welfare and Institutions Code is amended to read.

4570 Because of the vast size, complexity, and diversity of the State of California, the Legislature finds that the legal, civil, and service rights of persons with developmental disabilities will not be adequately guaranteed throughout the state unless monitoring responsibility is established on a regional basis through area boards on developmental disabilities.

SEC 358. Section 4646 of the Welfare and Institutions Code is amended to read·

4646. On and after January 1, 1977, an individual program plan may be developed for any person who, following intake and assessment, is found to be eligible for, and in need of, such plan. Such plans shall be completed within 60 days of the completion of the assessment.

Individual program plans shall be prepared jointly by one or more representatives of the regional center, the developmentally disabled person, and where appropriate, the person's parents, legal guardian, or conservator

The program plan shall include the following.

(a) An assessment of the developmentally disabled person's specific capabilities and problems. The regional centers, in cooperation with the department, shall adopt an approved list of tests to be used by all regional centers in making such assessments. The test or tests used shall have been determined to be reliable and valid by acceptable statistical methods.

(b) A statement of specific, time-limited objectives for improving the capabilities and resolving the problems of the person Such objectives shall be stated in measurable terms which allow measurement of progress.

(c) A schedule of the type and amount of services to achieve program plan objectives, including identification of the provider or providers of service responsible for attaining each objective

(d) A schedule of regular periodic review and reassessment to ascertain that planned services have been provided and that objectives have been reached within the times specified The same

test or tests used to measure client capabilities and problems shall be used for review and reassessment.

(e) All individual program plans shall be reviewed and modified, if necessary, at least annually by the regional center representative and the person, the person's parents, legal guardian, or conservator.

The state department, with the participation of regional center personnel, shall prepare a standard format for the preparation of individual program plans, which shall be used by all regional centers.

SEC. 359. Section 5008.1 of the Welfare and Institutions Code is amended to read:

5008.1. As used in this division and in Division 4 (commencing with Section 4000), Division 4.1 (commencing with Section 4400), Division 6 (commencing with Section 6000), Division 7 (commencing with Section 7100), and Division 8 (commencing with Section 8000), the term "judicially committed" means all of the following:

(a) Persons who are mentally disordered sex offenders placed in a state hospital or institutional unit for observation or committed to the State Department of Mental Health pursuant to Article 1 (commencing with Section 6300) of Chapter 2 of Part 2 of Division 6.

(b) Developmentally disabled persons who are admitted to a state hospital upon application or who are committed to the State Department of Developmental Services by court order pursuant to Article 2 (commencing with Section 6500) of Chapter 2 of Part 2 of Division 6.

(c) Persons committed to the State Department of Mental Health or a state hospital pursuant to the Penal Code.

SEC. 360. Section 5117 of the Welfare and Institutions Code is amended to read:

5117. In order to further facilitate achieving the purposes of this act and the Lanterman Mental Retardation Act of 1969, it is desirable that there be a consolidation of the facilities standard setting, licensure and ratesetting functions of the various state departments under the jurisdiction of the Health and Welfare Agency.

SEC. 361. Section 5118 of the Welfare and Institutions Code is amended to read:

5118. For the purpose of conducting hearings under this part, the court in and for the county where the petition is filed may be convened at any time and place within or outside the county suitable to the mental and physical health of the patient, and receive evidence both oral and written, and render decisions, except that the time and place for hearing shall not be different from the time and place for the trial of civil actions for such court if any party to the proceeding, prior to the hearing, objects to the different time or place.

Hearings conducted at any state hospital or any mental health facility designated by any county as a treatment facility under this part or any facility referred to in Section 5358 or Division 7

(commencing with Section 7100), within or outside the county, shall be deemed to be hearings held in a place for the trial of civil actions and in a regular courtroom of the court.

Notwithstanding any other provisions of this section, any party to the proceeding may demand that the hearing be public, and be held in a place suitable for attendance by the public

Notwithstanding any other provisions of law, any hearing under this part which was held before enactment of this section but which would have been in accordance with this section had it been effective is deemed to be valid for all purposes.

As used in this section, a "hearing under this part" includes conservatorship and other hearings held pursuant to Chapter 3 (commencing with Section 5350) of this part.

SEC 362 Section 5157 of the Welfare and Institutions Code is amended to read

5157 (a) Each person, at the time he or she is first taken into custody under provisions of Section 5150, shall be provided, by the person who takes such other person into custody, the following information orally The information shall be in substantially the following form·

My name is _____

I am a _____ .

(peace officer, mental health professional)

with _____ .

(name of agency)

You are not under criminal arrest, but I am taking you for examination by mental health professionals at _____

_____ .

(name of facility)

You will be told your rights by the mental health staff

If taken into custody at his or her residence, the person shall also be told the following information in substantially the following form:

You may bring a few personal items with you which I will have to approve You can make a phone call and/or leave a note to tell your friends and/or family where you have been taken.

(b) The designated facility shall keep, for each patient evaluated, a record of the advisement given pursuant to subdivision (a) which shall include·

(1) Name of person detained for evaluation

(2) Name and position of peace officer or mental health professional taking person into custody

(3) Date

(4) Whether advisement was completed

(5) If not given or completed, the mental health professional at the facility shall either provide the information specified in subdivision (a), or include a statement of good cause, as defined by regulations of the State Department of Mental Health, which shall be kept with the patient's medical record

(c) Each person admitted to a designated facility for 72-hour evaluation and treatment shall be given the following information by admission staff at the evaluation unit The information shall be given orally and in writing and in a language or modality accessible to the person. The written information shall be available in the person's native language or the language which is the person's principal means of communication. The information shall be in substantially the following form:

My name is _____ .
My position here is _____
You are being placed into the psychiatric unit because it is our professional opinion that as a result of mental disorder, you are likely to·
(check applicable)
harm yourself ____
harm someone else ____
be unable to take care of your own
food, clothing, and housing needs ____
We feel this is true because

_____

(herewith a listing of the facts upon which the allegation of dangerous or gravely disabled due to mental disorder is based, including pertinent facts arising from the admission interview)

You will be held on the ward for a period up to 72 hours.
This does not include weekends or holidays.
Your 72-hour period will begin _____
(day and time)

During these 72 hours you will be evaluated by the hospital staff, and you may be given treatment, including medications. It is possible for you to be released before the end of the 72 hours But if the staff decides that you need continued treatment you can be held for a longer period of time. If you are held longer than 72 hours you have the right to a lawyer and a qualified interpreter and a hearing before a judge. If you are unable to pay for the lawyer, then one will be provided free.

(d) For each patient admitted for 72-hour evaluation and treatment, the facility shall keep with the patient's medical record a record of the advisement given pursuant to subdivision (c) which shall include

(1) Name of person performing advisement
(2) Date.
(3) Whether advisement was completed
(4) If not completed, a statement of good cause

If the advisement was not completed at admission, the advisement process shall be continued on the ward until completed A record of the matters prescribed by subdivisions (a), (b), and (c) shall be kept with the patient's medical record.

SEC. 363. Section 5225 of the Welfare and Institutions Code is amended to read:

5225. Whenever a criminal defendant who appears, as a result of chronic alcoholism or the use of narcotics or restricted dangerous drugs, to be a danger to others, to himself, or to be gravely disabled, is brought before any judge, the judge may order the defendant's evaluation under conditions set forth in this article, provided evaluation services designated in the county plan pursuant to Section 5654 are available.

SEC. 364. Section 5328 of the Welfare and Institutions Code is amended to read:

5328. All information and records obtained in the course of providing services under Division 4 (commencing with Section 4000), Division 4.1 (commencing with Section 4400), Division 4.5 (commencing with Section 4500), Division 5 (commencing with Section 5000), Division 6 (commencing with Section 6000), or Division 7 (commencing with Section 7100), to either voluntary or involuntary recipients of services shall be confidential. Information and records obtained in the course of providing similar services to either voluntary or involuntary recipients prior to 1969 shall also be confidential. Information and records may be disclosed only:

(a) In communications between qualified professional persons in the provision of services or appropriate referrals, or in the course of conservatorship proceedings. The consent of the patient, or his guardian or conservator must be obtained before information or records may be disclosed by a professional person employed by a facility to a professional person not employed by the facility who does not have the medical responsibility for the patient's care;

(b) When the patient, with the approval of the physician, licensed psychologist, or social worker with a masters degree in social work, who is in charge of the patient, designates persons to whom information or records may be released, except that nothing in this article shall be construed to compel a physician, psychologist, social worker, nurse, attorney, or other professional person to reveal information which has been given to him in confidence by members of a patient's family;

(c) To the extent necessary for a recipient to make a claim, or for a claim to be made on behalf of a recipient for aid, insurance, or medical assistance to which he may be entitled;

(d) If the recipient of services is a minor, ward, or conservatee, and his parent, guardian, or conservator designates, in writing, persons to whom records or information may be disclosed, except that nothing in this article shall be construed to compel a physician, psychologist, social worker, nurse, attorney, or other professional person to reveal information which has been given to him in confidence by members of a patient's family;

(e) For research, provided that the Director of Mental Health or the Director of Developmental Services designates by regulation, rules for the conduct of research. Such rules shall include, but need

not be limited to, the requirement that all researchers must sign an oath of confidentiality as follows:

_____
Date

As a condition of doing research concerning persons who have received services from _____ (fill in the facility, agency or person), I, _____, agree not to divulge any information obtained in the course of such research to unauthorized persons, and not to publish or otherwise make public any information regarding persons who have received services such that the person who received services is identifiable.

I recognize that unauthorized release of confidential information may make me subject to a civil action under provisions of the Welfare and Institutions Code.

_____
Signed

(f) To the courts, as necessary to the administration of justice;

(g) To governmental law enforcement agencies as needed for the protection of federal and state elective constitutional officers and their families;

(h) To the Senate Rules Committee or the Assembly Rules Committee for the purposes of legislative investigation authorized by such committee;

(i) If the recipient of services who applies for life or disability insurance designates in writing the insurer to which records or information may be disclosed;

(j) To the attorney for the patient in any and all proceedings upon presentation of a release of information signed by the patient, except that when the patient is unable to sign such release, the staff of the facility, upon satisfying itself of the identity of said attorney, and of the fact that the attorney does represent the interests of the patient, may release all information and records relating to the patient except that nothing in this article shall be construed to compel a physician, psychologist, social worker, nurse, attorney, or other professional person to reveal information which has been given to him in confidence by members of a patient's family;

(k) Upon written agreement by a person previously confined in or otherwise treated by a facility, the professional person in charge of the facility or his designee may release any information, except information which has been given in confidence by members of the person's family, requested by a probation officer charged with the evaluation of the person after his conviction of a crime if the professional person in charge of the facility determines that such information is relevant to the evaluation Such agreement shall only be operative until sentence is passed on the crime of which the

person was convicted. The confidential information released pursuant to this subdivision shall be transmitted to the court separately from the probation report and shall not be placed in the probation report. The confidential information shall remain confidential except for purposes of sentencing. After sentencing, the confidential information shall be sealed.

The amendment of subdivision (d) of this section enacted at the 1970 Regular Session of the Legislature does not constitute a change in, but is declaratory of, the preexisting law.

SEC. 365. Section 5328.8 of the Welfare and Institutions Code is amended to read:

5328.8. The State Department of Mental Health or the State Department of Developmental Services, the physician in charge of the patient, or the professional person in charge of the facility or his designee, shall, except as otherwise provided in this section, release information obtained in the course of providing services under Division 5 (commencing with Section 5000), Division 6 (commencing with Section 6000), or Division 7 (commencing with Section 7100), to the coroner when a patient dies from any cause, natural or otherwise, while hospitalized in a state mental hospital or a state hospital for the developmentally disabled. The State Department of Mental Health or the State Department of Developmental Services, the physician in charge of the patient, or the professional person in charge of the facility or his designee, shall not release any notes, summaries, transcripts, tapes, or records of conversations between the patient and health professional personnel of the hospital relating to the personal life of the patient which is not related to the diagnosis and treatment of the patient's physical condition. Any information released to the coroner pursuant to this section shall remain confidential and shall be sealed and shall not be made part of the public record.

SEC. 366. Section 5622 of the Welfare and Institutions Code is amended to read:

5622. Prior to the release from a community treatment facility or state hospital of a voluntary or involuntary patient who has been treated therein pursuant to a county Short-Doyle plan, the local mental health director of the patient's county of residence shall adopt the written recommended aftercare plan prepared pursuant to Section 1284 of the Health and Safety Code or Section 4318 with such modifications or changes that are necessary in light of available local resources or when, in his professional opinion, other or alternate treatment is appropriate. Any patient who is released from a community treatment facility or state hospital on a voluntary basis may refuse any or all services under such written aftercare plan.

SEC. 367. Section 6000.5 of the Welfare and Institutions Code is amended to read

6000.5. Pursuant to Section 6000, the medical director of a state hospital for the developmentally disabled may receive in such hospital, as a boarder and patient, any developmentally disabled

person as defined in Section 4512 who has been referred in accordance with Sections 4652, 4653, and 4803.

SEC. 368. Section 6250 of the Welfare and Institutions Code is amended to read:

6250. As used in this part, "persons subject to judicial commitment" means persons who may be judicially committed under this part as mentally disordered sex offenders pursuant to Article 1 (commencing with Section 6300) or mentally retarded persons pursuant to Article 2 (commencing with Section 6500) of Chapter 2 of this part.

Nothing in this part shall be held to change or interfere with the provisions of the Penal Code and other laws relating to mentally disordered persons charged with crime or to the criminally insane.

This part shall be liberally construed so that, as far as possible and consistent with the rights of persons subject to commitment, such persons shall be treated, not as criminals, but as sick persons.

SEC. 369. Section 6316.1 of the Welfare and Institutions Code is amended to read:

6316.1. (a) In the case of any person found to be a mentally disordered sex offender who committed a felony on or after July 1, 1977, the court shall state in the commitment order the maximum term of commitment, and the person may not be kept in actual custody longer than the maximum term of commitment, except as provided in Section 6316.2. For the purposes of this section, "maximum term of commitment" shall mean the longest term of imprisonment which could have been imposed for the offense or offenses of which the defendant was convicted, including the upper term of the base offense and any additional terms for enhancements and consecutive sentences which could have been imposed less any applicable credits as defined by Section 2900.5 of the Penal Code and disregarding any credits which could have been earned under Section 2930 to 2932, inclusive, of the Penal Code.

(b) In the case of a person found to be a mentally disordered sex offender who committed a felony prior to July 1, 1977, who could have been sentenced under Section 1168 or 1170 of the Penal Code if the offense were committed after July 1, 1977, the Community Release Board shall determine the maximum term of commitment which could have been imposed under subdivision (a), and the person may not be kept in actual custody longer than the maximum term of commitment, except as provided in Section 6316.2.

In fixing a term under this section, the board shall utilize the upper term of imprisonment which could have been imposed for the offense or offenses of which the defendant was convicted, increased by any additional terms which could have been imposed based on matters which were found to be true in the committing court. However, if at least two of the members of the board after reviewing the person's file determine that a longer term should be imposed for the reasons specified in Section 1170.2 of the Penal Code, a longer term may be imposed following the procedures and guidelines set

forth in Section 1170.2 of the Penal Code, except that any hearings deemed necessary by the board shall be held before April 1, 1978. Within 90 days of July 1, 1977, or of the date the person is received by the State Department of Mental Health, whichever is later, the Community Release Board shall provide each person committed pursuant to Section 6316 with the determination of his maximum term of commitment or shall notify such person that he will be scheduled for a hearing to determine his term.

Within 20 days following the determination of the maximum term of commitment the board shall provide the person committed, the prosecuting attorney, the committing court, and the State Department of Mental Health with a written statement setting forth the maximum term of commitment, the calculations, the statements, the recommendations, and any other materials considered in determining the maximum term.

(c) In the case of a person found to be a mentally disordered sex offender who committed a misdemeanor, whether before or after July 1, 1977, the maximum term of commitment shall be the longest term of county jail confinement which could have been imposed for the offense or offenses of which the defendant was convicted, and the person may not be kept in actual custody longer than this maximum term. The provisions of this subdivision shall be applied retroactively.

(d) Nothing in this section limits the power of the State Department of Mental Health or of the committing court to release the person, conditionally or otherwise, for any period of time allowed by any other provision of law

SEC. 370. The heading of Article 5 (commencing with Section 6500) of Chapter 2 of Part 2 of Division 6 of the Welfare and Institutions Code is amended and renumbered to read:

Article 2. Mentally Retarded Persons

SEC. 371. The heading of Chapter 2 (commencing with Section 7100) of Division 7 of the Welfare and Institutions Code is amended and renumbered to read·

CHAPTER 1. COUNTY PSYCHIATRIC HOSPITALS

SEC. 372. The heading of Chapter 3 (commencing with Section 7200) of Division 7 of the Welfare and Institutions Code is amended and renumbered to read

CHAPTER 2. STATE HOSPITALS FOR THE MENTALLY DISORDERED

SEC 373 The heading of Chapter 4 (commencing with Section 7500) of Division 7 of the Welfare and Institutions Code is amended and renumbered to read.

CHAPTER 3. STATE HOSPITALS FOR THE DEVELOPMENTALLY DISABLED

SEC. 374. The heading of Chapter 5 (commencing with Section 7600) of Division 7 of the Welfare and Institutions Code is amended and renumbered to read:

CHAPTER 4. LANGLEY PORTER NEUROPSYCHIATRIC INSTITUTE

SEC. 375. The heading of Chapter 6 (commencing with Section 7700) of Division 7 of the Welfare and Institutions Code is amended and renumbered to read:

CHAPTER 5. THE NEUROPSYCHIATRIC INSTITUTE, UNIVERSITY OF CALIFORNIA AT LOS ANGELES MEDICAL CENTER

SEC. 376. 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 10 (commencing with Section 1770) of Division 2 of the Health and Safety Code, 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. 377. Section 11008.4 of the Welfare and Institutions Code is amended to read:

11008.4. Property taxes (1) as defined in Section 20584 of the Revenue and Taxation Code, which are postponed by a person pursuant to Chapter 2 (commencing with Section 20581) or 3 (commencing with Section 20641) of Part 10.5 of Division 2 of the Revenue and Taxation Code, and (2) as defined in Section 20511 and 20512 of the Revenue and Taxation Code, on which a person is granted assistance pursuant to Chapter 1 (commencing with Section 20501) of Part 10.5 of Division 2 of the Revenue and Taxation Code, and renters credits as defined in Section 17053.5 of the Revenue and Taxation Code, shall not be considered as income or resources in determining the amount payable to any person under Division 9 (commencing with Section 10000) of the Welfare and Institutions Code.

This section shall not be construed to limit the provisions of Section 11008 or 11008.1.

SEC. 378. Section 11257 of the Welfare and Institutions Code is amended to read:

11257. No aid under this chapter shall be granted or paid for any child who has personal property, the total value of which exceeds six hundred dollars ($600), nor for any child or children in one family who have, or whose parents have, or the child or children and parents have, personal property the combined value of which exceeds six hundred dollars ($600).

The limitation on personal property holdings shall not be applicable to personal property which is essential to enable a recipient to complete an approved plan for self-support Additional cash reserves may be retained above the six hundred dollar ($600) limit whenever such additional cash is deemed to be essential to fulfillment of the self-support plan

SEC. 379. Section 11481 of the Welfare and Institutions Code is amended to read·

11481 If the district attorney, during the course of any investigation made by him pursuant to this article, determines that any person has committed any act or has omitted the performance of any duty, which act or omission causes or tends to cause or encourage any child receiving aid under this chapter to come within the provisions of Sections 300, 601, or 602 of this code, the district attorney shall prosecute such person under the provisions of Section 272 of the Penal Code

SEC 380. Section 11483 of the Welfare and Institutions Code is amended to read·

11483 Whenever any person has, by means of false statement or representation or by impersonation or other fraudulent device, obtained aid for a child not in fact entitled thereto, the person obtaining such aid shall be punished as follows

(1) If the amount obtained or retained is two hundred dollars ($200) or less, by imprisonment in the county jail for a period of not more than six months, a fine of not more than five hundred dollars ($500), or by both such imprisonment and fine.

(2) If the amount obtained or retained is more than two hundred dollars ($200), by imprisonment in the state prison, or by imprisonment in the county jail for not more than one year

All actions necessary to secure restitution shall be brought against persons in violation of this section as provided in Section 13200.

SEC. 381 Section 14022 of the Welfare and Institutions Code is amended to read:

14022 (a) This section shall be known as the "Medi-Cal Conflict of Interest Law."

It is the intent of the Legislature that provisions be made for disclosure of the interests of providers of service in the services, facilities and organizations to which they refer Medi-Cal recipients so that it is possible to determine the extent to which conflicts of interests may exist because of such referrals.

(b) As used in this section, the term "referral" means (1) the referral of a recipient by a provider of service to any other provider of service, (2) the placement of a recipient by a provider of service

in any facility; or (3) the obtaining, requesting, ordering or prescribing of services or supplies by a provider of service on behalf of a recipient from any other provider of service.

As used in this section, the term "immediate family" includes the spouse and children of the provider of service, the parents of the provider of service and his spouse, and the spouses of the children of the provider of service

(c) No payment under this chapter shall be made to a provider of service or to any facility or organization in which he or his immediate family have a significant beneficial interest, for services rendered in connection with any referral of a recipient, unless there is on file with the director and the Advisory Health Council a statement of the nature and extent of such interest.

SEC. 382. 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 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.

SEC. 383. Section 14103 4 of the Welfare and Institutions Code is amended to read·

14103 4 The director, with the advice of the Advisory Health Council, shall determine which of the health care and related remedial or preventive services are elective. The director and the Advisory Health Council shall consult with representatives of providers of such services before making a determination

SEC. 384. Section 14104 5 of the Welfare and Institutions Code is amended to read:

14104 5 Notwithstanding any other provision of law, the director shall by regulation adopt such procedures as are necessary for the review of a grievance or complaint concerning the processing or payment of money alleged by a provider of services to be payable by reason of any of the provisions of this chapter After complying with such procedures if the provider is not satisfied with the director's decision on his claim, he may not later than one year after receiving notice of such decision, present a claim for money against the state in accordance with Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3 6 of the Government Code and proceed in the manner provided in Part 3 (commencing with Section 900), Part 4 (commencing with Section 940) and Part 5 (commencing with Section 965) of Division

3.6 of the Government Code. The provisions of this section shall be the exclusive remedy available to the provider of services for moneys alleged to be payable by reason of the provisions of this chapter.

This section shall not apply to those grievances or complaints arising from the findings of an audit or examination made by or on behalf of the director pursuant to Sections 10722 and 14170. Article 5.3 (commencing with Section 14170) of this chapter shall govern such grievances or complaints.

SEC. 385. Section 14105.5 of the Welfare and Institutions Code is amended to read:

14105.5. The director or prepaid health plans shall make no payment for services rendered prior to January 1, 1977, to any health facility which secures a license under the provisions of Chapter 2 (commencing with Section 1250) of Division 2 of the Health and Safety Code after July 1, 1970, covering a new facility or additional bed capacity or the conversion of existing bed capacity to a different license category, unless such licensee received a favorable final decision by the voluntary area health planning agency in the area, the consumer members of a voluntary area health planning agency acting as an appeals body or the Advisory Health Council pursuant to Sections 437.7 to 438.5, inclusive, of the Health and Safety Code; or unless the licensee had filed an application for a license prior to January 1, 1970, and the application met all then-existing requirements and regulations of the appropriate state agency at the time of application including, at least, preliminary submission of plans, and if such licensee commences construction of his project prior to July 1, 1971, and if such licensee has on file with the department a notarized affidavit from the building department having jurisdiction indicating that substantial progress on the approved project was attained by January 1, 1973, and such licensee has on file with the county recorder and department a valid notice of construction completion indicating January 1, 1974, as the completion date; except that the department shall extend the foregoing dates by no more than a total of two years in the case of projects where delay has resulted from the death of the original applicant, and shall extend the foregoing dates by no more than a total of one year in the case of projects where other good cause has been shown why such extension should be granted. The exception provided for in the preceding sentence with respect to applications filed prior to January 1, 1970, except for transfers executed before November 30, 1970, or after July 1, 1971, shall not apply to transferees of the applications of the original applicants.

Voluntary area health planning agencies may extend, until July 1, 1972, the date upon which applicants, qualifying under the exception in this section, shall commence construction, if the voluntary area health planning agencies declare that good cause has been shown why such extension should be granted, provided that an applicant applying for such extension had, prior to January 1, 1970, received approval of a health planning association in the county wherein the

applicant is located. Applicants receiving extension of the construction commencement date shall have on file with the department a notarized affidavit from the building department having jurisdiction indicating that substantial progress on the approved project was attained by January 1, 1974, and have on file with the county recorder and department a valid notice of construction completion indicating January 1, 1975, as the completion date, except that the department shall extend each of the foregoing dates by no more than a total of one year in the case of projects where good cause has been shown why such extension should be granted.

(a) For the purposes of this section, "substantial progress" is defined and evidenced as follows:

(1) For structures of three or fewer stories, completion of the foundations and footings; the structural frame; the mechanical, electrical, and plumbing rough-in; the rough flooring; the exterior walls and windows; and the finished roof.

(2) For structures of more than three stories, a contractor's schedule of work shall be filed with the department by January 1, 1973. Every three months thereafter, until completion, evidence shall be submitted to the department that construction is progressing on that schedule.

(b) For the purposes of this section, construction of a project is deemed commenced on the date the applicant was so notified by the department, if so notified, or on the date the applicant has completed not less than all of the following:

(1) Submission to the appropriate state agency of a written agreement executed between the applicant and a licensed general contractor to construct and complete the facility within a designated time schedule in accordance with final architectural plans and specifications approved by such agency.

(2) Obtaining such initial permits or approval for commencing work on the project as is customarily issued for projects of the scope of applicant by the governmental agency having jurisdiction over the construction

(3) Completion of construction work on the project to such a degree as to justify and require a progress payment by the applicant to the general contractor under terms of the construction agreement.

SEC 386 Section 14132 1 of the Welfare and Institutions Code is amended to read·

14132 1 As used in this chapter "surgical center" means a surgical clinic that is licensed under Section 1203 of the Health and Safety Code Pursuant to Section 14105, the director shall establish the rates of payment for services provided by surgical centers, and such rates shall be determined upon the basis of reasonable cost.

SEC 387 Section 14133 of the Welfare and Institutions Code is amended to read

14133. Utilization controls that may be applied to the services set

forth in Section 14132 which are subject to utilization controls shall be limited to:

(a) Prior authorization, which is approval by a department consultant, of a specified service in advance of the rendering of that service based upon a determination of medical necessity. Prior authorization includes authorization for multiple services which are requested and granted on the basis of an extended treatment plan where there is a need for continuity in the treatment of a chronic or extended condition.

(b) Postservice prepayment audit, which is review for medical necessity and program coverage after service was rendered but before payment is made. Payment may be withheld or reduced if the service rendered was not a covered benefit, deemed medically unnecessary or inappropriate. Nothing in this subdivision shall supersede the claims processing deadlines provided by Section 14104.3.

(c) Postservice postpayment audit, which is review for medical necessity and program coverage after service was rendered and the claim paid. The department may take appropriate steps to recover payments made if subsequent investigation uncovers evidence that the claim should not have been paid.

(d) Limitation on number of services, which means certain services may be restricted as to number within a specified time frame.

(e) Review of services pursuant to Professional Standards Review Organization agreements entered into in accordance with Section 14104.

SEC. 388. Section 14171 of the Welfare and Institutions Code is amended to read:

14171. (a) The director shall adopt regulations establishing an administrative appeal process to review grievances or complaints arising from the findings of an audit or examination made pursuant to Sections 10722 and 14170.

(b) The administrative appeal process established by the director shall guarantee a provider the right to present any grievances or complaints arising from the findings of an audit or examination made by or on behalf of the department pursuant to Sections 10722 and 14170 at an impartial hearing which shall include the procedural requirements of Chapter 5 (commencing with Section 11500), Part 1, Division 3, Title 2 of the Government Code. The impartial hearing shall be conducted by a hearing officer appointed by the director. The director may subcontract with the Office of Administrative Hearings to conduct hearings on cases involving complicated issues of fact or law, or to reduce the backlog of cases.

(c) Notwithstanding subdivision (b) of this section, the administrative appeal process established by the director shall commence with an informal conference with the provider, a representative of the department and the hearing officer. The hearing officer, when appropriate, may assign the administrative

appeal to an informal level of review where efforts could be made to resolve facts and issues in dispute in a fair and equitable manner, subject to the requirements of state and federal law. Nothing in this subdivision shall prohibit the provider from presenting any unresolved grievances or complaints at an impartial hearing pursuant to subdivision (b).

(d) The final decision of the director shall be reviewable in accordance with the provisions of Section 1094.5 of the Code of Civil Procedure within six months of the issuance of the director's final decision.

SEC. 389. Section 14172 of the Welfare and Institutions Code is amended to read:

14172. (a) Except as provided in subdivision (b), if any amount is due and payable and unpaid as the result of an overpayment to a provider for health care services identified through an audit or examination conducted by or on behalf of the director, and the director has issued a final decision on the appeal pursuant to Section 14171, and 90 days has elapsed from the issuance of such final decision, the director may, not later than three years after the payment became due and owing, file in the office of the County Clerk of Sacramento County, and with the county clerk of the county in which the provider has his principal place of business, a certificate containing the following:

(1) The amount due and owing and unpaid plus interest at the rate of 7 percent per annum commencing 30 days after the service of notice of an overpayment arising from the finding of an audit or examination made pursuant to Sections 10722 and 14170.

(2) A statement that the director has complied with all the provisions of this article prior to the filing of such certificate.

(3) A request that judgment be entered against the provider in the amount set forth in the certificate.

The county clerk immediately upon the filing of the certificate shall enter a judgment for the State of California against the provider in the amount set forth in the certificate. Such judgment may be filed by the county clerk in a looseleaf book entitled "Health Care Overpayment Recovery Judgments."

(b) If the provider seeks judicial review of the final decision of the director pursuant to subdivision (d) of Section 14171 and notice of such action is properly served on the director within 90 days of the issuance of the final decision of the director, the director shall not file any certificate as provided in subdivision (a).

If the provider does not seek judicial review of the final decision of the director pursuant to subdivision (d) of Section 14171 and does not properly serve notice within 90 days from the date of the final decision of the director, the director may file the certificate provided in subdivision (a), provided, however, if the provider seeks judicial review of the final decision of the director more than 90 days from the date of such decision in accordance with subdivision (d) of Section 14171, the director shall within 10 days after receiving notice

of such action release any lien imposed pursuant to this article and any judgment entered pursuant to subdivision (a) shall be considered for all purposes null and void.

(c) No certificate shall be filed or judgment entered pursuant to the provisions of this section or Section 14173 against a provider which meets the following criteria:

(1) The provider is an unincorporated individual practitioner, and

(2) The provider was not certified to participate under the provisions of this chapter or Chapter 8 (commencing with Section 14200) of this part, on the date of issuance of the final decision of the director establishing an overpayment.

Nothing in this subdivision shall prevent the director from using any other means available at law to recover amounts due and owing and unpaid from such providers.

SEC. 390. Section 14203 of the Welfare and Institutions Code is amended to read.

14203 For purposes of administering this chapter and Chapter 7 (commencing with Section 14000) of this part, the department is hereby designated as the single or appropriate state agency with full power to administer and adopt regulations in order to secure full compliance with applicable provisions of state and federal laws.

SEC. 391. Section 14301 of the Welfare and Institutions Code is amended to read:

14301 (a) The department shall determine, by actuarial methods, prospective per capita rates of payment for services provided under this chapter for Medi-Cal beneficiaries enrolled in a prepaid health plan. The rates of payment shall be determined annually, shall be effective no later than the first day of July each year, and shall not exceed the total per capita amount (including cost of administration) which the department estimates (with appropriate adjustments to provide actuarial equivalence) would be payable for all services and requirements covered under the prepaid health plan contract if all such services and requirements were to be furnished to Medi-Cal beneficiaries. In the event that there is any delay in the payment of said new annual rates determined pursuant to this subdivision, continued payment to the prepaid health plan of the rate in effect at the time the delay occurred shall be interim payment only, and shall be subject to increase or decrease, as the case may be, to the level of the new annual rates effective as of the first day of July. The per capita rates shall be determined by sound actuarial methods on the basis of age, sex, and aid categories. The contract shall provide the specific per capita rates which the state shall pay the prepaid health plan each month for each beneficiary enrolled in the prepaid health plan, a detailed description of the specific actuarial method or methods and assumptions used in determining per capita rates, and a summary of the data base, including cost and utilization rates, which was used to determine per capita rates In addition, the director shall engage and rely upon the

services of an actuary or consulting actuary in determining prospective per capita rates.

(b) Any prepaid health plan with an operating experience and scale of operation deemed by the department to be insufficient to justify the application of an actuarially determined per capita rate, shall be reimbursed on a cost basis up to the fee-for-service maximum for services provided until such time as the director determines that a per capita lump sum method is reasonable, but not to exceed a period of one year. For purposes of this section, costs shall be net of intercompany profits in those circumstances where any of the following persons have a substantial financial interest, as defined by Section 14478, in any vendor to the prepaid health plan or any vendor to a subcontractor of the plan:

(1) Any person also having a substantial financial interest in the plan.

(2) Any director, officer, partner, trustee or employee of the plan.

(3) Any member of the immediate family of any person designated in (1) or (2).

(c) In the event that during a contract term, or at the time of contract renewal in those instances where the time of contract renewal differs from the time of annual rate determination, any change occurs which was unforeseen or not considered at the time per capita rates were determined and which affects the validity of any of the results of the actuarial methods used in determining per capita rates, or any change occurs in the obligations of any prepaid health plan affecting the cost to the prepaid health plan of performing the contract, where changes are required by a change in federal or state law or regulation, or by a change in the interpretation and implementation of the law or regulation by the department, the per capita rates determined pursuant to subdivision (a) shall be redetermined in the manner provided by subdivision (a) to reflect such change. During such period of time as is required to redetermine the per capita rates, the continued payment to a prepaid health plan of the per capita rates in effect at the time the change in the obligation of the prepaid health plan is made shall be considered interim payments, and shall be subject to increase or decrease, as the case may be, effective as of the first day of the month in which the change in the obligation of the prepaid health plan is effective.

(d) The obligations of a prepaid health plan shall be changed only by contract or contract amendment wherein payment for the changes, whether payment results in an increase or decrease in the prior per capita rates paid to a prepaid health plan, shall be determined in accordance with this section and paid to affected prepaid health plans at the time the changes are effective.

(e) Nothing contained in this section shall be construed as removing from a prepaid health plan the risk of beneficial or adverse effects, including inflation, which normally result from contracting to furnish health services

SEC 392. Section 14314 of the Welfare and Institutions Code is amended to read:

14314. The director may recover a due and payable overpayment made to a prepaid health plan by means of a repayment agreement executed between such prepaid health plan and the director, and by any other means available at law.

SEC. 393 Section 15301 of the Welfare and Institutions Code is amended to read:

15301 The purpose of this chapter is to use on an experimental pilot project basis, two model supportive care projects supervised by the State Department of Aging.

SEC 394 Section 15325 of the Welfare and Institutions Code is amended to read:

15325 Unless the context otherwise requires, the definitions in this section govern the construction of this chapter.

(a) "Project" means a model supportive services project supervised by the State Department of Aging.

(b) "Office" means the State Department of Aging.

(c) "Elderly persons" means persons aged 60 and over

SEC. 395. Section 15375 of the Welfare and Institutions Code is amended to read.

15375. Projects shall establish eligibility criteria in order that a mix is obtained which will include both short-term and long-term participants who will make maximum use of the projects' resources. Priorities must be explained in full prior to contracting with the department and may be modified by the project, with departmental approval.

SEC. 396. Section 15376 of the Welfare and Institutions Code is amended to read:

15376. Participants shall be charged on a sliding-fee scale basis which is reasonably related to ability to pay. An effort shall be made by the projects to give priority to low-income elderly persons. The department shall develop guidelines regarding the fees for service. The department shall make every effort to obtain necessary waivers for use of Medicare and Medicaid funds for services offered by the projects The purposes of obtaining such waivers is to provide for the type of care specified in Sections 15350 and 15351, in addition to and not in lieu of any existing benefits currently available under the Medicare and Medicaid programs

SEC 397 Section 15402 of the Welfare and Institutions Code is amended to read.

15402. The projects shall provide to the department and to the participants such statistical information regarding utilization of services, age and sex, specific mortality and morbidity rates, patient discomfort, patient disability, patient satisfaction, services supplied, quality of care, manpower resources, and class of health care and administration, compiled from its basic data system, as the department may require

SEC. 398 Section 15406 of the Welfare and Institutions Code is

amended to read.

15406 If the participant is not satisfied with the project's disposition of his grievance, he may appeal the project's decision to the department. The department shall make a written determination within 30 days. Findings and recommendations of the department shall be binding upon the project

SEC 399. Section 15450 of the Welfare and Institutions Code is amended to read·

15450. The department shall request such waivers as are necessary for the use of health care moneys provided under Titles XVIII and XIX of the Social Security Act from the Department of Health, Education and Welfare for the purposes of this chapter.

SEC. 400 Section 15452 of the Welfare and Institutions Code is amended to read·

15452. The department shall make a report no later than 90 days after the completion of the first operating year of the project to the Chairman of the Senate Health and Welfare Committee, the Assembly Welfare Committee, the Joint Committee on Aging and the Commission on Aging. The department's report shall include, but not be limited to, an evaluation of the effectiveness of the pilot projects in fulfilling the purpose of maintaining eligible persons in an independent living arrangement or of restoring them where feasible to an independent living arrangement It shall include recommendations for legislation to provide supportive services to the elderly 60 years of age and older.

SEC. 401 Section 16148 of the Welfare and Institutions Code is amended to read

16148 From any funds appropriated therefor, the state shall reimburse nonprofit maternity homes licensed pursuant to state law for costs of care and services provided under the provisions of this chapter to unmarried pregnant persons under 21 years of age who are domiciled in this state. Such reimbursement shall not exceed nine hundred sixty-five dollars ($965) per month per person for the fiscal year ending June 30, 1978. Such maximum reimbursement may be increased each July 1 by the State Department of Social Services by an amount not to exceed 10 percent to reflect changes in the costs of providing such care and services.

For purposes of this section, "nonprofit maternity homes" include the following·

(a) Any maternity hospital which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual

(b) Any maternity home publicly owned or operated by a public utility or agency of this state

SEC 402 Section 16149 of the Welfare and Institutions Code is amended to read

16149 The State Department of Social Services shall adopt such regulations as are necessary to carry out the provisions of this

chapter. Claims for reimbursement for expenses incurred for the maternity home services covered by this chapter shall be filed by licensed nonprofit maternity homes at the time and in the manner specified by the department, and the claims shall be subject to audit by the department.

SEC. 403. Section 16151 of the Welfare and Institutions Code is amended to read:

16151. The following sums are hereby appropriated from the General Fund to the State Department of Social Services for reimbursing licensed maternity homes for the cost of care, social services, or other services related to pregnancy of unwed children provided pursuant to the provisions of the act enacting this chapter, in accordance with the following schedule:

(a) For the 1977–78 fiscal year	$1,200,000
(b) For each fiscal year thereafter	2,400,000

SEC. 404. Section 18251 of the Welfare and Institutions Code is amended to read:

18251. As used in this part, "protective services" means social casework consultation and guidance on behalf of children who are in danger of the threatened existence of any of the conditions set forth in Section 300.

SEC. 405. Section 18289 of the Welfare and Institutions Code is amended to read:

18289. The centers may seek, receive, and make use of any funds which may be made available from federal, voluntary, philanthropic, or other sources in order to augment any state funds appropriated for the purposes of this chapter and shall make every attempt to qualify the centers for federal funding under Public Law 93-247.

Each center shall prepare a report at the end of its second year of funding describing the operation and achievement of the center's objectives. The report shall be submitted to the director.

The State Director of Health Services shall submit a report to the Legislature on or before January 1, 1980.

SEC. 406. Section 18327.3 of the Welfare and Institutions Code is amended to read:

18327.3. Notwithstanding any other provisions of law, no agency providing food services, pursuant to this chapter shall be prohibited from serving meals consistent with terms and conditions in its contract, to individuals as long as the total number of meals served by all agencies within the region, as established by the State Department of Aging, does not exceed the number of meals authorized by the State Department of Aging to be served for such region.

SEC. 407. Section 18328 of the Welfare and Institutions Code is amended to read

18328 The California Commission on Aging, with the concurrence of the Secretary of the Health and Welfare Agency,

shall submit to the Legislature by May 1 of each year a report on the state's implementation of this chapter. The report shall include, but not be limited to, the following:

(1) A summary of all submitted local plans, including a description of any state and federal action taken thereon.

(2) The estimated current and potential in-kind contributions available within the state which are in addition to those included within plans submitted by private agencies, state, and local governments.

(3) The extent to which the staff within the Health and Welfare Agency, including the California Commission on Aging is giving assistance to local agencies in the development of their plans

SEC 408. Section 18954 of the Welfare and Institutions Code is amended to read.

18954. (a) The office shall establish three regional "family crisis centers" on a pilot project basis for the prevention, identification and treatment of child abuse, one in the northern portion of the state, one in the southern portion of the state, and one in the central portion of the state. The office shall determine the location of the center and the areas to be served

(b) The Office of Child Abuse Prevention shall seek the assistance of both public and private entities in the establishment and implementation of the pilot project centers.

(c) It shall be the responsibility of the Office of Child Abuse Prevention to organize the pilot projects. The Office of Child Abuse Prevention shall select each pilot project according to the following

(1) Each county or counties selected by the office and wishing to have the pilot project in their jurisdiction shall submit a written proposal fully setting forth the following.

(A) The facilities to be used for such a project

(B) The degree of cooperation between law enforcement agents and social service agencies for such a project.

(C) The number and type of personnel who will staff the project

(D) The need for such a project as it relates to the problem areas as defined by the office

(E) A plan for evaluating the effectiveness of the project.

(2) Upon receipt of all such proposals, the Office of Child Abuse Prevention shall select the sites for the pilot projects according to the criteria set forth above.

(d) The office shall conduct research and collect data relevant to the determination of the effectiveness of the projects

SEC. 409. Section 19001 of the Welfare and Institutions Code is amended to read

19001 There is in the Health and Welfare Agency the Department of Rehabilitation.

SEC 410 Section 19013 of the Welfare and Institutions Code is amended to read

19013 The department may cooperate with other departments, agencies, and institutions, both public and private, in providing the

services authorized by this division to impaired individuals, in studying the problems involved therein, and in establishing, developing, and providing, in conformity with the purposes of this division, such programs, facilities, and services as may be necessary or desirable.

The department may cooperate with the State Department of Education to provide instruction for physically handicapped minors and to provide individual counseling and guidance in social and vocational matters for physically handicapped and mentally retarded minors under the provisions of Sections 56533, 56716, 56723, 78715, 78720, and 78819 of the Education Code.

The department may cooperate with the governing board or boards of one or more school districts to employ a special coordinator to assist in the vocational adjustment of physically and mentally handicapped minors.

SEC. 411. Section 19014 of the Welfare and Institutions Code is amended to read:

19014. The Department of Rehabilitation and the Division of Labor Standards Enforcement shall formulate a plan of cooperation for the referral and rehabilitation of persons in industry.

SEC. 412. Division 25 (commencing with Section 25000) of the Welfare and Institutions Code is repealed.

SEC. 413-414. Section 1 of Chapter 207 of the Statutes of 1976 is repealed.

SEC. 415. Section 2 of Chapter 19 of the Statutes of 1978 is amended to read:

Sec. 2. (a) The Legislature hereby finds and declares that a high rate of turnover among staff in intermediate care facilities and skilled nursing facilities diminishes the quality of care rendered to patients in such facilities. The Legislature further finds that the turnover among employees of such facilities is substantially attributable to the fact that the wages paid such employees are generally lower than the wages paid employees of other health care institutions in similar job classifications. It is the intent of the Legislature that Medi-Cal reimbursement rates for skilled nursing facilities and intermediate care facilities, to the extent feasible, be set at levels sufficient to allow such employees to be paid at wages which are sufficient to reduce turnover among such employees, in order to improve the level and quality of patient care.

(b) The Legislature further finds that the rates for wages contained in this act were developed with recognition of the costs of increased wages and related benefits. It is the intent of the Legislature that the funds resulting from the Medi-Cal rate increases provided in this section be used for wage increases and for costs of normal benefit increases related to the wage and salary increases.

(c) Notwithstanding any other provision of law, the State Director of Health Services shall establish and implement regulations effective March 1, 1978, that establish a payment rate for intermediate care facilities and skilled nursing facilities as defined in

Section 1250 of the Health and Safety Code, which is sufficient to provide an increase of two dollars and twenty-eight cents ($2.28) per patient-day with respect to skilled nursing facilities and one dollar and eighty-four cents ($1.84) per patient-day with respect to intermediate care facilities, for wages and benefits of nonadministrative employees. The increase required by this section shall be in addition to any future mandatory increases required by federal or state law. Such rate shall provide funding for the portion of additional costs necessary to implement the wage and benefit increase required by this section attributable to Medi-Cal patients. The portion of such additional costs shall be the same as the ratio of Medi-Cal patients to the total patients in the facility.

(d) Each skilled nursing facility or intermediate care facility shall certify that funds received pursuant to this section for the period commencing March 1, 1978, to and including June 30, 1978, are expended for employee wages and benefits, except if the entry level wages of the lowest paid nonadministrative employee of a skilled nursing facility or an intermediate care facility exceeds three dollars and ninety-seven cents ($3.97) per hour on the effective date of this section, the funds received pursuant to regulations adopted pursuant to this section shall be used to ensure the continued delivery of quality care in such facility. The base, from which employee wages and benefits are increased pursuant to this section, shall be the facility payroll for the month of December, 1977, but including only nonovertime hours worked by covered employees, plus any amount received pursuant to Section 1439.7 of the Health and Safety Code For purposes of determining the amount of Medi-Cal funds to be distributed for employee wages and benefits, the total Medi-Cal patient-days recorded by the facility in the month of December, 1977, shall be multiplied by the amount per patient-day specified in subdivision (c) of this section.

(e) The director shall inspect relevant payroll and personnel records of skilled nursing facilities and intermediate care facilities which are reimbursed for Medi-Cal patients under the rate of reimbursement established pursuant to subdivision (c) of this section to insure that the wage and benefit increases provided for have been implemented

(f) Any facility which is paid under the rate provided for in which the director finds has not made the wage and benefit increases provided for shall be liable to the state for the amount of funds paid to such facility based upon the wage and benefit requirements provided for by this section but not distributed to employees for wages and benefits plus a penalty equal to 10 percent of the funds not so distributed.

(g) On or before July 1, 1978, and annually thereafter, each skilled nursing facility or intermediate care facility shall certify to, and in the manner prescribed by, the director, all of the following

(1) All nonadministrative employees of such facility employed less than three months receive at least an entry level wage

amounting to the prevailing federal minimum wage rate plus 50 percent of the average hourly wage increase established pursuant to this section for that facility during the period March through June, 1978.

(2) All nonadministrative employees of such facility employed three months or more receive at least the prevailing federal minimum wage rate plus the average hourly wage increase established pursuant to this section for that facility during the period March through June, 1978; provided, however, that no employee then employed shall receive a wage less than that which such person received pursuant to this section for the period March through June, 1978, after July 1, 1978.

(3) Any wage increase required pursuant to subdivision (a) of Section 1338 of the Health and Safety Code is in addition to any minimum wages provided in this subdivision

SEC. 416. Section 1 of Chapter 74 of the Statutes of 1978 is amended to read:

Section 1. There is hereby granted to the City of Newport Beach and its successors all of the right, title, and interest of the State of California held by the state by virtue of its sovereignty in and to all that portion of the tidelands and submerged lands, whether filled or unfilled, bordering upon and under the Pacific Ocean or Newport Bay in the County of Orange, which were within the corporate limits of the City of Newport Beach, a municipal corporation, on July 25, 1919; the same to be forever held by the city and its successors in trust for the uses and purposes and upon the following express conditions:

(a) That the lands shall be used by the city and its successors for purposes in which there is a general statewide interest, as follows:

(1) For the establishment, improvement, and conduct of a public harbor; and for the construction, maintenance, and operation thereon of wharves, docks, piers, slips, quays, ways, and streets, and other utilities, structures, and appliances necessary or convenient for the promotion or accommodation of commerce and navigation.

(2) For the establishment, improvement, and conduct of public bathing beaches, public marinas, public aquatic playgrounds, and similar recreational facilities open to the general public; and for the construction, reconstruction, repair, maintenance, and operation of all works, buildings, facilities, utilities, structures, and appliances incidental, necessary, or convenient for the promotion and accommodation of any such uses.

(3) For the preservation, maintenance, and enhancement of the lands in their natural state and the reestablishment of the natural state of the lands so that they may serve as ecological units for scientific study, as open space, and as environments which provide food and habitat for birds and marine life, and which favorably affect the scenery and climate of the area

(b) Except as otherwise provided in this section, the city or its successors shall not, at any time, grant, convey, give, or alienate the lands, or any part thereof, to any individual, firm, or corporation for

any purposes whatever; except, that the city or its successors may grant franchises thereon for a period not exceeding 50 years for wharves and other public uses and purposes and may lease the lands, or any part thereof, for a period not exceeding 50 years for purposes consistent with the trust upon which the lands are held by the state and with the uses specified in this section.

(c) The lands shall be improved without expense to the state; provided, however, that nothing contained in this act shall preclude expenditures for the development of the lands for the purposes authorized by this act, by the state, or any board, agency, or commission thereof, or expenditures by the city of any funds received for such purpose from the state or any board, agency, or commission thereof.

(d) In the management, conduct, operation, and control of the lands or any improvements, betterments, or structures thereon, the city or its successors shall make no discrimination in rates, tolls, or charges for any use or service in connection therewith.

(e) The state shall have the right to use without charge any transportation, landing, or storage improvements, betterments, or structures constructed upon the lands for any vessel or other watercraft or railroad owned or operated by the state.

(f) There is hereby reserved to the people of the state the right to fish in the waters on the lands with the right of convenient access to the waters over the lands for such purpose, which rights shall be subject, however, to such rules and regulations as are necessary for the accomplishment of the purposes specified in subdivision (a) of this section.

(g) Notwithstanding any provision of this section to the contrary, the city may lease the lots located within Parcels A, B, and C described in Section 6 of this act for the purposes set forth in this section and for a period not to exceed 50 years. The consideration to be received by the city for such leases shall be the fair market rental value of such lots as finished subdivided lots with streets constructed and all utilities installed. The form of such leases and the range of consideration to be received by the city shall be approved by the State Lands Commission prior to the issuance of any such lease. All money received by the city from such existing and future leases of such lots shall be deposited in the city tideland capital fund in accordance with the provisions of this act.

(h) With the approval of the State Lands Commission, the city may transfer portions of the lands granted by this act, or held pursuant to this act, to the state acting by and through the State Lands Commission, for lease to the Department of Fish and Game for an ecological reserve or wildlife refuge, or both, and other compatible uses to be undertaken by the department; provided, however, that if at any time the Department of Fish and Game no longer uses such portions of the lands so transferred by the city to the state for such purposes, the lands so transferred shall revert to the city to be held pursuant to the provisions of this act. Upon approving

such a transfer from the city to the state, the State Lands Commission shall lease the lands so transferred to the Department of Fish and Game. The public benefit shall be the sole consideration to be received by the State Lands Commission from the Department of Fish and Game for that lease. Any and all income received by the Department of Fish and Game from the lands so leased shall be used only in connection with the department's improvement and administration of the leased lands.

(i) The city shall establish a separate tidelands trust fund or funds in such manner as may be approved by the State Lands Commission, and the city shall deposit in the fund or funds all moneys received directly from, or indirectly attributable to, the granted tidelands in the city

(j) In accordance with the provisions of this act, the city, acting either alone or jointly with another local or state agency, may use revenues accruing from or out of the use of the granted tidelands for any or all of the purposes set forth in this act. Such revenues may be deposited in one or more reserve funds for use in accordance with the terms and conditions set forth in this act

(k) As to the accumulation and expenditure of revenues for any single capital improvement on the granted lands involving an amount in excess of two hundred fifty thousand dollars ($250,000) in the aggregate, the city shall file with the State Lands Commission a detailed description of such capital improvement not less than 90 days prior to the time of any disbursement therefor or in connection therewith Within 90 days after the time of such filing, the State Lands Commission may determine and notify the city that such capital improvement is not in the statewide interest and benefit or is not authorized by the provisions of subdivision (j) of this section. The State Lands Commission may request the opinion of the Attorney General on the matter; and, if it does so, a copy of such opinion shall be delivered to the city with the notice of its determination In the event the State Lands Commission notifies the city that such capital improvement is not authorized, the city shall not disburse any revenue for or in connection with such capital improvement unless and until it is determined to be authorized by a final order or judgment of a court of competent jurisdiction. The city is authorized to bring suit against the state for the purpose of securing such an order or adjudication, which suit shall have priority over all other civil matters. Service of process shall be made upon the Executive Officer of the State Lands Commission and the Attorney General, and the Attorney General shall defend the state in such suit If judgment be given against the state in such suit, no costs shall be recovered against it

(*l*) On June 30, 1978, and on June 30 of every third fiscal year thereafter, that portion of the city tideland trust revenues in excess of two hundred fifty thousand dollars ($250,000) remaining after deducting current and accrued operating costs and expenditures directly related to the operation or maintenance of tideland trust

activities shall be deemed excess revenues. However, any funds deposited in a reserve fund for future capital expenditures or any funds used to retire bond issues for the improvement or operation of the granted lands shall not be deemed excess revenue. Capital improvements of the granted lands for purposes authorized by this act, including such improvements on lands transferred to the state pursuant to subdivision (h) of this section and paid for by the city, may be considered as expenditures for the purpose of determining excess revenues, provided, however, that if made after the effective date of this act they may be so considered only if made in accordance with subdivision (k) of this section. The excess revenue, as determined pursuant to this subdivision, shall be allocated as follows 85 percent shall be transmitted to the State Treasurer for deposit in the General Fund in the State Treasury, and 15 percent shall be retained by the city for deposit in the trust fund for use for any purpose authorized by subdivision (j) of this section.

(m) At the request of the city, the State Lands Commission shall grant an extension of time, not to exceed 30 calendar days, for filing any report or statement required by this act, which was not filed due to mistake or inadvertence.

(n) In the event that the city fails or refuses to file with the State Lands Commission any report, statement, or document required by any provision of this act, or any extension period granted pursuant to this act, or fails or refuses to carry out the terms of this act, the Attorney General shall, upon the request of the State Lands Commission, bring such judicial proceedings for correction and enforcement as are appropriate and shall act to protect any improvements to, or assets situated upon, the granted lands or diverted therefrom The State Lands Commission shall notify the Chief Clerk of the Assembly and the Secretary of the Senate within 30 days of the occurrence of such failure or refusal and of actions taken as a result thereof.

(o) The State Lands Commission shall, from time to time, recommend to the Legislature such amendments as it may deem necessary in the terms and conditions of this act.

(p) The State Lands Commission shall, from time to time, institute a formal inquiry to determine that the terms and conditions of this act, and amendments thereto, have been complied with in good faith

(q) On or before December 31 of each year, the State Lands Commission shall report to the Chief Clerk of the Assembly and to the Secretary of the Senate the full details of any transaction or condition reported to the commission pursuant to this act which it deems in probable conflict with the requirements of this act or with any other provision of law Upon request by resolution of either house of the Legislature, or upon formal request of the State Lands Commission made only after a noticed public hearing at which the city has been given an opportunity to express fully any disagreement with the commission's findings or to describe any extenuating

circumstances causing the violation, the Attorney General shall bring an action in the Superior Court in the County of Orange to declare that the grant under which the city holds such tidelands and submerged lands is revoked for gross and willful violation of the provisions of this act or any other provision of law or to compel compliance with the requirements of this act and any other provision of law.

(r) The city shall cause to be made and filed annually with the State Lands Commission a detailed statement of receipts and expenditures by it of all rents, revenues, issues, and profits in any manner arising after the effective date of this act from the granted lands or any improvements, betterments, or structures thereon.

(s) The Department of Fish and Game shall establish the funds and make the deposits required by subdivision (i) of this section and shall prepare and file statements required by subdivision (r) of this section as to any lands transferred to the state pursuant to subdivision (h) of this section.

(t) The provisions of Chapter 2 (commencing with Section 6701) of Part 2 of Division 6 of the Public Resources Code shall be applicable to this section. The provisions of Section 6359 of the Public Resources Code shall not be applicable to this section.

(u) Notwithstanding any other provision of this act, the city shall pay to the state all revenues received from the production of oil, gas, and other minerals derived from or attributable to the real property described in Section 6 of this act and the real property acquired by the city pursuant to Section 2 of this act. Whenever practicable, the city shall obtain the mineral rights in real property acquired pursuant to Section 2 of this act

SEC. 417 Section 6 of Chapter 224 of the Statutes of 1978 is amended to read:

Sec. 6. The transfer of the duty of conducting program evaluations pursuant to Section 7331 of the Government Code from the director and staff of the multipurpose service center to the Secretary of the Health and Welfare Agency shall not result in any increased costs to carry out such duty. The total cost of such evaluations shall be limited to that amount originally budgeted for the evaluations under Chapter 754 of the Statutes of 1977.

SEC. 418. Division 30 (commencing with Section 30000) of the Business and Professions Code is repealed.

SEC. 419. Division 20 (commencing with Section 50000) of the Financial Code is repealed.

SEC. 420 Title 50 (commencing with Section 500000) of the Government Code is repealed.

SEC. 421. Division 20 (commencing with Section 10000) of the Harbors and Navigation Code is repealed.

SEC. 422. Division 6 (commencing with Section 15000) of the Insurance Code is repealed.

SEC. 423 Division 6 (commencing with Section 12000) of the Labor Code is repealed

SEC. 424. Division 10 (commencing with Section 2000) of the Military and Veterans Code is repealed

SEC 425 Division 50 (commencing with Section 50001) of the Public Resources Code is repealed

SEC 426. Division 30 (commencing with Section 50001) of the Revenue and Taxation Code is repealed

SEC 427. Division 50 (commencing with Section 50000) of the Streets and Highways Code is repealed.

SEC 428. Division 10 (commencing with Section 100000) of the Unemployment Insurance Code is repealed

SEC. 429. Division 50 (commencing with Section 150001) of the Water Code is repealed

SEC. 430. Division 20 (commencing with Section 20000) of the Welfare and Institutions Code is repealed.

SEC. 431. The heading of Article 7 of Chapter 5 of Division 2 of the Business and Professions Code is repealed.

SEC. 432 The heading of Chapter 9 of Division 9 of the Business and Professions Code is repealed.

SEC. 433 The heading of Article 1 of Chapter 9 of Division 9 of the Business and Professions Code is repealed.

SEC. 434 The heading of Article 2 of Chapter 9 of Division 9 of the Business and Professions Code is repealed

SEC 435. The heading of Article 3 of Chapter 9 of Division 9 of the Business and Professions Code is repealed

SEC. 436 The heading of Article 4 of Chapter 9 of Division 9 of the Business and Professions Code is repealed

SEC. 437. The heading of Article 5 of Chapter 9 of Division 9 of the Business and Professions Code is repealed.

SEC 438. The heading of Article 6 of Chapter 9 of Division 9 of the Business and Professions Code is repealed.

SEC 439 The heading of Article 7 of Chapter 9 of Division 9 of the Business and Professions Code is repealed.

SEC 440. The heading of Article 8 of Chapter 9 of Division 9 of the Business and Professions Code is repealed

SEC 441 The heading of Chapter 3 of Title 2 of Part 3 of Division 1 of the Civil Code is repealed.

SEC 442 The heading of Title 3, as enacted in 1872, of Part 3 of Division 1 of the Civil Code is repealed.

SEC 443 The heading of Chapter 1 of Title 1 of Part 4 of Division 1 of the Civil Code is repealed

SEC 444 The heading of Chapter 2 of Title 1 of Part 4 of Division 1 of the Civil Code is repealed

SEC 445 The heading of Chapter 3 of Title 1 of Part 4 of Division 1 of the Civil Code is repealed

SEC 446 The heading of Chapter 4 of Title 1 of Part 4 of Division 1 of the Civil Code is repealed

SEC 447 The heading of Chapter 5 of Title 1 of Part 4 of Division 1 of the Civil Code is repealed

SEC 448 The heading of Chapter 6 of Title 1 of Part 4 of Division

1 of the Civil Code is repealed.

SEC. 449. The heading of Chapter 7 of Title 1 of Part 4 of Division 1 of the Civil Code is repealed.

SEC. 450. The heading of Chapter 8 of Title 1 of Part 4 of Division 1 of the Civil Code is repealed

SEC. 451. The heading of Chapter 9 of Title 1 of Part 4 of Division 1 of the Civil Code is repealed.

SEC. 452. The heading of Chapter 10 of Title 1 of Part 4 of Division 1 of the Civil Code is repealed.

SEC. 453 The heading of Chapter 11 of Title 1 of Part 4 of Division 1 of the Civil Code is repealed.

SEC. 454. The heading of Chapter 12 of Title 1 of Part 4 of Division 1 of the Civil Code is repealed.

SEC. 455. The heading of Chapter 13 of Title 1 of Part 4 of Division 1 of the Civil Code is repealed.

SEC. 456. The heading of Chapter 14 of Title 1 of Part 4 of Division 1 of the Civil Code is repealed.

SEC. 457. The heading of Chapter 15 of Title 1 of Part 4 of Division 1 of the Civil Code is repealed.

SEC. 458. The heading of Chapter 16 of Title 1 of Part 4 of Division 1 of the Civil Code is repealed.

SEC. 459. The heading of Title 2 of Part 4 of Division 1 of the Civil Code is repealed.

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SEC. 465. The heading of Chapter 2 of Title 3 of Part 4 of Division 1 of the Civil Code is repealed.

SEC 466. The heading of Chapter 3 of Title 3 of Part 4 of Division 1 of the Civil Code is repealed.

SEC. 467. The heading of Title 5 of Part 4 of Division 1 of the Civil Code is repealed.

SEC. 468. The heading of Title 7 of Part 4 of Division 1 of the Civil Code is repealed.

SEC. 469. The heading of Title 10 of Part 4 of Division 1 of the Civil Code is repealed.

SEC. 470. The heading of Title 11 of Part 4 of Division 1 of the Civil Code is repealed.

SEC. 471. The heading of Title 11a of Part 4 of Division 1 of the Civil Code is repealed.

SEC. 472 The heading of Title 12 of Part 4 of Division 1 of the Civil Code is repealed

SEC. 473. The heading of Title 13 of Part 4 of Division 1 of the Civil Code is repealed.

SEC. 474. The heading of Title 17 of Part 4 of Division 1 of the Civil Code is repealed.

SEC. 475. The heading of Title 18 of Part 4 of Division 1 of the Civil Code is repealed

SEC. 476. The heading of Title 25 of Part 4 of Division 1 of the Civil Code is repealed.

SEC. 477. The heading of Article 2 of Chapter 1 of Title 2 of Part 3 of Division 2 of the Civil Code is repealed.

SEC. 478. The heading of Chapter 2 of Title 2 of Part 3 of Division 2 of the Civil Code is repealed

SEC. 479. The heading of Article 1 of Chapter 2 of Title 2 of Part 3 of Division 2 of the Civil Code is repealed.

SEC. 480. The heading of Article 2 of Chapter 2 of Title 2 of Part 3 of Division 2 of the Civil Code is repealed.

SEC. 481. The heading of Article 2 of Chapter 3 of Title 4 of Part 4 of Division 2 of the Civil Code is repealed.

SEC. 482. The heading of Article 1 of Chapter 4 of Title 4 of Part 4 of Division 2 of the Civil Code is repealed.

SEC. 483. The heading of Chapter 4 of Title 5 of Part 4 of Division 2 of the Civil Code is repealed.

SEC. 484. The heading of Title 6, as enacted in 1872, of Part 4 of Division 2 of the Civil Code is repealed.

SEC 485 The heading of Chapter 1, as enacted in 1872, of Title 6 of Part 4 of Division 2 of the Civil Code is repealed.

SEC. 486. The heading of Chapter 2, as enacted in 1872, of Title 6 of Part 4 of Division 2 of the Civil Code is repealed.

SEC. 487. The heading of Chapter 3 of Title 6 of Part 4 of Division 2 of the Civil Code is repealed.

SEC. 488. The heading of Title 7, as enacted in 1872, of Part 4 of Division 2 of the Civil Code is repealed.

SEC. 489. The heading of Title 9 of Part 4 of Division 2 of the Civil Code is repealed.

SEC. 490 The heading of Title 10 of Part 4 of Division 2 of the Civil Code is repealed.

SEC. 491. The heading of Article 12 of Chapter 1 of Title 2 of Part 4 of Division 3 of the Civil Code is repealed

SEC 492 The heading of Chapter 1 of Title 6 of Part 4 of Division 3 of the Civil Code is repealed.

SEC 493 The heading of Article 1 of Chapter 1 of Title 6 of Part 4 of Division 3 of the Civil Code is repealed

SEC. 494 The heading of Article 2 of Chapter 1 of Title 6 of Part 4 of Division 3 of the Civil Code is repealed.

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SEC. 496. The heading of Article 4 of Chapter 1 of Title 6 of Part 4 of Division 3 of the Civil Code is repealed.

SEC 497. The heading of Article 1 of Chapter 2 of Title 6 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 498 The heading of Article 4 of Chapter 2 of Title 6 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 499. The heading of Article 5 of Chapter 2 of Title 6 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 500 The heading of Article 6 of Chapter 2 of Title 6 of Part 4 of Division 3 of the Civil Code is repealed

SEC. 501. The heading of Article 5 of Chapter 3 of Title 7 of Part 4 of Division 3 of the Civil Code is repealed.

SEC 502 The heading of Article 3 of Chapter 2 of Title 9 of Part 4 of Division 3 of the Civil Code is repealed.

SEC 503 The heading of Article 4 of Chapter 2 of Title 9 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 504. The heading of Title 10 of Part 4 of Division 3 of the Civil Code is repealed

SEC 505 The heading of Chapter 1 of Title 10 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 506. The heading of Article 1 of Chapter 1 of Title 10 of Part 4 of Division 3 of the Civil Code is repealed

SEC 507 The heading of Article 2 of Chapter 1 of Title 10 of Part 4 of Division 3 of the Civil Code is repealed.

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SEC. 509 The heading of Article 4 of Chapter 1 of Title 10 of Part 4 of Division 3 of the Civil Code is repealed

SEC. 510. The heading of Article 5 of Chapter 1 of Title 10 of Part 4 of Division 3 of the Civil Code is repealed.

SEC 511 The heading of Article 6 of Chapter 1 of Title 10 of Part 4 of Division 3 of the Civil Code is repealed

SEC. 512 The heading of Article 7 of Chapter 1 of Title 10 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 513 The heading of Chapter 3 of Title 10 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 514. The heading of Article 1 of Chapter 3 of Title 10 of Part 4 of Division 3 of the Civil Code is repealed.

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SEC 516 The heading of Article 3 of Chapter 3 of Title 10 of Part 4 of Division 3 of the Civil Code is repealed

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SEC. 518 The heading of Article 5 of Chapter 3 of Title 10 of Part 4 of Division 3 of the Civil Code is repealed.

SEC 519 The heading of Chapter 4 of Title 10 of Part 4 of Division 3 of the Civil Code is repealed

SEC 520 The heading of Title 10a of Part 4 of Division 3 of the Civil Code is repealed

SEC. 521. The heading of Article 2 of Chapter 1 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 522. The heading of Article 3 of Chapter 1 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 523. The heading of Article 4 of Chapter 1 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 524. The heading of Article 5 of Chapter 1 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 525. The heading of Article 6 of Chapter 1 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 526. The heading of Article 7 of Chapter 1 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 527. The heading of Article 8 of Chapter 1 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 528. The heading of Article 9 of Chapter 1 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

SEC 529. The heading of Article 10 of Chapter 1 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 530. The heading of Article 11 of Chapter 1 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 531. The heading of Article 12 of Chapter 1 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 532. The heading of Chapter 2 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 533. The heading of Article 1 of Chapter 2 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

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SEC. 537. The heading of Article 5 of Chapter 2 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed

SEC. 538. The heading of Article 6 of Chapter 2 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 539. The heading of Article 7 of Chapter 2 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 540. The heading of Article 8 of Chapter 2 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 541. The heading of Article 9 of Chapter 2 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 542. The heading of Chapter 3 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 543. The heading of Chapter 4 of Title 11 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 544. The heading of Chapter 5 of Title 14 of Part 4 of Division 3 of the Civil Code is repealed.

SEC. 545. The heading of Article 7 of Chapter 1 of Title 3 of Part

1 of the Code of Civil Procedure is repealed.

SEC 546 The heading of Article 9 of Chapter 1 of Title 3 of Part 1 of the Code of Civil Procedure is repealed.

SEC 547. The heading of Chapter 2 of Title 4 of Part 1 of the Code of Civil Procedure is repealed.

SEC. 548 The heading of Article 1, as enacted in 1872, of Chapter 4 of Title 11 of Part 2 of the Code of Civil Procedure is repealed

SEC 549 The heading of Article 2, as enacted in 1872, of Chapter 4 of Title 11 of Part 2 of the Code of Civil Procedure is repealed.

SEC 550 The heading of Article 3, as enacted in 1872, of Chapter 4 of Title 11 of Part 2 of the Code of Civil Procedure is repealed.

SEC. 551 The heading of Chapter 2, as enacted in 1872, of Title 14 of Part 2 of the Code of Civil Procedure is repealed.

SEC 552 The heading of Chapter 3, as enacted in 1872, of Title 14 of Part 2 of the Code of Civil Procedure is repealed

SEC 553. The heading of Title 2, as enacted in 1872, of Part 3 of the Code of Civil Procedure is repealed.

SEC. 554. The heading of Chapter 2, as enacted in 1872, of Title 4 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 555. The heading of Title 6, as enacted in 1872, of Part 3 of the Code of Civil Procedure is repealed.

SEC 556. The heading of Chapter 1, as enacted in 1872, of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 557 The heading of Chapter 2, as enacted in 1872, of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 558. The heading of Article 1, as enacted in 1872, of Chapter 2 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 559. The heading of Article 2, as enacted in 1872, of Chapter 2 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC 560 The heading of Article 3, as enacted in 1872, of Chapter 2 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 561. The heading of Article 4, as enacted in 1872, of Chapter 2 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 562 The heading of Article 5, as enacted in 1872, of Chapter 2 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC 563 The heading of Article 6, as enacted in 1872, of Chapter 2 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC 564 The heading of Chapter 3, as enacted in 1872, of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC 565 The heading of Article 1, as enacted in 1872, of Chapter 3 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC 566. The heading of Article 2, as enacted in 1872, of Chapter 3 of Title 11 of Part 3 of the Code of Civil Procedure is repealed

SEC. 567 The heading of Article 3, as enacted in 1872, of Chapter 3 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC 568 The heading of Article 4, as enacted in 1872, of Chapter 3 of Title 11 of Part 3 of the Code of Civil Procedure is repealed

SEC 569 The heading of Article 5, as enacted in 1872, of Chapter 3 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 570. The heading of Article 6, as enacted in 1872, of Chapter 3 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 571. The heading of Article 7, as enacted in 1872, of Chapter 3 of Title 11 of Part 3 of the Code of Civil Procedure is repealed

SEC. 572. The heading of Article 8, as enacted in 1872, of Chapter 3 of Title 11 of Part 3 of the Code of Civil Procedure is repealed

SEC. 573. The heading of Article 9, as enacted in 1872, of Chapter 3 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 574. The heading of Article 10, as enacted in 1872, of Chapter 3 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 575 The heading of Chapter 4, as enacted in 1872, of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 576. The heading of Article 1, as enacted in 1872, of Chapter 4 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 577 The heading of Article 2, as enacted in 1872, of Chapter 4 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 578 The heading of Chapter 5, as enacted in 1872, of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 579. The heading of Article 1, as enacted in 1872, of Chapter 5 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 580 The heading of Article 2, as enacted in 1872, of Chapter 5 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 581 The heading of Chapter 6, as enacted in 1872, of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 582. The heading of Chapter 7, as enacted in 1872, of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC 583 The heading of Article 1, as enacted in 1872, of Chapter 7 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 584. The heading of Article 2, as enacted in 1872, of Chapter 7 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC 585 The heading of Article 3, as enacted in 1872, of Chapter 7 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC 586. The heading of Article 4, as enacted in 1872, of Chapter 7 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 587. The heading of Chapter 8, as enacted in 1872, of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC 588 The heading of Chapter 9, as enacted in 1872, of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 589. The heading of Chapter 10, as enacted in 1872, of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 590. The heading of Article 1, as enacted in 1872, of Chapter 10 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 591 The heading of Article 2, as enacted in 1872, of Chapter 10 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 592. The heading of Article 3, as enacted in 1872, of Chapter 10 of Title 11 of Part 3 of the Code of Civil Procedure is repealed

SEC 593 The heading of Chapter 11, as enacted in 1872, of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 594. The heading of Article 1, as enacted in 1872, of Chapter 11 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 595. The heading of Article 2, as enacted in 1872, of Chapter 11 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 596. The heading of Article 3, as enacted in 1872, of Chapter 11 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 597. The heading of Article 4, as enacted in 1872, of Chapter 11 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 598. The heading of Chapter 12, as enacted in 1872, of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 599. The heading of Chapter 13, as enacted in 1872, of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 600. The heading of Chapter 14, as enacted in 1872, of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 601. The heading of Article 1, as enacted in 1872, of Chapter 14 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 602. The heading of Article 2, as enacted in 1872, of Chapter 14 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 603. The heading of Article 3, as enacted in 1872, of Chapter 14 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 604. The heading of Article 4, as enacted in 1872, of Chapter 14 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 605. The heading of Article 5, as enacted in 1872, of Chapter 14 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 606. The heading of Article 6, as enacted in 1872, of Chapter 14 of Title 11 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 607. The heading of Title 14 of Part 3 of the Code of Civil Procedure is repealed.

SEC. 608. The heading of Chapter 1 of Title 2 of Part 4 of the Code of Civil Procedure is repealed.

SEC. 609. The heading of Chapter 3 of Division 4 of the Military and Veterans Code is repealed.

SEC. 610. The heading of Article 1 of Chapter 3 of Division 4 of the Military and Veterans Code is repealed.

SEC. 611. The heading of Article 2 of Chapter 3 of Division 4 of the Military and Veterans Code is repealed.

SEC. 612. The heading of Article 3 of Chapter 3 of Division 4 of the Military and Veterans Code is repealed.

SEC. 613. The heading of Chapter 6 of Title 9 of Part 1 of the Penal Code is repealed.

SEC. 614. The heading of Chapter 10 of Title 13 of Part 1 of the Penal Code is repealed.

SEC. 615 The heading of Chapter 4 of Title 1 of Part 2 of the Penal Code is repealed.

SEC. 616. The heading of Title 14 of Part 2 of the Penal Code is repealed.

SEC. 617. The heading of Article 5 of Chapter 2 of Title 1 of Part 3 of the Penal Code is repealed.

SEC 618. The heading of Chapter 2 of Part 4 of Division 6 of the

Public Resources Code is repealed.

SEC. 619. The heading of Division 10 of the Public Resources Code is repealed.

SEC. 620 The heading of Chapter 1 of Division 10 of the Public Resources Code is repealed

SEC. 621. The heading of Chapter 2 of Division 10 of the Public Resources Code is repealed

SEC. 622. The heading of Chapter 3 of Division 10 of the Public Resources Code is repealed.

SEC. 623. The heading of Chapter 2 (commencing with Section 11300) of Division 5 of the Vehicle Code, as added by Chapter 3 of the Statutes of 1959, is repealed

SEC 624. The heading of Chapter 2 of Part 4 of Division 11 of the Water Code is repealed.

SEC. 625. The heading of Article 4 of Chapter 5 of Part 5 of Division 11 of the Water Code is repealed.

SEC. 626. The heading of Chapter 2 5 of Part 8 of Division 12 of the Water Code is repealed.

SEC. 627. The heading of Article 1 of Chapter 2.5 of Part 8 of Division 12 of the Water Code is repealed

SEC. 628. Any section of any act enacted by the Legislature during the 1979 portion of the 1979–80 Regular Session, which takes effect on or before January 1, 1980, and which amends, amends and renumbers, adds, repeals and adds, or repeals a section amended, amended and renumbered, repealed and added, or repealed by this act, shall prevail over this act, whether such act is enacted prior to or subsequent to this act

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CHAPTER 374

An act to amend Section 44270 of the Education Code, relating to certification requirements.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 44270 of the Education Code is amended to read·

44270. The minimum requirements for the services credential with a specialization in administrative services are all of the following·

(a) The possession of a valid teaching credential issued under the law and rules and regulations in effect on or before December 31, 1971, requiring the possession of a baccalaureate degree, or as specified in Section 44259, or as specified in Section 44260 provided the applicant also possesses a baccalaureate degree, or a services

credential with a specialization in pupil personnel, health, or librarian services as specified in Sections 44266, 44267, and 44269.

(b) A minimum of three years of successful, full-time classroom teaching experience in the public schools, or in private schools of equivalent status or three years of experience in the fields of pupil personnel, health, or librarian services.

(c) A program of specialized and professional preparation in administrative services approved by the commission or one year internship in a commission-approved program of supervised in-service training in administrative services.

The services credential with a specialization in administrative services shall authorize the holder to serve as a superintendent, associate superintendent, deputy superintendent, principal, assistant principal, supervisor, consultant, coordinator, or in an equivalent or intermediate level administration position.

Any person who administers a pupil personnel program shall hold a services credential with a pupil personnel or administrative specialization.

CHAPTER 375

An act to amend Section 3097 of the Civil Code, relating to contractors.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979]

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

SECTION 1 Section 3097 of the Civil Code is amended to read:

3097. "Preliminary 20-day notice (private work)" means a written notice from a claimant that is given prior to the recording of a mechanic's lien and prior to the filing of a stop notice, and is required to be given under the following circumstances:

(a) Except one under direct contract with the owner or one performing actual labor for wages, or an express trust fund described in Section 3111, every person who furnishes labor, service, equipment, or material for which a lien otherwise can be claimed under this title, or for which a notice to withhold can otherwise be given under this title, must, as a necessary prerequisite to the validity of any claim of lien, and of a notice to withhold, cause to be given to the owner or reputed owner, to the original contractor, or reputed contractor, and to the construction lender, if any, or to the reputed construction lender, if any, a written preliminary notice as prescribed by this section.

(b) Except the contractor, or one performing actual labor for wages, or an express trust fund described in Section 3111, all persons who have a direct contract with the owner and who furnish labor,

service, equipment, or material for which a lien otherwise can be claimed under this title, or for which a notice to withhold can otherwise be given under this title, must, as a necessary prerequisite to the validity of any claim of lien, and of a notice to withhold, cause to be given to the construction lender, if any, or to the reputed construction lender, if any, a written preliminary notice as prescribed by this section.

(c) The preliminary notice referred to in subdivisions (a) and (b) shall be given not later than 20 days after the claimant has first furnished labor, service, equipment, or materials to the jobsite, and shall contain the following information:

(1) A general description of the labor, service, equipment, or materials furnished, or to be furnished, and if there is a construction lender, he shall be furnished with an estimate of the total price thereof in addition to the foregoing.

(2) The name and address of such person furnishing such labor, service, equipment, or materials.

(3) The name of the person who contracted for purchase of such labor, service, equipment, or materials.

(4) A description of the jobsite sufficient for identification.

(5) The following statement in boldface type:

NOTICE TO PROPERTY OWNER

If bills are not paid in full for the labor, services, equipment, or materials furnished or to be furnished, a mechanic's lien leading to the loss, through court foreclosure proceedings, of all or part of your property being so improved may be placed against the property even though you have paid your contractor in full. You may wish to protect yourself against this consequence by (1) requiring your contractor to furnish a signed release by the person or firm giving you this notice before making payment to your contractor or (2) any other method or device which is appropriate under the circumstances.

(6) If such notice is given by a subcontractor who is required pursuant to a collective-bargaining agreement to pay supplemental fringe benefits into an express trust fund described in Section 3111, such notice shall also contain the identity and address of such trust fund or funds.

If an invoice for such materials contains the information required by this section, a copy of such invoice, transmitted in the manner prescribed by this section shall be sufficient notice.

A certificated architect, registered engineer, or licensed land surveyor who has furnished services for the design of the work of improvement and who gives a preliminary notice as provided in this section not later than 20 days after the work of improvement has commenced shall be deemed to have complied with subdivisions (a) and (b) with respect to architectural, engineering, or surveying services furnished, or to be furnished.

(d) If labor, service, equipment, or materials have been furnished to a jobsite by a person who elected not to give a preliminary notice as provided in subdivision (a) or (b), such person shall not be precluded from giving a preliminary notice not later than 20 days after furnishing other labor, service, equipment, or materials to the same jobsite. Such person shall, however, be entitled to claim a lien and a notice to withhold only for such labor, service, equipment, or material furnished within 20 days prior to the service of such notice, and at any time thereafter.

(e) Any agreement made or entered into by an owner, whereby the owner agrees to waive the rights or privileges conferred upon him by this section shall be void and of no effect.

(f) The notice required under this section may be served as follows·

(1) If the person to be notified resides in this state, by delivering the notice personally, or by leaving it at his address of residence or place of business with some person in charge, or by first-class registered or certified mail, postage prepaid, addressed to the person to whom notice is to be given at his residence or place of business address or at the address shown by the building permit on file with the authority issuing a building permit for the work, or at an address recorded pursuant to subdivision (j) of this section.

(2) If the person to be notified does not reside in this state, by any method enumerated in paragraph (1) of this subdivision If such person cannot be served by any of such methods, then notice may be given by first-class certified or registered mail, addressed to the construction lender or to the original contractor.

(3) When service is made by first-class certified or registered mail, service is complete at the time of the deposit of such registered or certified mail.

(g) A person required by this section to give notice to the owner and to an original contractor, and to a person to whom a notice to withhold may be given, need give only one such notice to the owner, and to the original contractor and to the person to whom a notice to withhold may be given with respect to all materials, service, labor, or equipment he furnishes for a work of improvement, which means the entire structure or scheme of improvements as a whole, unless the same is furnished under contracts with more than one subcontractor, in which event, the notice requirements must be met with respect to materials, services, labor, or equipment furnished to each such contractor.

If a notice contains a general description required by subdivision (a) or (b) of the materials, services, labor, or equipment furnished to the date of notice, it is not defective because, after such date, the person giving notice furnishes materials, services, labor, or equipment not within the scope of such general description

(h) Where the contract price to be paid to any subcontractor on a particular work of improvement exceeds four hundred dollars ($400), the failure of that contractor, licensed under Chapter 9

(commencing with Section 7000) of Division 3 of the Business and Professions Code, to give the notice provided for in this section, constitutes grounds for disciplinary action by the Registrar of Contractors.

Where such notice is required to contain the information set forth in paragraph (6) of subdivision (c), a failure to give such notice, including such information, that results in the filing of a lien or the delivery of a stop notice by the express trust fund to which such obligation is owing constitutes grounds for disciplinary action by the Registrar of Contractors against the subcontractor if the amount due such trust fund is not paid.

(i) Every city, county, city and county, or other governmental authority issuing building permits shall, in its application form for a building permit, provide space and a designation for the applicant to enter the name, branch, designation, if any, and address of the construction lender and shall keep the information on file open for public inspection during the regular business hours of the authority.

If there is no known construction lender, that fact shall be noted in such designated space. Any failure to indicate the name and address of the construction lender on such application, however, shall not relieve any person from the obligation to give to the construction lender the notice required by this section.

(j) A mortgage, deed of trust, or other instrument securing a loan, any of the proceeds of which may be used for the purpose of constructing improvements on real property, shall bear the designation "Construction Trust Deed" prominently on its face and shall state all of the following: (1) the name and address of the lender, and the name and address of the owner of the real property described in the instrument, and (2) a legal description of the real property which secures the loan and, if known, the street address of the property The failure to be so designated or to state any of the information required by this subdivision shall not affect the validity of any such mortgage, deed of trust, or other instrument.

Failure to provide such information on such an instrument when recorded shall not relieve persons required to give preliminary notice under this section from such duty.

The county recorder of the county in which such instrument is recorded shall indicate in the general index of the official records of the county that such instrument secures a construction loan.

(k) Every contractor and subcontractor who is required pursuant to a collective-bargaining agreement to pay supplementary fringe benefits into an express trust fund described in Section 3111, and who has failed to do so shall cause to be given to such fund and to the construction lender, if any, or to the reputed construction lender, if any, not later than the date such payment due to such fund became delinquent, a written notice containing:

(1) The name of the owner and the contractor

(2) A description of the jobsite sufficient for identification.

(3) The identity and address of the express trust fund.

(4) The total number of straight time and overtime hours on each such job, payment for which the contractor or subcontractor is delinquent to the express trust.

(5) The amount then past due and owing

Failure to give such notice shall constitute grounds for disciplinary action by the Registrar of Contractors

(*l*) Every written contract entered into between a property owner and an original contractor shall provide space for the owner to enter his name and address of residence; and place of business if any. The original contractor shall make available the name and address of residence of the owner to any person seeking to serve notice required by this section.

CHAPTER 376

An act to amend Section 2601 of the Elections Code, and to amend Section 36503 of, and to add Section 36504 to, the Government Code, relating to municipal elections.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 2601 of the Elections Code is amended to read.

2601. Except as provided in Sections 34329.1 and 36504 of the Government Code, a general municipal election shall be held on the second Tuesday in April of even-numbered years.

SEC 2. Section 36503 of the Government Code is amended to read:

36503. Unless otherwise required by Section 34329.1 and except as authorized by Section 36504, a general municipal election shall be held on the second Tuesday in April 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. 3. Section 36504 is added to the Government Code, to read:

36504. (a) A city, containing a population of 10,000 or less and situated in a county of the 50th class, as set forth in Section 28071, may enact an ordinance requiring its general municipal election to be held on the same day as the statewide general election

(b) The provisions of subdivision (a) shall apply at the second ensuing municipal election occurring after the enactment of the ordinance

However, the general municipal election immediately following the adoption of the ordinance shall be held on the second Tuesday in April in the next ensuing even-numbered year following the adoption of the ordinance. At such election the city clerk shall cause a notice to be included in the sample ballot mailings informing the voters of the change in the election date. Such notice shall also inform the voters that as a result in the change in the election date, elected city officeholders' terms in office will be extended.

If a city adopts an ordinance pursuant to subdivision (a), the second ensuing municipal election following the adoption of the ordinance and each municipal election thereafter shall be conducted on the date specified in subdivision (a), unless the ordinance in question is later repealed by the legislative body.

CHAPTER 377

An act to amend Section 5594 of the Public Resources Code, relating to regional park districts.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 5594 of the Public Resources Code is amended to read.

5594. All contracts for furnishing materials or supplies, or for constructing any building, structure, or improvement, when the expenditures will exceed the sum of five thousand dollars ($5,000), shall be let to the lowest responsible bidder, after notice inviting bids, published in a newspaper in the district at least one week before the time of receiving bids. The board of directors may reject all bids and readvertise, or by a five-sevenths vote may elect to purchase the materials or supplies in the open market, or to construct the building, structure, or improvement by force account.

CHAPTER 378

An act to amend Section 220 of the Streets and Highways Code, relating to safety roadside rests

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 220 of the Streets and Highways Code is amended to read:

220. In designing safety roadside rests, the department shall design only those safety roadside rests which are reasonably economical and which will provide the motorist a place where he may stop for a short time during daytime and nighttime hours. The Legislature recognizes that the size of such safety roadside rests, together with the facilities therein, will differ according to location and potential use. Such safety roadside rests may contain, among other things, depending upon the size and use thereof, parking places for vehicles, picnic tables, sanitary facilities, telephones, water, landscaping, tourist information panels, traveler service information facilities, and facilities for the distribution of current news. Such safety roadside rests shall not contain camping or recreational facilities.

The safety roadside rests located on that portion of Route 5 in the Sacramento-San Joaquin Delta area may also contain displays and examples of California agriculture.

CHAPTER 379

An act to amend Sections 99233.5, 125050, 125052, 125105, and 125260 of, and to add Section 125352 to, the Public Utilities Code, relating to transportation.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 99233.5 of the Public Utilities Code is amended to read:

99233.5. (a) One percent of the remaining money in the fund for the areas under the jurisdiction of the transit development boards created pursuant to Division 11 (commencing with Section 120000) and Division 11.5 (commencing with Section 125000) shall be allocated for transportation planning pursuant to Sections 120300 and 125301 to the council of governments that is the transportation planning agency for those areas.

(b) (1) Up to 10 percent of the remaining money for the area under the jurisdiction of a transit development board created pursuant to Division 11 (commencing with Section 120000) shall be allocated to the transit development board to carry out its powers, duties, and functions.

(2) Thereafter, the remaining money for allocation in that area shall be allocatd by the transportation planning agency to claimants

as directed by the transit development board.

(c) An agency, board, or commission shall receive the same percent of funds for the 1978–79 and 1979–80 fiscal years under Section 99233.2 and this section that it received under Section 99233.2 and this section in the 1977–78 fiscal year

SEC. 2. Section 125050 of the Public Utilities Code is amended to read:

125050. There is hereby created, in that portion of the County of San Diego as described in Section 125051, the North San Diego County Transit Development Board The board shall consist of seven members selected as follows:

(a) One member of the San Diego County Board of Supervisors appointed by the board of supervisors, which member shall represent, on the board of supervisors, the largest portion of the area under the jurisdiction of the transit development board.

(b) One member of each of the City Councils of the Cities of Carlsbad, Del Mar, Escondido, Oceanside, San Marcos, and Vista, appointed by the respective city council.

SEC. 3. Section 125052 of the Public Utilities Code is amended to read·

125052. The area of jurisdiction of the board shall consist of the following areas:

(a) The Cities of Carlsbad, Del Mar, Escondido, Oceanside, San Marcos, and Vista

(b) Camp Joseph H Pendleton

(c) The unincorporated areas of San Diego County lying within census tracts: 170.04 (but excluding that portion lying east of the eastern boundary of the City of San Digeo), 171.00, 173.00, 174.01, 174 02, 175 00, 176 00, 177.00, 178.02, 185.02, 185.03, 186.01, 186.02, 188.00, 189 01, 189 02, 190.00, 191 01, 191.02, 192.01, 192.02, 193.00, 194.00, 196.00, 197.00, 198.00, 199.00, 200.01, 200.02, 200.03, 201.01, 201.02, 202.03, 202.05, 203 00, 204.00, 206 02, 207.01, 207.02, and 208.00, as set forth in the 1970 decennial census maps for the State of California on file with the Bureau of the Census, Department of Commerce, Washington, D C.

SEC. 4 Section 125105 of the Public Utilities Code is amended to read·

125105 The board shall:

(a) Acquire, construct, maintain, and operate (or let a contract to operate) public transit systems and related facilites.

(b) Adopt an annual budget and fix the compensation of its officers and employees

(c) Adopt an administrative code, by ordinance, which shall prescribe the powers and duties of board officers, the method of appointment of board employees, and methods, procedures, and systems of operation and management of the board

(d) Cause a postaudit of the financial transactions and records of the board to be made at least annually by a certified public accountant

(e) Appoint such advisory commissions as it deems necessary.

(f) Do any and all things necessary to carry out the purposes of this division.

SEC. 5. Section 125260 of the Public Utilities Code is amended to read:

125260. The board shall plan, construct, and operate (or let a contract to operate) public transit systems in conformance with the regional transportation plan developed pursuant to Chapter 2.5 (commencing with Section 65080) of Title 7 of the Government Code and the five-year transportation improvement program developed pursuant to Section 134 of Title 23 of the United States Code.

SEC. 6. Section 125352 is added to the Public Utilites Code, to read:

125352. It is the intent of this section that no other public entity within the area of the board's jurisdiction shall file application for funds for public transportation under Chapter 4 (commencing with Section 99200) of Part 11 of Division 10. The board may disburse funds received to public mass transit operators and systems within its jurisdiction in accordance with requirements of state law.

CHAPTER 380

An act to amend Section 12981 of the Food and Agricultural Code, relating to pesticides.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 12981 of the Food and Agricultural Code is amended to read:

12981. The director shall adopt regulations to carry out the provisions of this article. Such regulations shall include, but are not limited to, all of the following subjects:

(a) Restricting worker re-entry into areas treated with pesticides determined by the director to be hazardous to worker safety by either or both of the following:

(1) Time limits.

(2) Pesticide residue levels on treated plant parts determined by scientific analysis to not be a significant factor in cholinesterase depression or other health effects.

When the director has adopted regulations pursuant to both paragraphs (1) and (2), the person in control of the area treated with the pesticide shall have the option of following regulations enacted pursuant to either paragraph (1) or (2).

(b) Handling of pesticides.

(c) Handwashing facilities.

(d) Farm storage and commercial warehousing of pesticides.

(e) Protective devices, including, but not limited to, respirators and eyeglasses.

(f) Posting, in English and Spanish, of fields, areas, adjacent areas or fields, or storage areas.

The State Department of Health Services shall participate in the development of any regulations adopted pursuant to this article. Such regulations that relate to health effects shall be based upon the recommendations of the State Department of Health Services. The original written recommendations of the State Department of Health Services, any subsequent revisions of those recommendations, and the supporting evidence and data upon which the recommendations were based shall be made available upon request to any person.

SEC. 2. Section 12981 of the Food and Agricultural Code is amended to read:

12981. The director shall adopt regulations to carry out the provisions of this article. Such regulations shall include, but are not limited to, all of the following subjects:

(a) Restricting worker reentry into areas treated with pesticides determined by the director to be hazardous to worker safety by either or both of the following:

(1) Time limits.

(2) Pesticide residue levels on treated plant parts determined by scientific analysis to not be a significant factor in cholinesterase depression or other health effects.

When the director has adopted regulations pursuant to both paragraphs (1) and (2), the person in control of the area treated with the pesticide shall have the option of following regulations enacted pursuant to either paragraph (1) or (2).

(b) Handling of pesticides.

(c) Handwashing facilities

(d) Farm storage and commercial warehousing of pesticides.

(e) Protective devices, including, but not limited to, respirators and eyeglasses.

(f) Posting, in English and Spanish, of fields, areas, adjacent areas or fields, or storage areas

The State Department of Health Services shall participate in the development of any regulations adopted pursuant to this article, and the director shall consult with the Department of Industrial Relations prior to the adoption of such regulations. Such regulations that relate to health effects shall be based upon the recommendations of the State Department of Health Services. The original written recommendations of the State Department of Health Services, any subsequent revisions of those recommendations, and the supporting evidence and data upon which the recommendations were based shall be made available upon request to any person

SEC. 3. It is the intent of the Legislature, if this bill and Senate Bill 684 are both chaptered and become effective January 1, 1980, both bills amend Section 12981 of the Food and Agricultural Code, and this bill is chaptered after Senate Bill 684, that the amendments to Section 12981 proposed by both bills be given effect and incorporated in Section 12981 in the form set forth in Section 2 of this act. Therefore, Section 2 of this act shall become operative only if this bill and Senate Bill 684 are both chaptered and become effective January 1, 1980, both amend Section 12981, and this bill is chaptered after Senate Bill 684, in which case Section 1 of this act shall not become operative.

CHAPTER 381

An act to amend Sections 26603 and 71264 of the Government Code, relating to peace officers.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 26603 of the Government Code is amended to read·

26603. Whenever required, the sheriff shall attend all superior courts held within his county provided, however, that a sheriff shall attend a civil action only if the presiding judge or his designee makes a determination that the attendance of the sheriff at such action is necessary for reasons of public safety. The sheriff shall obey all lawful orders and directions of all courts held within his county.

SEC. 2. Section 71264 of the Government Code is amended to read·

71264. Whenever required, marshals and constables shall attend the municipal and justice courts of the district in which they are appointed or elected to act; provided, however, that a marshal or constable shall attend a civil action only if the presiding judge or his designee makes a determination that the attendance of the marshal or constable at such action is necessary for reasons of public safety. Within their counties they shall execute, serve, and return all writs, processes, and notices directed or delivered to them by municipal and justice courts or by other competent authority. A constable of a justice court, or a marshal of a municipal court who is authorized by law to appoint not more than four deputies, shall not be required to travel outside of his district to serve any civil process or notice. With respect to proceedings in the municipal or justice court, the marshal or constable of the court has all the powers and duties imposed by law upon the sheriff with respect to proceedings in the superior court

CHAPTER 382

An act to amend Section 10500 of, and to add Section 1531.5 to, the Water Code, relating to water.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 1531.5 is added to the Water Code, to read:

1531.5. For power purposes, for each 200 theoretical horsepower or fraction thereof resulting from direct diversion, the fee is at the rate of one dollar ($1) per 200 theoretical horsepower. This rate and the resulting fee shall be in lieu of rates otherwise provided in this article.

SEC. 2. Section 10500 of the Water Code is amended to read:

10500. The department shall make and file applications for any water which in its judgment is or may be required in the development and completion of the whole or any part of a general or coordinated plan looking toward the development, utilization, or conservation of the water resources of the state.

Any application filed pursuant to this part shall be made and filed pursuant to Part 2 (commencing with Section 1200) of Division 2 of this code and the rules and regulations of the State Water Resources Control Board relating to the appropriation of water insofar as applicable thereto.

Applications filed pursuant to this part shall have priority, as of the date of filing, over any application made and filed subsequent thereto. Until January 1, 1984, or such later date as may be prescribed by further legislative enactment, the statutory requirements of Part 2 (commencing at Section 1200) of Division 2 relating to diligence shall not apply to applications filed under this part, except as otherwise provided in Section 10504.

CHAPTER 383

An act to amend Sections 66426, 66434, 66445, and 66498 of, and to add Section 66424.6 to, the Government Code, relating to subdivisions.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 66424.6 is added to the Government Code, to read:

66424 6 When a subdivision, as defined in Section 66424, is of a portion of any unit or units of improved or unimproved land, the subdivider may designate as a remainder that portion which is not divided for the purpose of sale, lease, or financing.

For such a designated remainder parcel, the fulfillment of construction requirements for improvements shall not be required until such time as a permit or other grant of approval for development of the remainder parcel is issued by the local agency or, where provided by local ordinance, until such time as the construction of such improvements is required pursuant to an agreement between the subdivider and the local agency. In the absence of such an agreement, a local agency may require fulfillment of such construction requirements within a reasonable time following approval of the final map and prior to the issuance of a permit or other grant of approval for the development of a remainder parcel upon a finding by the local agency that fulfillment of the construction requirements is necessary for reasons of.

(1) The public health and safety; or

(2) The required construction is a necessary prerequisite to the orderly development of the surrounding area.

SEC. 2 Section 66426 of the Government Code is amended to read:

66426 A tentative and final map shall be required for all subdivisions creating five or more parcels, five or more condominiums as defined in Section 783 of the Civil Code, or a community apartment project containing five or more parcels, except where:

(a) The land before division contains less than five acres, each parcel created by the division abuts upon a maintained public street or highway and no dedications or improvements are required by the legislative body, or

(b) Each parcel created by the division has a gross area of 20 acres or more and has an approved access to a maintained public street or highway, or

(c) The land consists of a parcel or parcels of land having approved access to a public street or highway which comprises part of a tract of land zoned for industrial or commercial development, and which has the approval of the governing body or advisory agency as to street alignments and widths, or

(d) Each parcel created by the division has a gross area of not less than 40 acres or is not less than a quarter of a quarter section.

A parcel map shall be required for those subdivisions described in subdivisions (a), (b), (c), and (d).

SEC 3 Section 66434 of the Government Code is amended to read

66434 The final map shall be prepared by or under the direction of a registered civil engineer or licensed land surveyor, shall be based upon a survey, and shall conform to all of the following provisions.

(a) It shall be legibly drawn, printed, or reproduced by a process

guaranteeing a permanent record in black on tracing cloth or polyester base film. Certificates, affidavits, and acknowledgments may be legibly stamped or printed upon the map with opaque ink. If ink is used on polyester base film, the ink surface shall be coated with a suitable substance to assure permanent legibility

(b) The size of each sheet shall be 18 by 26 inches. A marginal line shall be drawn completely around each sheet, leaving an entirely blank margin of one inch The scale of the map shall be large enough to show all details clearly and enough sheets shall be used to accomplish this end The particular number of the sheet and the total number of sheets comprising the map shall be stated on each of the sheets, and its relation to each adjoining sheet shall be clearly shown

(c) All survey and mathematical information and data necessary to locate all monuments and to locate and retrace any and all interior and exterior boundary lines appearing thereon shall be shown, including bearings and distances of straight lines, and radii and arc length or chord bearings and length for all curves, and such information as may be necessary to determine the location of the centers of curves and ties to existing monuments used to establish the subdivision boundaries

(d) Each parcel shall be numbered and each block may be numbered or lettered Each street shall be named.

(e) The exterior boundary of the land included within the subdivision shall be indicated by distinctive symbols and clearly so designated The map shall show the definite location of the subdivision, and particularly its relation to surrounding surveys. The location of a designated "remainder" parcel shall be indicated, but need not be indicated as a matter of survey but only by deed reference to the existing boundaries of such remainder if such remainder has a gross area of five acres or more.

(f) When a soils report, a geologic report, or soils and geologic reports have been prepared specifically for the subdivision, such fact shall be noted on the final map, together with the date of such report or reports, the name of the engineer making the soils report and geologist making the geologic report and the location where the reports are on file pursuant to Section 66434 5

(g) It shall also satisfy any additional survey and map requirements of local ordinances.

SEC 4. Section 66445 of the Government Code is amended to read

66445 The parcel map shall be prepared by or under the direction of a registered civil engineer or licensed land surveyor, shall show the location of streets and property lines bounding the property and shall conform to all of the following provisions

(a) It shall be legibly drawn, printed or reproduced by a process guaranteeing a permanent record in black on tracing cloth or polyester base film Certificates may be legibly stamped or printed upon the map with opaque ink If ink is used on polyester base film, the ink surface shall be coated with a suitable substance to assure

permanent legibility.

(b) The size of each sheet shall be 18 by 26 inches. A marginal line shall be drawn completely around each sheet, leaving an entirely blank margin of one inch. The scale of the map shall be large enough to show all details clearly and enough sheets shall be used to accomplish this end. The particular number of the sheet and the total number of sheets comprising the map shall be stated on each of the sheets, and its relation to each adjoining sheet shall be clearly shown.

(c) Each parcel shall be numbered or otherwise designated.

(d) The exterior boundary of the land included within the subdivision shall be indicated by distinctive symbols and clearly so designated.

(e) The map shall show the location of each parcel and its relation to surrounding surveys. The location of a designated remainder parcel shall be indicated but need not be indicated as a matter of survey but only by deed reference to the existing record boundaries of such remainder if such remainder has a gross area of five acres or more.

(f) Subject to the provisions of Section 66436, a certificate, signed and acknowledged by all parties having any record title interest in the real property subdivided, consenting to the preparation and recordation of the parcel map is required, except that less inclusive requirements may be provided by local ordinance.

However, with respect to a division of land into four or fewer parcels, where dedications or offers of dedications are not required, the certificate shall be signed and acknowledged by the subdivider only; provided, however, where a subdivider does not have a record title ownership interest in the property to be divided, the local agency may require that the subdivider provide the local agency with satisfactory evidence that the persons with record title ownership have consented to the proposed division. For purposes of this paragraph, "record title ownership" shall mean fee title of record unless a leasehold interest is to be divided, in which case "record title ownership" shall mean ownership of record of such leasehold interest; "record title ownership" does not include ownership of mineral rights or other subsurface interests which have been severed from ownership of the surface.

(g) It shall also satisfy any additional map requirements of local ordinances consistent with this division.

SEC. 5. Section 66498 of the Government Code is amended to read:

66498. In the event of the death, disability or retirement from practice of the engineer or surveyor charged with the responsibility for setting monuments, or in the event of his refusal to set such monuments, the legislative body may direct the county surveyor or city engineer, or such engineer or surveyor as it may select, to set such monuments. If the original engineer or surveyor is replaced by another, the former may, by letter to the county surveyor or city engineer, release his obligation to set the final monuments to the

surveyor or engineer who replaced him. When the monuments are so set, the substitute engineer or surveyor shall amend any map filed pursuant to this division in accordance with the provisions of Sections 66469 to 66472, inclusive. All provisions of this article relating to payment shall apply to the services performed by the substituted engineer or surveyor.

CHAPTER 384

An act to amend Sections 1033, 1035.5, 1063 1, and 1063 12 of the Insurance Code, relating to insurance.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 1033 of the Insurance Code is amended to read

1033. Claims allowed in a proceeding under this article shall be given preference in the following order:

1. Expense of administration.
2. Unpaid charges due under the provisions of Section 736.
3. Taxes due to the State of California.
4. Claims having preference by the laws of the United States and by laws of this state.
5. All claims of the California Insurance Guarantee Association and associations or entities performing a similar function in other states, together with claims for refund of unearned premiums and all claims of policyholders of an insolvent insurer that are not covered claims.

Claims excluded by paragraphs (3) (except claims for refund of unearned premiums), (4), (5), (7), and (8) of subdivision (c) of Section 1063 1 and subdivisions (g) and (h) of Section 1063.2 shall be excluded from this priority.

6 All other claims.

Upon the issuance of an order appointing a conservator or liquidator for any person under the provisions of either Section 1011 or 1016 or both such sections, the lien of taxes due to the State of California imposed by Article 4 (commencing with Section 12491), Chapter 4, Part 7, Division 2 of the Revenue and Taxation Code shall become subordinate to the reasonable administrative expenses of the proceeding under said order

SEC. 2. Section 1035 5 of the Insurance Code is amended to read

1035.5. Notwithstanding the provisions of Article 14 (commencing with Section 1010) of this chapter, with regard only to those insurers subject to this article

(a) Within 120 days of the issuance of an order directing the

winding up and liquidation of the business of an insolvent insurer under Section 1016, the commissioner shall make application to the court for approval of a proposal to disburse such insurer's assets, from time to time as such assets become available, to the California Insurance Guarantee Association and to any entity or person performing a similar function in another state.

(b) Such proposal shall at least include the following provisions for:

(1) Reserving amounts for the payment of expenses of administration and the payment of claims of secured creditors (to the extent of the value of the security held) and claims falling within the priorities established in subdivisions (1) to (4), inclusive, of Section 1033.

(2) Disbursement of the assets marshaled to date and subsequent disbursements of assets as they become available.

(3) Equitable allocation of disbursements to each of the associations entitled thereto.

(4) The securing by the commissioner from each of the associations entitled to disbursements pursuant to this section of an agreement to return to the commissioner such assets previously disbursed as may be required to pay claims of secured creditors and claims falling within the priorities established in subdivisions 1 to 5, inclusive, of Section 1033 in accordance with such priorities. No bond shall be required of any such association.

(5) A full report to be made by the association to the commissioner accounting for all assets so disbursed to the association, all disbursements made therefrom, any interest earned by the association on such assets and any other matter as the court may direct.

(c) The commissioner's proposal shall provide for disbursements to the associations in amounts estimated at least equal to the claim payments made or to be made by the associations for which such associations could assert a claim against the commissioner, and shall further provide that if the assets available for disbursement from time to time do not equal or exceed the amount of such claim payments made or to be made by the associations then disbursements shall be in the amount of available assets. The reserves of the insolvent insurer on the date of the order of liquidation shall be used for purposes of determining the pro rata allocation of funds among eligible associations.

(d) Notice of such application shall be given to the associations in and to the commissioners of insurance of each of the states Any such notice shall be deemed to have been given when deposited in the United States certified mails, first-class postage prepaid, at least 30 days prior to submission of such application to the court. Action on the application may be taken by the court provided the above required notice has been given and provided further that the commissioner's proposal complies with paragraphs (1) and (4) of subdivision (b)

SEC. 3. Section 1063.1 of the Insurance Code is amended to read:

1063.1. As used in this article:

(a) "Member insurer" means an insurer required to be a member of the association in accordance with the provisions of subdivision (a) of Section 1063, except and to the extent that such insurer is participating in an insolvency program adopted by the United States government.

(b) "Insolvent insurer" means a member insurer for which a domiciliary or ancillary liquidator has been appointed in this state after the effective date of this article.

(c) (1) "Covered claims" means the obligations of an insolvent insurer, (i) imposed by law and arising out of an insurance policy of the insolvent insurer; (ii) which were unpaid by the insolvent insurer; (iii) which are presented as a claim to the liquidator in this state or to the association on or before the last date fixed for the filing of claims in the domiciliary liquidating proceedings; (iv) which were incurred prior to, on, or within 30 days after the date the liquidator was appointed; (v) for which the assets of the insolvent insurer are insufficient to discharge in full; (vi) in the case of a policy of workers' compensation insurance, to provide workers' compensation benefits under the Workers' Compensation Law of this state and (vii) in the case of other classes of insurance if such policy is issued to a resident of this state or claim against an insured thereunder is made by a resident of this state.

(2) "Covered claims" shall not include any obligations arising from life, title, surety, disability, credit, mortgage, or mortgage guaranty insurance, nor arising from a policy of ocean marine insurance.

(3) "Covered claims" shall not include any obligations to refund unearned premiums, nor any obligations of the insolvent insurer arising out of any reinsurance contracts, nor any obligations incurred after the expiration date of the insurance policy or after the insurance policy has been replaced by the insured or canceled at the insured's request or after the insurance policy has been canceled by the association as provided in this chapter, nor any obligations to any state or to the federal government.

(4) "Covered claims" shall not include any obligations to insurers, insurance pools, or underwriting associations, except as otherwise provided in this chapter.

(5) "Covered claims," except in the case of a claim for workers' compensation benefits, shall not include any claim in an amount of one hundred dollars ($100) or less, nor the first one hundred dollars ($100) of any claim in excess of one hundred dollars ($100), nor that portion of any claim which is in excess of any applicable limits provided in the insurance policy issued by the insolvent insurer

(6) "Covered claims" shall not include that portion of any claim, other than a claim for workers' compensation benefits, which is in excess of five hundred thousand dollars ($500,000)

(7) "Covered claims" shall not include (a) any claim to the extent

it is covered by any other insurance of a class covered by the provisions of this article available to the claimant nor (b) any claim by any person other than the original claimant under the insurance policy in his own name, his executor, administrator, guardian or other personal representative or trustee in bankruptcy and shall not include any claim asserted by an assignee or one claiming by right of subrogation, except as otherwise provided in this chapter.

(8) "Covered claims" shall not include any obligations arising out of the issuance of an insurance policy written by the separate division of the State Compensation Insurance Fund pursuant to the provisions of Sections 11802 and 11803

(9) "Covered claims" shall not include any obligations of the insolvent insurer arising from any policy or contract of insurance issued or renewed prior to the insolvent insurer's admission to transact insurance in the State of California.

(d) "Admitted to transact insurance in this state" means an insurer possessing a valid certificate of authority issued by the California Department of Insurance.

SEC. 4 Section 1063.12 of the Insurance Code is amended to read.

1063 12. (a) The association, its member insurers, and its officers, directors, agents or employees of the association, or its member insurers, shall under no circumstances be liable for any sum in excess of the amount of covered claims of the insolvent insurer, as defined under subdivision (c) of Section 1063.1 of this article and the costs of administration and the costs of loss adjustment, investigation and defenses relating to claims thereunder.

(b) Any person or member made a party to any action, suit or proceeding because such person or member served on the board of governors or on a committee or was an officer or employee of the association shall be held harmless and be indemnified by the association against all liability and costs (including the amounts of judgments, settlements, fines or penalties) and expenses incurred in connection with such action, suit or proceeding; provided, however, such indemnification shall not be provided on any matter in which the person or member shall be finally adjudged in any such action, suit or proceeding to have committed a breach of duty involving gross negligence, dishonesty, willful misfeasance or reckless disregard of the responsibilities of his office.

(c) The costs and expenses of such indemnification shall be prorated and paid for by the members in the same manner as provided in the plan of operations for the proration of premiums

(d) The provisions of this section shall not be construed as creating any right in any third person, and shall be applicable only as between the association and its member insurers and its officers, directors, agents, or employees of the association or its member insurers

CHAPTER 385

An act to amend Sections 17010, 17030, 17031, and 17052 of, and to add Section 17031.5 to, the Health and Safety Code, relating to employee housing.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 17010 of the Health and Safety Code is amended to read:

17010. (a) "Temporary labor camp," as used in this part, means a labor camp which is not operated on the same site annually and which is established for one operation and is then removed.

(b) "Seasonal labor camp," as used in this part, means any camp which is operated annually on the same site and which is occupied for not more than 180 days in any calendar year.

(c) "Permanent labor camp," as used in this part, means any labor camp which is not temporary or seasonal.

(d) "Permanent housing," as used in this part, means single-family detached dwellings subject to this part, constructed and maintained in accordance with the State Housing Law, including required permits and inspections. Each such dwelling shall be inhabited by only one family, which includes at least one permanent year-round employee.

SEC. 2. Section 17030 of the Health and Safety Code is amended to read:

17030. Every person operating a labor camp shall obtain a permit to operate such labor camp from the enforcement agency, unless otherwise exempted by the provisions of this part. It shall be unlawful for any person to operate a labor camp without a valid permit to operate issued by the enforcement agency, as required by this part. Permits to operate shall be issued annually by the enforcement agency. A labor camp on a farm, which meets the requirements of Section 32505 of the Food and Agricultural Code, consisting only of permanent housing may be exempted from the requirement of obtaining a permit to operate a labor camp, as provided in Section 17031. Such housing shall meet the requirements of the State Housing Law before an exemption is granted. Permits to operate a labor camp may prescribe conditions on the use or occupancy of a labor camp. The Department of Housing and Community Development shall be the enforcement agency for any labor camp owned or operated by a railroad corporation

SEC. 3. Section 17031 of the Health and Safety Code is amended to read:

17031. (a) The operator of a labor camp on a farm, which meets the requirements of Section 32505 of the Food and Agricultural

Code, consisting only of permanent housing may request an exemption from the requirement of obtaining an annual permit to operate The labor camp operator shall notify each tenant of the permanent housing in writing that such an exemption is being requested. Such a request for exemption shall be made in writing to the enforcement agency.

An exemption shall be granted to permanent housing unless such housing is in violation of the State Housing Law or regulations adopted pursuant thereto in a manner which materially affects the health and safety of the occupants, or in the case of a mobilehome, is in violation of the National Mobile Home Construction and Safety Act of 1974 (42 U.S.C. 5401, et seq.) or regulations of the commission pursuant to Section 18056 5 of the Health and Safety Code in a manner which materially affects the health and safety of the occupants, or has been found in violation of this chapter within the previous two years

(b) Whenever the enforcement agency issues an exemption from the requirement of obtaining a permit to operate, it shall make written findings indicating the reasons for issuing such an exemption. Exemptions shall be reviewed annually by the enforcement agency.

The findings of the enforcement agency shall include, but not be limited to, the following information:

(1) The year the dwellings on the labor camp were constructed.

(2) The number of years the labor camp has been operated with a valid permit to operate.

(3) The number and character of any complaints received during the time the labor camp has been operating either with or without a permit

(4) Any violations cited in the last inspection of the labor camp.

(c) Failure to maintain any permanent housing in accordance with the State Housing Law, or, in the case of mobilehomes, failure to maintain such mobilehomes in accordance with the provisions of Part 2.1 (commencing with Section 18200) of Division 13 of this code, and the regulations adopted pursuant thereto, in a manner which materially affects the health and safety of the occupants, shall be considered cause for revocation of an exemption.

SEC. 4 Section 17031.5 is added to the Health and Safety Code, to read·

17031.5. (a) No person operating a labor camp consisting only of permanent housing granted an exemption pursuant to Section 17031 shall terminate or modify a tenancy by increasing rent, decreasing services, threatening to bring or bringing an action to evict, refusing to renew a tenancy, or in any other way intimidating, threatening, restraining, coercing, blacklisting, or discharging an employee or tenant because of the tenant's exercise of any of the following acts.

(1) Complaining in good faith, orally or in writing, to the landlord or employer about tenantability or about any right provided for by this part

(2) Exercising any legal right with respect to the housing

provided for by this part.

(3) Complaining in good faith, orally or in writing, to any applicable enforcement agency about tenantability or about any right provided for by this part.

(4) Bringing an action to enforce any rights provided for by this part or Chapter 2 (commencing with Section 1940) of Title 5 of Part 4 of Division 3 of the Civil Code.

(b) The tenant shall have a defense of retaliation in any action for possession if the employer or landlord acted in violation of this section If the employer or landlord acts to modify or terminate a tenancy within six months after the employee or tenant has exercised any of the acts enumerated in subdivision (a), there is a rebuttable presumption affecting the burden of proof that the employer's or landlord's action was retaliatory.

(c) No tenant shall have a defense of retaliation in an action for possession where tenantability is an issue of fact and the untenantable condition was caused by the deliberate or negligent act or omission of the tenant or a member of his or her family, or other persons on the premises with his or her consent.

SEC 5 Section 17052 of the Health and Safety Code is amended to read

17052. The enforcement agency shall annually enter and inspect all registered labor camps; except labor camps consisting only of permanent housing which have been granted an exemption as provided in Section 17031, and all accommodations, equipment, or paraphernalia connected therewith and shall make such reinspection as deemed necessary to assure compliance with the current provisions of this part and the regulations adopted pursuant thereto. The enforcement agency shall make every effort to complete such inspection prior to the occupancy of such labor camps.

SEC. 6. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code

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CHAPTER 386

An act to amend Section 1707 of, and to repeal Chapter 10 (commencing with Section 10101) of Part 1 of Division 2 of, the Insurance Code, relating to insurance.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Chapter 10 (commencing with Section 10101) of Part 1 of Division 2 of the Insurance Code is repealed.

SEC. 2. Section 1707 of the Insurance Code is amended to read:

1707 Each notice of appointment or notice of termination of appointment filed pursuant to this article shall be filed in triplicate on forms prescribed by the commissioner. The commissioner shall, in the case of appointment notices, retain one copy thereof in his files and return two copies thereof to the insurer or insurer's representative, or employing insurance agent or broker, filing such notice. The insurer or insurer's representative or employing agent or broker shall thereupon return one copy thereof to the license holder whose appointment is effected.

In the case of a termination notice, the commissioner shall retain one copy thereof for his files, forward one copy thereof to the license holder whose appointment is terminated, and return one copy thereof to the insurer or insurer's representative, or employing insurance agent or broker, filing such notice.

CHAPTER 387

An act to amend Section 38705 of, and to add Section 38706 to, the Revenue and Taxation Code, relating to taxation.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1 Section 38705 of the Revenue and Taxation Code is amended to read·

38705 Except as provided in Sections 38402 and 38706, it is unlawful for the board or any person having an administrative duty under this part to make known in any manner whatever the business affairs, operations, or any other information pertaining to any timber owner or any other person required to report to the board or pay a tax pursuant to this part, or the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any return, or to permit any return or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person However, the Governor may, by general or special order, authorize examination by other state officers, by tax officers of another state, by the federal government, if a reciprocal arrangement exists, or by any other person of the records maintained by the board under this part The information so obtained pursuant to the order of the Governor shall not be made public except to the extent and in the manner that the order may authorize that it be

made public.

SEC. 2. Section 38706 is added to the Revenue and Taxation Code, to read:

38706 Upon written request of the assessor of any county containing timber, the board shall permit the assessor, or any duly authorized deputy or employee of such assessor, to examine any records pertaining to the county of such assessor which are maintained by the board under this part. It is unlawful for the assessor or any other person examining records pursuant to this section to make known in any manner whatever the business affairs, operations or any other information pertaining to any timber owner or any other person required to report to the board or pay a tax pursuant to this part, or the amount or source of income, profits, loans, expenditures, or any particular thereof, set forth or disclosed in any return, except that any appraisal data, including "market data" as defined in Section 408, may be disclosed to any other assessor. Any assessor who unlawfully discloses information of any timber owner or any other person required to report to the board or pay a tax pursuant to this part shall forfeit one thousand dollars ($1,000) to the county, to be recovered on his official bond in an action brought in the name of the people by the Attorney General, when directed to do so by the board.

CHAPTER 388

An act to add Article 2.5 (commencing with Section 53690) to Chapter 4 of Division 2 of Title 5 of the Government Code, relating to securities of local agencies.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1 Article 2.5 (commencing with Section 53690) is added to Chapter 4 of Division 2 of Title 5 of the Government Code, to read:

Article 2 5 Sale of Securities

53690. For the purposes of this article:

(a) "Local agency" means a county, city, city and county, redevelopment agency, public district, joint powers authority, or public nonprofit corporation.

(b) "Securities" means any bonds, notes, warrants or other evidences of indebtedness and the interest coupons, if any, attached thereto, issued or proposed to be issued to finance or refinance a public project

(c) "Issuer" means a local agency which issues securities.

53691. Notwithstanding any other provision of law, no financial or securities consultant acting in an advisory capacity to a local agency with respect to the issuance or proposed issuance of securities which exceed one million dollars ($1,000,000) shall act in the capacity of an underwriter for the purpose of acquiring any interest in a security issue offered by such local agency, unless:

(a) The securities are offered at a competitive public sale;

(b) The consultant has given the local agency written notice that the consultant intends to bid on the offering; and

(c) The local agency has given written consent for the consultant to act as an underwriter at such sale.

53692. In addition to any other requirement imposed by law, at least 15 days prior to the sale of any public securities which exceed one million dollars ($1,000,000) at a public sale, an issuer shall publish notice of the intention to sell such securities in a financial publication generally circulated throughout the state. Such notice shall include the date, time and place of the intended sale and the amount of the securities to be sold.

SEC. 2. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because the duties, obligations, or responsibilities imposed on local agencies or school districts by this act are such that related costs are incurred as part of their normal operating procedures. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 389

An act relating to domestic water supply systems, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1 A grant not to exceed the amount of four hundred thousand dollars ($400,000) is hereby authorized from the California Safe Drinking Water Fund pursuant to subdivision (d) of Section 13861 of the Water Code to the City of Huron for the purpose of improving its domestic water supply system to meet, at a minimum, safe drinking water standards The Department of Water Resources shall determine eligibility for such grant in accordance with the provisions of Chapter 10.6 (commencing with Section 13880) of

Division 7 of the Water Code and may make a grant in accordance with such provisions.

SEC. 2. A grant not to exceed the amount of four hundred thousand dollars ($400,000) is hereby authorized from the California Safe Drinking Water Fund pursuant to subdivision (d) of Section 13861 of the Water Code to the Buckingham Park County Water District for the purpose of improving its domestic water supply system to meet, at a minimum, safe drinking water standards. The Department of Water Resources shall determine eligibility for such grant in accordance with the provisions of Chapter 10.6 (commencing with Section 13880) of Division 7 of the Water Code and may make a grant in accordance with such provisions.

SEC. 3. A grant not to exceed the amount of one hundred thirty-seven thousand dollars ($137,000) is hereby authorized from the California Safe Drinking Water Fund pursuant to subdivision (d) of Section 13861 of the Water Code to the Drytown County Water District for the purpose of improving its domestic water supply system to meet, at a minimum, safe drinking water standards. The Department of Water Resources shall determine eligibility for such grant in accordance with the provisions of Chapter 10.6 (commencing with Section 13880) of Division 7 of the Water Code and may make a grant in accordance with such provisions.

SEC 4. A grant not to exceed the amount of three hundred ninety-six thousand twenty-four dollars ($396,024) is hereby authorized from the California Safe Drinking Water Fund pursuant to subdivision (d) of Section 13861 of the Water Code to the Orosi Public Utility District for the purpose of improving its domestic water supply system to meet, at a minimum, safe drinking water standards. The Department of Water Resources shall determine eligibility for such grant in accordance with the provisions of Chapter 10.6 (commencing with Section 13880) of Division 7 of the Water Code and may make a grant in accordance with such provisions.

SEC. 5. A grant not to exceed the amount of two hundred eleven thousand five hundred dollars ($211,500) is hereby authorized from the California Safe Drinking Water Fund pursuant to subdivision (d) of Section 13861 of the Water Code to the Linden County Water District for the purpose of improving its domestic water supply system to meet, at a minimum, safe drinking water standards. The Department of Water Resources shall determine eligibility for such grant in accordance with the provisions of Chapter 10.6 (commencing with Section 13880) of Division 7 of the Water Code and may make a grant in accordance with such provisions.

SEC 6. The Legislature hereby finds and declares that in order to meet the minimum safe drinking water standards there is a critical need within the City of Huron and within the Buckingham Park County Water District, the Drytown County Water District, the Linden County Water District, and the Orosi Public Utility District to immediately undertake certain improvements necessary to enable

the residents of such communities to have a dependable and potable water supply.

SEC. 7. The Legislature further finds and declares that the water systems of the City of Huron, the Buckingham Park County Water District, the Drytown County Water District, the Linden County Water District, and the Orosi Public Utility District have critical deficiencies in the areas of treatment, storage, and distribution which pose a serious threat to the public health and welfare of all consumers within such communities and that such treatment plants are only barely meeting the demand for water within the city and such districts.

SEC. 8. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

In order to authorize grants from the California Safe Drinking Water Fund to the City of Huron, the Buckingham Park County Water District, the Drytown County Water District, the Linden County Water District, and the Orosi Public Utility District to resolve the critical water supply problem of such communities at the earliest possible time, it is necessary that this act go into immediate effect.

CHAPTER 390

An act to amend Sections 922.4 and 922.5 of the Insurance Code, relating to insurance

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 922.4 of the Insurance Code is amended to read:

922.4. Credit in accounting and financial statements on account of reinsurance ceded to a nonadmitted reinsurer other than an alien reinsurer shall be allowed only:

(a) Where it is demonstrated by the ceding insurer to the satisfaction of the commissioner that such reinsurer maintains the standards and meets the financial requirements applicable to an admitted insurer, or

(b) To the extent of deposits by, or funds withheld from, such reinsurer pursuant to express provision therefor in the reinsurance contract as security for the payment of the obligations thereunder if such deposits or funds are held subject to withdrawal by, and under the control of, the ceding insurer or are placed in trust for such purposes in a bank which is a member of the Federal Reserve System

if withdrawals from such trust cannot be made without the consent of the ceding insurer. With respect to credit life insurance and credit disability insurance, such deposits or funds shall be deposited in a bank located in California, notwithstanding the fact that such deposits or funds are held subject to withdrawal by, and under the control of, the ceding insurer

(c) To the extent that the amount of a clean and irrevocable letter of credit issued for a term of one year conforming to the requirements set forth below, is a substitute for advances for claims and unearned premium obligations to be made by a foreign reinsurer in connection with its liability under a specific reinsurance agreement. The requirements are that such a clean and irrevocable letter of credit shall be issued under arrangements satisfactory to the commissioner as constituting security to the ceding insurer substantially equal to that of a deposit under subdivision (b) hereof, and that it shall be issued by a banking institution which is a member of the Federal Reserve System and of financial standing satisfactory to the commissioner.

As used in this section, the terms "deposits" and "funds" include securities authorized as general investments by Article 3 (commencing with Section 1170) of Chapter 2 of this part, but not to exceed current market value.

SEC 2. Section 922.5 of the Insurance Code is amended to read:

922 5. Credit in accounting and financial statement permitted by this code on account of reinsurance ceded to an alien reinsurer other than one which complies with Article 2 (commencing with Section 1580), Chapter 4, Part 2, Division 1 and includes in the statements required by that article all reserves and liabilities arising out of such reinsurance shall be allowed only

(a) To the extent of the amount of deposits by, and funds withheld from, such alien reinsurer pursuant to express provision therefor in the reinsurance contract as security for the payment of the obligations thereunder if such deposits or funds are held subject to withdrawal by, and under the control of, the ceding insurer or are placed in trust for such purposes in a bank which is a member of the Federal Reserve System, if withdrawals from such trust cannot be made without the consent of the ceding insurer, or

(b) Where such alien reinsurer maintains sufficient assets in the United States for the protection of policyholders in the United States and operates its business in such manner as to satisfy the commissioner that it maintains standard and financial condition reasonably comparable to those required of admitted insurers and that it is able to pay losses in the United States

(c) To the extent that the amount of a clean and irrevocable letter of credit issued for a term of one year conforming to the requirements set forth below, is a substitute for advances for claims and unearned premium obligations to be made by an alien reinsurer in connection with its liability under a specific reinsurance agreement The requirements are that such a clean and irrevocable

letter of credit shall be issued under arrangements satisfactory to the commissioner as constituting security to the ceding insurer substantially equal to that of a deposit under subdivision (a) hereof, and that it shall be issued by a banking institution which is a member of the Federal Reserve System and of financial standing satisfactory to the commissioner

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CHAPTER 391

An act to amend Section 2954 9 of the Civil Code, relating to mortgages.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1 Section 2954.9 of the Civil Code is amended to read·

2954.9. (a) (1) Except as otherwise provided by statute, where the original principal obligation is a loan for residential property of four units or less, the borrower under any note or evidence of indebtedness secured by a deed of trust or mortgage or any other lien on real property shall be entitled to prepay the whole or any part of the balance due, together with accrued interest, at any time.

(2) Nothing in this subdivision shall prevent a borrower from obligating himself, by an agreement in writing, to pay a prepayment charge.

(3) This subdivision does not apply during any calendar year to a bona fide loan secured by a deed of trust or mortgage given back during such calendar year to the seller by the purchaser on account of the purchase price if the seller does not take back four or more such deeds of trust or mortgages during such calendar year. Nothing in this subdivision shall be construed to prohibit a borrower from making a prepayment by an agreement in writing with the lender.

(b) Except as otherwise provided in Section 10242.6 of the Business and Professions Code, the principal and accrued interest on any loan secured by a mortgage or deed of trust on owner-occupied residential real property containing only four units or less may be prepaid in whole or in part at any time but only a prepayment made within five years of the date of execution of such mortgage or deed of trust may be subject to a prepayment charge and then solely as herein set forth. An amount not exceeding 20 percent of the original principal amount may be prepaid in any 12-month period without penalty A prepayment charge may be imposed on any amount prepaid in any 12-month period in excess of 20 percent of the original principal amount of the loan which charge shall not exceed an amount equal to the payment of six months' advance interest on the amount prepaid in excess of 20 percent of the original principal

amount.

SEC. 1.5. Section 2954.9 of the Civil Code is amended to read:

2954.9. (a) (1) Except as otherwise provided by statute, where the original principal obligation is a loan for residential property of four units or less, the borrower under any note or evidence of indebtedness secured by a deed of trust or mortgage or any other lien on real property shall be entitled to prepay the whole or any part of the balance due, together with accrued interest, at any time

(2) Nothing in this subdivision shall prevent a borrower from obligating himself, by an agreement in writing, to pay a prepayment charge.

(3) This subdivision does not apply during any calendar year to a bona fide loan secured by a deed of trust or mortgage given back during such calendar year to the seller by the purchaser on account of the purchase price if such seller does not take back four or more such deeds of trust or mortgages during such calendar year. Nothing in this subdivision shall be construed to prohibit a borrower from making a prepayment by an agreement in writing with the lender.

(b) The principal and accrued interest on any loan secured by a mortgage or deed of trust on owner-occupied residential real property containing only four units or less may be prepaid in whole or in part at any time but only a prepayment made within five years of the date of execution of such mortgage or deed of trust may be subject to a prepayment charge and then solely as herein set forth. An amount not exceeding 20 percent of the original principal amount may be prepaid in any 12-month period without penalty. A prepayment charge may be imposed on any amount prepaid in any 12-month period in excess of 20 percent of the original principal amount of the loan which charge shall not exceed an amount equal to the payment of six months' advance interest on the amount prepaid in excess of 20 percent of the original principal amount.

SEC 2. The amendments made to Section 2954.9 of the Civil Code by this act shall only be applicable to loans for residential property of four units or less which are executed after the effective date of this act

SEC. 3. It is the intent of the Legislature, if this bill and Senate Bill No. 1173 are both chaptered and become effective January 1, 1980, both bills amend Section 2954 9 of the Civil Code, and this bill is chaptered after Senate Bill No 1173, that the amendments to Section 2954.9 of the Civil Code proposed by both bills be given effect and incorporated in Section 2954.9 of the Civil Code in the form set forth in Section 1.5 of this act. Therefore, Section 1 5 of this act shall become operative only if this bill and Senate Bill No. 1173 are both chaptered and become effective January 1, 1980, both amend Section 2954 9 of the Civil Code, and this bill is chaptered after Senate Bill No. 1173, in which case Section 1 of this act shall not become operative

CHAPTER 392

An act amending and supplementing the Budget Act of 1978 by adding Section 2.8M thereto, and to repeal Chapter 174 of the Statutes of 1976, relating to the state park system, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Chapter 174 of the Statutes of 1976 is repealed.

SEC. 2. Section 2.8M is added to the Budget Act of 1978, to read:

STATE BEACH, PARK, RECREATIONAL, AND HISTORICAL FACILITIES BOND ACT OF 1974 PROGRAM

Sec. 2.8M. The following sums of money, or so much thereof as may be necessary, unless otherwise provided herein, are hereby appropriated for expenditure during the 1978–79, 1979–80, and 1980–81 fiscal years All such appropriations shall be paid out of the State Beach, Park, Recreational, and Historical Facilities Fund of 1974.

CAPITAL OUTLAY

RESOURCES

503M—For capital outlay, Department of Parks and Recreation, for purposes set forth in subdivisions (c) and (e) of Section 5096.85 of the Public Resources Code, payable from the State Beach, Park, Recreational, and Historical Facilities Fund of 1974 280,000

Schedule.

(a) Woodland Opera House: restoration and related new construction, including payment of architectural fees or to satisfy any lien for architectural fees, and costs related to the transfer of title to real property as specified in paragraph (1) of the third proviso to this item 280,000

provided, that the amount of the funds appropriated by this item shall be reduced by the

amount of the funds that did not revert pursuant to Item 506M of this act.

Provided further, that none of the funds which are appropriated by this item for the project set forth herein shall be available for expenditure unless and until such project is recommended by the State Park and Recreation Commission and reviewed by the Secretary of the Resources Agency.

Provided further, that such restoration and reconstruction shall be subject to the following conditions:

(1) Title to the Woodland Opera House and adjacent land, included in Lot 5 of Block 2, as shown on the map of the former Town of Woodland, is transferred to the state, and inclusion of such lands in the state park system is approved by the State Park and Recreation Commission.

(2) Funds appropriated by this item shall not be available for encumbrance until the project has been approved by the federal government for matching funds under the National Historic Preservation Act of 1966 (P.L. 89–665) and such matching funds are allocated to the project by the state.

(3) Funds appropriated pursuant to this item shall not be available for encumbrance until the City of Woodland submits evidence satisfactory to the Department of Parks and Recreation that the city has available labor, materials, and funds equal to the sum of seventy thousand dollars ($70,000) which the city will expend on the project.

(4) Funds appropriated by this item shall not be available for encumbrance until the City of Woodland enters into an agreement with the state for the operation, care, and maintenance of the Woodland Opera House

and related facilities on behalf of the state.

Reversion

506M—The unencumbered balance of the appropriations made by the following items shall revert to the unappropriated balance of the State Beach, Park, Recreational, and Historical Facilities Fund of 1974.

(a) Item 435.5, Budget Act of 1977, Woodland Opera House, restoration and related new construction.

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 provisions of this act may augment the Budget Act of 1978, and thereby enable the early acquisition and development of greatly needed lands and a highly significant historical structure for park, recreational, or historical purposes, it is necessary that this act go into immediate effect.

CHAPTER 393

An act to amend Section 214.6 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 214.6 of the Revenue and Taxation Code is amended to read:

214.6. Property which is owned by an organization meeting the requirements of subdivision (b) of Section 4 of Article XIII of the State Constitution and complying with the requirements of subdivisions (1) to (7), inclusive, of Section 214 and which is leased to an exempt governmental entity for the purpose of conducting an activity which if conducted by the owner would qualify the property for an exemption, or leased to a community college, state college, or state university for educational purposes, shall be deemed to be within the exemption provided for in subdivision (b) of Section 4 of Article XIII of the State Constitution if:

(1) The total income received by the organization in the form of

rents, fees or charges from such lease does not exceed the ordinary and usual expenses in maintaining and operating the leased property; and

(2) With respect to entities which are political subdivisions of the state, the property is located within the boundaries of the exempt governmental entity leasing the same.

SEC 2. Notwithstanding Section 2231 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to that section because the duties, obligations, or responsibilities imposed on local agencies or school districts by this act are such that related costs are incurred as part of their normal operating procedures. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 3 This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect. However, the provisions of this act shall be applied in the computation of taxes for taxable years beginning on or after the first day of the calendar year in which this act becomes effective provided the effective date is more than 90 days prior to the last day of the calendar year. If the effective date is 90 days or less prior to the last day of the calendar year, the provisions of this act shall apply in the computation of taxes for taxable years beginning on or after the first day of the calendar year following the effective date.

CHAPTER 394

An act to amend Section 1204 of, and to amend the heading of Chapter 3 (commencing with Section 1204) of Title 4 of Part 3 of, and to add Sections 690.60 and 1204.5 to, and to add Title 11b (commencing with Section 1800) to Part 3 of, the Code of Civil Procedure, relating to assignments for the benefit of creditors, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 690.60 is added to the Code of Civil Procedure, to read:

690.60. In any general assignment for the benefit of creditors (as defined in Section 493.010), whether common law or otherwise, the assignor, if an individual, may choose to retain as exempt property either the property which is otherwise exempt under this chapter and Title 5 (commencing with Section 1237) of Part 4 of Division 2 of the Civil Code or, in the alternative, the following property:

(a) The assignor's aggregate interest, not to exceed seven thousand five hundred dollars ($7,500) in value, in real property or personal property that the assignor or a dependent of the assignor uses as a residence, in a cooperative that owns property that the assignor or a dependent of the assignor uses as a residence, or in a burial plot for the assignor or a dependent of the assignor.

(b) The assignor's interest, not to exceed one thousand two hundred dollars ($1,200) in value, in one motor vehicle.

(c) The assignor's interest, not to exceed two hundred dollars ($200) in value in any particular item, in household furnishings, household goods, wearing apparel, appliances, books, animals, crops, or musical instruments, that are held primarily for the personal, family, or household use of the assignor or a dependent of the assignor.

(d) The assignor's aggregate interest, not to exceed five hundred dollars ($500) in value, in jewelry held primarily for the personal, family, or household use of the assignor or a dependent of the assignor.

(e) The assignor's aggregate interest, not to exceed in value four hundred dollars ($400) plus any unused amount of the exemption provided under subdivision (a), in any property.

(f) The assignor's aggregate interest, not to exceed seven hundred fifty dollars ($750) in value, in any implements, professional books, or tools, of the trade of the assignor or the trade of a dependent of the assignor.

(g) Any unmatured life insurance contract owned by the assignor, other than a credit life insurance contract.

(h) The assignor's aggregate interest, not to exceed in value four thousand dollars ($4,000) in any accrued dividend or interest under, or loan value of, any unmatured life insurance contract owned by the assignor under which the insured is the assignor or an individual of whom the assignor is a dependent.

(i) Professionally prescribed health aids for the assignor or a dependent of the assignor.

(j) The assignor's right to receive—

(1) A social security benefit, unemployment compensation, or a local public assistance benefit;

(2) A veterans' benefit;

(3) A disability, illness, or unemployment benefit;

(4) Alimony, support, or separate maintenance, to the extent reasonably necessary for the support of the assignor and any dependent of the assignor;

(5) A payment under a stock bonus, pension, profit sharing, annuity, or similar plan or contract on account of illness, disability, death, age, or length of service, to the extent reasonably necessary for the support of the assignor and any dependent of the assignor, unless—

(i) Such plan or contract was established by or under the auspices of an employer of which the assignor was a partner, officer, director

or controlling person at the time the assignor's rights under such plan or contract arose;

(ii) Such payment is on account of age or length of service; and

(iii) Such plan or contract does not qualify under Section 401(a), 403(a), 403(b), 408, or 409 of the Internal Revenue Code of 1954 (26 U.S.C. 401(a), 403(a), 403(b), 408, or 409).

(k) The assignor's right to receive, or property that is traceable to—

(1) An award under a crime victim's reparation law;

(2) A payment on account of the wrongful death of an individual of whom the assignor was a dependent, to the extent reasonably necessary for the support of the assignor and any dependent of the assignor;

(3) A payment under a life insurance contract that insured the life of an individual of whom the assignor was a dependent on the date of such individual's death, to the extent reasonably necessary for the support of the assignor and any dependent of the assignor;

(4) A payment, not to exceed seven thousand five hundred dollars ($7,500), on account of personal bodily injury, as compensation for pain and suffering or actual pecuniary loss (other than loss of future earnings), of the assignor or an individual of whom the assignor is a dependent, or

(5) A payment in compensation of loss of future earnings of the assignor or an individual of whom the assignor is or was a dependent, to the extent reasonably necessary for the support of the assignor and any dependent of the assignor.

In this section, "dependent" includes spouse, whether or not actually dependent, "assignor" means each spouse, if the assignment is made by a married couple, and "value" means fair market value as of the date of the making of the assignment.

SEC 2 The heading of Chapter 3 (commencing with Section 1204) of Title 4 of Part 3 of the Code of Civil Procedure is amended to read

CHAPTER 3 CERTAIN LIENS AND PRIORITIES FOR SALARIES, WAGES AND CONSUMER DEPOSITS

SEC. 3 Section 1204 of the Code of Civil Procedure is amended to read:

1204. When any assignment, whether voluntary or involuntary, and whether formal or informal, is made for the benefit of creditors of the assignor, or results from any proceeding in insolvency or receivership commenced against him, or when any property is turned over to the creditors of a person, firm, association or corporation, or to a receiver or trustee for the benefit of creditors, the following claims have priority in the following order

(a) Allowed unsecured claims for wages, salaries, or commissions, including vacation, severance and sick leave pay.

(1) Earned by an individual within 90 days before the date of the

making of such assignment or the taking over of such property or the commencement of such court proceeding or the date of the cessation of the debtor's business, whichever occurs first; but only

(2) To the extent of two thousand dollars ($2,000) for each such individual;

(b) Allowed unsecured claims for contributions to employee benefit plans.

(1) Arising from services rendered within 180 days before the date of the making of such assignment or the taking over of such property or the commencement of such court proceeding or the date of the cessation of the debtor's business, whichever occurs first; but only

(2) For each such plan, to the extent of:

(i) The number of employees covered by such plan multiplied by two thousand dollars ($2,000); less

(ii) The aggregate amount paid to such employees under subdivision (a) of this section, plus the aggregate amount paid by the estate on behalf of such employees to any other employee benefit plan;

and must be paid by the trustee, assignee or receiver before the claim of any other creditor of the assignor, insolvent, or debtor whose property is so turned over, and must be paid as soon as the money with which to pay same becomes available. If there is insufficient money with which to pay all such labor claims in full the money available must be distributed among the claimants in proportion to the amount of their respective claims The trustee, receiver or assignee for the benefit of creditors shall have the right to require sworn claims to be presented and shall have the right to refuse to pay any such preferred claim, either in whole or in part, if he has reasonable cause to believe that such claim is not valid but must pay any part thereof that is not disputed, without prejudice to the claimant's rights, as to the balance of his claim, and withhold sufficient money to cover the disputed portion until the claimant in question has a reasonable opportunity to establish the validity of his claim by court action, either in his own name or through an assignee

This section is binding upon all the courts of this state and in all receivership actions the court must order the receiver to pay promptly out of the first receipts and earnings of the receivership, after paying the current operating expenses, such preferred labor claims

SEC. 4 Section 1204 5 is added to the Code of Civil Procedure, to read:

1204.5. In any general assignment for the benefit of creditors, whether common law or otherwise, the following claims shall have priority, subordinate to the priorities for labor claims under Section 1204, but prior to all other unsecured claims· allowed unsecured claims of individuals, to the extent of nine hundred dollars ($900) for each such individual, arising from the deposit, before the commencement of the case, of money in connection with the

purchase, lease, or rental of property, or the purchase of services, for the personal, family, or household use of such individuals, that were not delivered or provided. The priority granted by this section shall be subordinate to that granted by Sections 18933 and 26312 of the Revenue and Taxation Code.

SEC. 5 Title 11b (commencing with Section 1800) is added to Part 3 of the Code of Civil Procedure, to read:

TITLE 11b. RECOVERY OF PREFERENCES IN AN ASSIGNMENT FOR THE BENEFIT OF CREDITORS

1800. (a) In this section:

(1) The term "insolvent" means·

(A) With reference to a person other than a partnership, a financial condition such that the sum of such person's debts is greater than all of such person's property, at a fair valuation, exclusive of:

(i) Property transferred, concealed, or removed with intent to hinder, delay, or defraud such person's creditors; and

(ii) Property that may be exempted from property of the estate under Chapter 1 (commencing with Section 681) of Title 9 of Part 2; and

(B) With reference to a partnership, financial condition such that the sum of such partnership's debts are greater than the aggregate of, at a fair valuation—

(i) All of such partnership's property, exclusive of property of the kind specified in subparagraph (A) (i); and

(ii) The sum of the excess of the value of each general partner's separate property, exclusive of property of the kind specified in subparagraph (A) (ii), over such partner's separate debts.

(2) The term "inventory" means personal property leased or furnished, held for sale or lease, or to be furnished under a contract for service, raw materials, work in process, or materials used or consumed in a business, including farm products such as crops or livestock, held for sale or lease.

(3) The term "judicial lien" means a lien obtained by judgment, levy, sequestration, or other legal or equitable process or proceeding.

(4) The term "new value" means money or money's worth in goods, services, or new credit, or release by a transferee of property previously transferred to such transferee in a transaction that is neither void nor voidable by the assignor or the assignee under any applicable law, but does not include an obligation substituted for an existing obligation.

(5) The term "receivable" means a right to payment, whether or not such right has been earned by performance

(6) The term "security agreement" means an agreement that creates or provides for a security interest

(7) The term "security interest" means a lien created by an agreement

(8) The term "statutory lien" means a lien arising solely by force

of a statute on specified circumstances or conditions, or lien of distress for rent, whether or not statutory, but does not include security interest or judicial lien, whether or not such interest or lien is provided by or is dependent on a statute and whether or not such interest or lien is made fully effective by statute.

(9) The term "transfer" means every mode, direct or indirect, absolute or conditional, voluntary or involuntary, or disposing of or parting with property or with an interest in property, including retention of title as a security interest.

(b) Except as provided in subdivision (c), the assignee of any general assignment for the benefit of creditors (as defined in Section 493 010), whether common law or otherwise, may recover any transfer of property of the assignor·

(1) To or for the benefit of a creditor;

(2) For or on account of an antecedent debt owed by the assignor before such transfer was made;

(3) Made while the assignor was insolvent;

(4) Made on or within 90 days before the date of the making of the assignment, and

(5) That enables such creditor to receive more than another creditor of the same class.

(c) The assignee may not recover under this section a transfer·

(1) To the extent that such transfer was:

(A) Intended by the assignor and the creditor to or for whose benefit such transfer was made to be a contemporaneous exchange for new value given to the assignor; and

(B) In fact a substantially contemporaneous exchange;

(2) To the extent that such transfer was:

(A) In payment of a debt incurred in the ordinary course of business or financial affairs of the assignor and the transferee;

(B) Made not later than 45 days after such debt was incurred;

(C) Made in the ordinary course of business or financial affairs of the assignor and the transferee; and

(D) Made according to ordinary business terms;

(3) Of a security interest in property acquired by the assignor:

(A) To the extent such security interest secures new value that was·

(i) Given at or after the signing of a security agreement that contains a description of such property as collateral;

(ii) Given by or on behalf of the secured party under such agreement;

(iii) Given to enable the assignor to acquire such property; and

(iv) In fact used by the assignor to acquire such property; and

(B) That is perfected within 10 days after such security interest attaches;

(4) To or for the benefit of a creditor, to the extent that, after such transfer, such creditor gave new value to or for the benefit of the assignor

(A) Not secured by an otherwise unavoidable security interest,

and

(B) On account of which new value the assignor did not make an otherwise unavoidable transfer to or for the benefit of such creditor;

(5) Of a perfected security interest in inventory or a receivable or the proceeds of either, except to the extent that the aggregate of all such transfers to the transferee caused a reduction, as of the date of the making of the assignment and to the prejudice of other creditors holding unsecured claims, of any amount by which the debt secured by such security interest exceeded the value of all security interest for such debt on the later of:

(A) Ninety days before the date of the making of the assignment; and

(B) The date on which new value was first given under the security agreement creating such security interest; or

(6) That is the fixing of a statutory lien.

(d) An assignee of any general assignment for the benefit of creditors (as defined in Section 493.010), whether common-law or otherwise, may avoid a transfer of property of the assignor transferred to secure reimbursement of a surety that furnished a bond or other obligation to dissolve a judicial lien that would have been avoidable by the assignee under subdivision (b) of this section. The liability of such surety under such bond or obligation shall be discharged to the extent of the value of such property recovered by the assignee or the amount paid to the assignee.

(e) (1) For the purposes of this section:

(A) A transfer of real property other than fixtures, but including the interest of a seller or purchaser under a contract for the sale of real property, is perfected when a bona fide purchaser of such property from the debtor against whom applicable law permits such transfer to be perfected cannot acquire an interest that is superior to the interest of the transferee; and

(B) A transfer of a fixture or property other than real property is perfected when a creditor on a simple contract cannot acquire a judicial lien that is superior to the interest of the transferee.

(2) For the purposes of this section, except as provided in paragraph (3), a transfer is made.

(A) At the time such transfer takes effect between the transferor and the transferee, if such transfer is perfected at, or within 10 days after, such time;

(B) At the time such transfer is perfected, if such transfer is perfected after such 10 days; or

(C) Immediately before the date of the making of the assignment if such transfer is not perfected at the later of:

(i) The making of the assignment; and

(ii) Ten days after such transfer takes effect between the transferor and the transferee.

(3) For the purposes of this section, a transfer is not made until the assignor has acquired rights in the property transferred.

(f) For the purposes of this section, the assignor is presumed to

have been insolvent on and during the 90 days immediately preceding the date of the making of the assignment.

(g) An action by an assignee under this section must be commenced within one year after the making of the assignment.

SEC. 6. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect any other provision or application of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

SEC. 7. This act shall become operative on October 1, 1979.

SEC. 8. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

The Bankruptcy Reform Act of 1978 (P. L. No. 95-598) becomes operative on October 1, 1979. The new bankruptcy law totally revises the manner of dealing with priorities, exemptions, and the recovery of preferences in a proceeding under that act. This act makes conforming revisions in the law relating to assignments for the benefit of creditors. It is therefore necessary that this act take immediate effect so that it may become operative on October 1, 1979.

CHAPTER 395

An act to amend Sections 18724 and 18732 of the Education Code, relating to public libraries, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 18724 of the Education Code is amended to read:

18724. The duties of the state board shall be to adopt rules, regulations, and general policies for the implementation of this chapter. In addition, the state board, consistent with the terms and provisions of this chapter, shall have the following powers and duties:

(a) To direct the State Librarian in the administration of this chapter.

(b) To review for its approval all annual proposals submitted under this chapter.

(c) To annually submit budget proposals as part of the annual budget of the Department of Education.

(d) To expend the funds appropriated for the purpose of implementing the provisions of this chapter.

(e) To require participating libraries and systems to prepare and

submit any reports and information which are necessary to carry out the provisions of this chapter, and to prescribe the form and manner for providing such reports and information

(f) To develop formulas for the equitable allocation of reimbursements under Sections 18731, 18743, 18744, and 18765. Such formulas shall be submitted to the Department of Finance for approval.

(g) To require that any public library participating in programs authorized by this chapter provide access to its bibliographic records and materials location information consistent with the legislative policy of encouraging the sharing of resources between libraries.

SEC. 2. Section 18732 of the Education Code is amended to read:

18732. If two or more public library jurisdictions wish to consolidate their libraries into a single library agency, an establishment grant in the annual maximum amount of twenty-thousand dollars ($20,000) shall be made to the newly consolidated library jurisdiction for each of two years, provided that notice of such consolidation is filed with the State Librarian within one year after the consolidation.

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. The facts constituting such necessity are:

Beginning with the 1979–80 fiscal year, participation in specified library programs is conditioned on maintaining certain local funding. The maintenance of such funding will be hindered by implementation of the provisions of Article XIII A of the California Constitution. In order to ensure continued participation in the specified programs in the entire 1979-80 fiscal year, it is necessary that this act take effect immediately.

CHAPTER 396

An act to add Section 1039 to the Public Utilities Code, relating to carriers.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1 Section 1039 is added to the Public Utilities Code, to read·

1039 (a) Notwithstanding Section 226 or 1035, or Section 654 1 or 654.2 of the Penal Code, the County of San Diego may by ordinance regulate the operations of any passenger jitney service 98 percent or more of whose operations as measured by total route mileage operated are exclusively within the limits of the County of

San Diego and more than 2 percent of whose operations as measured by total route mileage operated are outside the limits of a single city within the county. For purposes of this section, the percentage of route mileage within the County of San Diego or within any city within such county shall be determined by the commission pursuant to Section 226.

(b) For purposes of this section, the term "passenger jitney service" includes every corporation or person engaged as a common carrier, for compensation, in the ownership, control, operation, or management of a passenger transportation service by motor vehicles of not more than 15 passenger capacity, excluding the driver, which operate between fixed termini and over a regular route and generally on short, nonscheduled, headways.

(c) This section shall remain in effect only until January 1, 1985, unless a later enacted statute which becomes effective on or before that date deletes or extends that date.

SEC. 2. The Legislature finds and declares that Section 1 of this act is necessary since special facts and circumstances applicable to the County of San Diego and not generally applicable make the accomplishment of this purpose impossible by any general law. San Diego County is unique in this state in that no public transportation route or corridor extends into any adjacent county. The Legislature further finds and declares that in order to permit the County of San Diego to regulate local jitney transportation service as a demonstration project the purpose of this act is impossible to accomplish by any general law and special legislation applicable only to the County of San Diego is therefore necessary.

CHAPTER 397

An act to add and repeal Article 16 (commencing with Section 53970) of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code, relating to police and fire protection, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 27, 1979. Filed with Secretary of State July 27, 1979]

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

SECTION 1. Article 16 (commencing with Section 53970) is added to Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code, to read:

Article 16 Police and Fire Protection Funds

53970. As used in this article, "local agency" means any city, county, city and county, special district, or any other municipal or

public corporation or district which is authorized by law to provide fire protection and prevention services. "Local agency" also means any community services district which is authorized by law to provide police protection.

53971 As used in this article, "legislative body" means the city council or board of trustees in the case of a city, the board of supervisors in the case of a county or a city and county, or the board of directors, trustees, or governors or other governing body in the case of a special district or any other municipal or public corporation or district.

53971.5. As used in this article, "ordinance" includes "resolution" where the local agency is authorized to act only by resolution.

53972. Any local agency which provides fire protection or prevention services directly, by contract with another local agency, or which provides such services pursuant to Section 25643 or the Fire Protection District Law of 1961, Part 2.7 (commencing with Section 13801) of Division 12 of the Health and Safety Code, or which provides police protection pursuant to Division 3 (commencing with Section 61000) of Title 6 of the Government Code may, by ordinance adopted after notice and public hearing, determine and propose for adoption a standby or availability charge for fire suppression service and a standby or availability charge for police protection, or either of such charges, pursuant to this article, except that a local agency which fixes such a charge shall not impose such charge upon a federal or state governmental agency or another local agency. Such propositions shall be submitted to the voters of the affected area, zone, or district, and shall take effect upon approval of two-thirds of the voters voting upon the propositions.

53973 The ordinances submitted to voter approval pursuant to the provisions of Section 53972, shall specify the amount of the standby or availability charge or charges. Such charge or charges shall be levied on a parcel, class of improvement to property, or use of property basis, or a combination thereof, within the boundaries of the local agency. Each of such charges may be charged to any parcel, improvement, or use of property to which fire suppression service or police protection, respectively, may be made available and may be imposed for the purpose of obtaining, furnishing, operating, and maintaining fire suppression or police protection equipment or apparatus or for the purpose of paying the salaries and benefits to firefighting or police protection personnel, or both, whether or not such fire suppression service or police protection is actually used by or upon such parcel, improvement, or use of property.

(b) The legislative body shall establish schedules varying each of such standby or availability charges according to the value of the benefits to such parcel, improvement, or use of property and according to the availability of such fire suppression or police protection equipment, apparatus, or personnel to the affected parcel, improvement, or use of property charged It may restrict either of such charges to areas lying within one or more zones or

areas of benefits established in such local agency. Neither of such charges shall exceed, in the aggregate, the estimated costs of providing fire suppression services or police protection, respectively, in such areas, zones, or local agency.

(c) Each of such charges, or both, may be levied in the amount approved pursuant to the provisions of Section 53972 until amended or superseded by a new ordinance adopted pursuant to the provisions of this article or until repealed pursuant to an ordinance adopted by the legislative body.

53974 (a) For the first fiscal year following the effective date of this article in which a standby or availability charge for fire suppression services or police protection, or both, is proposed to be imposed or amended pursuant to Section 53972, the legislative body shall cause a written report to be prepared and filed with the clerk of the local agency which shall contain a description of each lot or parcel of property proposed to be subject to either of such charges, the amount of each of such charges for each such lot or parcel for such fiscal year, the basis of each of such charges, and the schedule of each of such charges.

(b) The clerk shall cause notice of the filing of such report and of a time, date, and place of hearing thereon to be published pursuant to Section 6066 of the Government Code and to be posted in at least three public places within the local agency. The clerk shall also cause a copy of the notice of the filing of such report and of the time, date, and place of hearing thereon to be mailed to each parcel or property owner whose property would be subject to such assessment. Such notice shall be mailed at least two weeks prior to the date set for hearing to those persons whose name and address appear on the last equalized county assessment roll, the State Board of Equalization assessment roll, or as known to the clerk.

(c) At any time not later than the hour set for the hearing, any holder, whether a fee owner, lessee, or otherwise, of the interest in the property which is proposed to be charged and who will be obligated to pay any such proposed charge, or charges, may make written protest against the proposed assessment. Such protest shall be in writing, shall contain a description of the property and the interest in the property which each signer thereof represents, sufficient to identify the property, and, if the signers are not shown on the last equalized assessment roll as the owners of such property, shall contain or be accompanied by written evidence that such signers are the holders of such property interest proposed to be charged and who will be obligated to pay such proposed charge. All such protests shall be delivered to the county clerk and, for the purposes of Section 53975, no other protests or objections shall be considered

(d) At the time, date, and place stated in the notice the legislative body shall hear and consider all objections or protests, if any, to the report referred to in the notice and shall also hear and determine all protests as provided in Section 53975 The legislative body may

continue the hearing from time to time.

(e) Any written protest may be withdrawn, in writing, by the person who made the protest at any time prior to the conclusion of the protest hearing or any such adjournment thereof.

53975 (a) If the legislative body finds that the protest is made by holders of property interests proposed to be charged and who will be obligated to pay the proposed standby or availability charge for fire suppression service or the standby or availability charge for police protection representing more than one-half of the total amount of expected revenue from either of such proposed charges, respectively, and protests are not withdrawn so as to reduce the same to less than a majority, the proceedings on the proposed assessment so protested shall be terminated unless the protests are overruled by an affirmative vote of four-fifths of the members of the legislative body.

(b) If it shall be necessary, in order to find whether a majority protest exists, to determine whether any or all of the signers of written protests are the holders of property interests proposed to be charged and who will be obligated to pay such proposed charge, or charges, the legislative body shall make such determination from the latest equalized assessment roll, any written evidence submitted with a written protest, and any other evidence received at the hearing. The legislative body shall be under no duty to obtain or consider any other evidence as to such holding of property interests, and its determination of valid protests shall be final and conclusive

54976. (a) If no protests or objections in writing have been delivered to the clerk up to the hour set for hearing thereon, or if such valid protests have been found by the legislative body to be less than a majority, or have been overruled, the legislative body may, upon the conclusion of the hearing adopt, revise, change, reduce, or modify each or any standby or availability charge The legislative body shall make a determination upon each such charge as described in the report or as determined at the hearing, and thereafter, by ordinance, shall determine and assess such charges.

(b) The legislative body may provide for the collection of the standby and availability charges in the same manner, and subject to the same penalties as, other charges and taxes fixed and collected by, or on behalf of the local agency. If such charges are collected by the county, the county may deduct its reasonable costs incurred for such service before remittal of the balance to the local agency's treasury

53977 (a) No standby or availability charge shall be levied pursuant to Section 53972 unless it meets all of the following requirements.

(1) The amount of the standby and availability charge imposed on each parcel, improvement, or use of property charged is directly related to the benefit to each parcel, improvement, or use of property charged which will be derived from fire suppression services or police protection for which such charge is levied which is obtained, furnished, operated, and maintained by the revenues

derived from such charges.

(2) The annual aggregate amount of either of such charges does not exceed:

(A) The estimated annual cost of either fire suppression services or police protection for which such charge is levied in the affected area, zone, or local agency in the next succeeding year, including any necessary debt service for purchase of firefighting or police protection equipment or apparatus or construction or purchase of facilities for fire suppression or police protection activities, in accordance with other provisions of law, and including no more than 5 percent of such amount for delinquencies.

(B) In addition to the amount determined in subparagraph (A) of this paragraph, for the fire suppression standby and availability charge, the actual annual cost of fire suppression services rendered in the affected area, zone, or local agency in the preceding year, if any, or for the police protection standby and availability charge, the actual annual cost of police protection, which exceeded the estimated annual cost of such service made pursuant to subparagraph (A) of this paragraph for the preceding year; provided, however, no addition shall be made pursuant to this subparagraph if an estimate was not made, or a standby or availability charge was not imposed in such preceding year for such service.

(3) The revenue derived from fire suppression standby and availability charges or a police protection charge imposed pursuant to Section 53972 is not used to pay the costs of any service not directly related to fire suppression services or police protection for which such charge is imposed, which costs were previously totally funded from ad valorem property taxes in such area, zone, or local agency, or for fire protection and prevention services or police protection, respectively, not of direct benefit to each parcel, improvement, or use of property charged.

(4) The revenue from such charges is segregated and used for no other purposes of the local agency, the annual amount of such charges are adjusted annually pursuant to paragraph (2), and any reserve carried forward is reasonable in amount for fire suppression purposes or police protection, respectively, consistent with this subdivision and for no other purposes.

(5) The amount of such standby and availability charges, and the fire suppression services or police protection for which such charges are assessed, are reasonable in amount relating to the affected area, zone, or local agency served, and reasonable in amount relating to the parcel, improvement, or use of property charged, as determined by the legislative body of the local agency.

(b) This section does not limit or prohibit the levy or collection of any other fee, charge, or tax, or any license or service fee or charge for police protection or fire prevention or protection services, including, but not limited to, recovery of fire suppression costs and other fire prevention and protection costs other than fire

suppression, including training, licensing, inspection, issuance of permits, and fire safety law enforcement, as provided by other provisions of law.

53978. (a) Any local agency which provides fire protection or prevention services directly, by contract with another local agency, or which provides such services pursuant to Section 25643 of this code or the Fire Protection District Law of 1961, Part 2.7 (commencing with Section 13801) of Division 12 of the Health and Safety Code, or which provides police protection pursuant to Division 3 (commencing with Section 61000) of Title 6 of the Government Code, may, by ordinance, determine and propose for adoption a special tax for fire protection and prevention and a special tax for police protection, or either of such special taxes, other than ad valorem property taxes, pursuant to this section. Such proposition shall be submitted to the voters of the affected area or zone, or of the district, and shall take effect upon approval of two-thirds of the voters voting upon such proposition. The local agency which fixes such a special tax shall not, however, impose such tax upon a federal or state governmental agency or another local agency.

(b) The ordinance submitted to voter approval pursuant to the provisions of subdivision (a), shall specify the amount of each of such special taxes. Each of such special taxes shall be levied on a parcel, class of improvement to property, or use of property basis, or a combination thereof, within the local agency to which fire protection services or police protection are made available, for the purpose of obtaining, furnishing, operating, and maintaining fire suppression and police protection equipment or apparatus or either such service, respectively, for paying the salaries and benefits to firefighting and police protection personnel or either such personnel, respectively, and for such other necessary fire protection and prevention expenses and police protection expenses, respectively, or either such expenses of the local agency in such area, zone, or local agency to which fire protection and prevention services or police protection, or both, are made available

(c) The amount of each such special tax established by the legislative body, and approved by the voters of the local agency, may be varied to each parcel, improvement, or use of property based on the degree of availability of fire protection and prevention services or police protection, respectively, in the affected area, and may restrict such charges to areas lying within one or more zones or areas established in such local agency.

(d) The legislative body may provide for the collection of the special taxes in the same manner and subject to the same penalty as, or with, other charges and taxes fixed and collected by the local agency, or by the county on behalf of the local agency. If such special taxes are collected by the county on behalf of the local agency, the county may deduct its reasonable costs incurred for such service before remittal of the balance to the local agency

(e) The revenues from each of such special taxes shall be used for

the service for which it was imposed, and for no other purpose.

(f) This section does not limit or prohibit the levy or collection or any other fee, charge, or tax, or any license or service fee or charge for fire prevention or protection services or police protection as provided by other provisions of law.

53980. The provisions of this article shall remain in effect only until June 30, 1983, and on such date are repealed, unless a later enacted statute, which is chaptered before such date, deletes or extends such date.

SEC. 2. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because self-financing authority is provided in this act to cover 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. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of the Revenue and Taxation 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 for cities, counties, cities and counties, and special districts and other local public agencies which provide fire protection and prevention services and community services districts which provide police protection to plan expenditures and revenues in the upcoming fiscal year for the providing of fire protection and prevention for their citizens, it is, therefore, necessary that this act take immediate effect.

CHAPTER 398

An act to amend Sections 22401 and 22557 of, and to add Section 22559 to, the Public Utilities Code, relating to aviation.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 22401 of the Public Utilities Code is amended to read

22401 A board of five directors is the governing body of the district Each director shall be a resident of the district.

SEC. 2 Section 22557 of the Public Utilities Code is amended to read

22557 (a) The district may issue temporary negotiable notes bearing interest at a rate not exceeding 8 percent per annum,

provided, however, that said notes shall be general obligations of the district payable from revenues and taxes, unless paid from other available funds of the district, in the same manner as bonds of said district. The maturity of said notes shall not be later than 20 years from the date thereof, and the total aggregate amount of such notes outstanding at any one time shall not exceed 2 percent of the assessed valuation of the taxable property in the district, or if said assessed valuation is not obtained, 2 percent of the county auditor's estimate of the assessed valuation of the taxable property of the district evidenced by his certificate. The total aggregate amount of such notes outstanding at any one time shall further not exceed the sum of five hundred thousand dollars ($500,000).

(b) Any note proposed to be issued pursuant to subdivision (a) with a term longer than five years shall not be issued until after a public hearing is conducted with respect to the issuance and a resolution is adopted approving the issuance. At least 15 days prior to the public hearing, the board shall cause notice of the hearing to be published pursuant to Section 6061 of the Government Code in a newspaper published in the principal county. The resolution shall be subject to referendum pursuant to Section 5200 of the Elections Code and shall so provide. Within 15 days after adoption of the resolution of issuance, the board shall cause the resolution to be published at least once in a newspaper of general circulation published in the principal county, or if there is none, posted in at least three public places in the district.

SEC. 3. Section 22559 is added to the Public Utilities Code, to read:

22559. The board may by resolution change the name of the district. Certified copies of such resolution shall be recorded in each county within which some portion of the territory of the district is situated and shall be transmitted to the Secretary of State and to the clerk of each such county.

CHAPTER 399

An act to amend the heading of Article 6a (commencing with Section 12850) of Chapter 6 of Division 6 and Sections 12850 and 12851 of the Public Utilities Code, relating to municipal utility districts.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. The heading of Article 6a (commencing with Section 12850) of Chapter 6 of Division 6 of the Public Utilities Code is amended to read:

Article 6a. Electric, Water, or Sewage Disposal System Improvements

SEC. 2. Section 12850 of the Public Utilities Code is amended to read:

12850. This article shall apply only to districts which have owned and operated an electric distribution, water distribution, or sewage disposal system for at least eight years and which have a population of 250,000 or more.

SEC. 3. Section 12851 of the Public Utilities Code is amended to read:

12851. A district may from time to time issue bonds in accordance with the Revenue Bond Law of 1941, Chapter 6 (commencing with Section 54300) of Part 1 of Division 2 of Title 5 of the Government Code, as it now reads or as hereafter amended, for the purpose of financing the construction, reconstruction, replacement, acquisition or improvement of any facility or facilities necessary or convenient for the generation, transmission or distribution of electricity; the storage, transmission, or distribution of water; or the disposal of sewage; or incidental to, or in connection with, the operation of the electric, water, or sewage disposal system or facilities of the district, which shall constitute an "enterprise" within the meaning of Section 54309 of the Government Code. The authority hereby granted to districts is in addition to all powers granted local agencies under the Revenue Bond Law of 1941, and Section 54310 of the Government Code, insofar as it is inconsistent with such authority, shall not apply.

CHAPTER 400

An act to amend Section 6385 of the Revenue and Taxation Code, relating to taxation.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 6385 of the Revenue and Taxation Code is amended to read·

6385. (a) There are exempted from the computation of the amount of the sales tax the gross receipts from sales of tangible personal property to a common carrier, shipped by the seller via the purchasing carrier under a bill of lading whether the freight is paid in advance, or the shipment is made freight charges collect, to a point outside this state and the property is actually transported to the out-of-state destination for use by the carrier in the conduct of its business as a common carrier The term "common carrier," as used in this section, with respect to water transportation, shall be deemed

to include any vessel engaged, for compensation, in transporting persons or property in interstate or foreign commerce.

(b) There are exempted from the computation of the amount of the sales tax the gross receipts from sales of tangible personal property, other than aircraft fuel and petroleum products, purchased by a foreign air carrier and transported by the foreign air carrier to a foreign destination for use by the air carrier in the conduct of its business as a common carrier by air of persons or property. To qualify for this exemption, the foreign air carrier shall timely furnish to the seller a certificate in writing that the property shall be transported and used in the manner described in this subdivision. Such certificate shall be substantially in the form prescribed by the board. Acceptance in good faith of such a certificate shall relieve the seller from liability for the sales tax. The foreign air carrier shall maintain records in this state, such as a copy of a bill of lading, an air waybill or cargo manifest, documenting its transportation of the tangible personal property to a foreign destination.

(c) Pursuant to subdivision (b), any use of the property by the purchasing foreign air carrier, other than that incident to delivery of the property to the foreign air carrier and the transportation of the property by the carrier to a foreign destination and subsequent use in the conduct of its business as a common carrier, or a failure of the foreign air carrier to document its transporting the property to a foreign destination, shall subject the carrier to liability for payment of sales tax as if it were a retailer making a retail sale of the property at the time of such use or failure, and the cost of the property to it shall be deemed to be the gross receipts from such retail sale

(d) "Foreign air carrier" as used in this section means a foreign air carrier as defined in Section 1301 of Title 49 of the United States Code

SEC. 2 It is the intention of the Legislature not to change the existing exemption and required documentation for exemption for purchases of aircraft fuel and petroleum products.

CHAPTER 401

An act to amend Section 9 5 of Chapter 1377 of the Statutes of 1971, relating to the disposition of property by the Director of General Services

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 9.5 of Chapter 1377 of the Statutes of 1971 is amended to read

9 5 The Director of General Services is hereby authorized to

convey to the County of Los Angeles for use as a portion of Phase III of the Los Angeles Civic Center Mall, the extension of the Civic Center Mall, without consideration, but subject to any covenants and conditions as in his opinion may be for the best interests of the state, approximately 36,000 square feet located in the City of Los Angeles. The land is a portion of the state office building site in the block bounded by Broadway, Temple, Spring and First Streets.

SEC. 2. The Legislature finds and declares that the completion of Phase III of the Los Angeles Civic Center Mall is a public purpose of statewide importance

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CHAPTER 402

An act to amend Section 431 of the Military and Veterans Code, relating to armories

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1 Section 431 of the Military and Veterans Code is amended to read·

431 (a) The Commanding General of the State Military Forces shall have the power to, either directly or through armory boards, or through subordinate commanders, lease or otherwise authorize the use of, by any person for any lawful purpose, manage, supervise all activities in, perform all necessary military duties with respect to and control all armories that are built or acquired by the state, that come into possession or control of the state, or that are erected, purchased, leased, or provided or contributed to in whole or in part by any city or county, or other political subdivision of the state or public corporation or district or by anyone for armory purposes

(b) The Commanding General may contract with the United States for the operation of any armory for purposes of training of federal military personnel, with provision that all state costs related to such operation shall be reimbursed by the United States.

(c) All revenues or income from any armory shall be paid to the Commanding General. The Commanding General shall account for such revenues or income to the Controller at the close of each month in such form as the Controller prescribes, and on order of the Controller shall pay such revenues and income into the Treasury to the credit of the General Fund Post, welfare or similar unit or organizational funds may be established and deposited pursuant to rules and regulations adopted by the Commanding General

(d) The Commanding General, on May 1st of each year, shall submit to the Department of General Services and obtain approval of a schedule of rental, license or lease fees for each state-owned or

leased armory by location. This schedule, when approved by the Department of General Services, shall be used by the Commanding General during the next succeeding fiscal year to determine the minimum rental, license, or lease fees to be charged the renter, licensee, or lessor.

CHAPTER 403

An act to amend Sections 3517.6, 22754, 22790, 22813, 22814, 22815, and 22816 of the Government Code, relating to Public Employees' Medical and Hospital Care Act.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979]

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

SECTION 1. Section 3517.6 of the Government Code is amended to read:

3517.6. In any case where the provisions of subdivision (h) of Section 3513, or Section 13920, 13924, 14876, 18001, 18005, 18005.5, 18006, 18007, 18020, 18021, 18021.5, 18021.6, 18021.7, 18022, 18023, 18024, 18025, 18025.1, 18026, 18050, 18051, 18051.5, 18100, 18100.5, 18101, 18101.5, 18102, 18102.5, 18103, 18105, 18120, 18121, 18122, 18122.1, 18123, 18124, 18125, 18126, 18127, 18128, 18129, 18135, 18135.5, 18136, 18137, 18137.5, 18138, 18139, 18140, 18141, 18142, 18300, 18301, 18302, 18310, 18705, 18714, 18730, 18731, 18732, 18850, 18850.1, 18851, 18852, 18853, 18853.5, 18854, 18855, 18856, 18857, 18859, 18860, 18861, 19080.5, 19100, 19120, 19251, 19252, 19261, 19300, 19301, 19302, 19303, 19304, 19330, 19330.5, 19331, 19332, 19333, 19334, 19335, 19360, 19360.5, 19361, 19362, 19450, 19451, 19452, 19455, 19460, 19461, 19462, 19463, 19464, 19465, 19502, 19503, 19555, 19556, 20750.11, 21400, 21402, 21404, 21405, 22825, or 22825.1 are in conflict with the provisions of a memorandum of understanding, the memorandum of understanding shall be controlling without further legislative action. In any case where the provisions of Section 19532, 19533, 19535, 19536, 19536.5, 19537, 19538, 19540, or 19541 are in conflict with the provisions of a memorandum of understanding, the terms of the memorandum of understanding shall be controlling unless the State Personnel Board finds those terms to be inconsistent with merit employment principles as provided for by Article VII of the California Constitution. Where such finding is made, the provisions of the Government Code shall prevail until those affected sections of the memorandum of understanding are renegotiated to resolve the inconsistency If any provision of the memorandum of understanding requires the expenditure of funds, those provisions of the memorandum of understanding shall not become effective unless approved by the Legislature in the annual Budget Act. If any

provision of the memorandum of understanding requires legislative action to permit its implementation by amendment of any section not cited above, those provisions of the memorandum of understanding shall not become effective unless approved by the Legislature

SEC. 2. Section 22754 of the Government Code is amended to read·

22754. As used in this part the following definitions, unless the context otherwise requires, shall govern the interpretation of terms.

(a) "Board" means the Board of Administration of the Public Employees' Retirement System.

(b) "Employee" means any officer or employee of the State of California or of any agency, department, authority, or instrumentality of the state including the University of California, or any officer or employee who is a local or school member of the Public Employees' Retirement System employed by a contracting agency which has elected to be or otherwise has become subject to this part, or who is a member or retirant of the State Teachers' Retirement System employed by an employer who has elected to become subject to this part, except persons employed on an intermittent, irregular or less than half-time basis, or employees similarly situated, or employees in respect to whom contributions by the state for any type of plan or program offering prepaid hospital and medical care are otherwise authorized by law.

(c) "Carrier" means a private insurance company holding a valid outstanding certificate of authority from the Insurance Commissioner of the state, a medical society or other medical group, a nonprofit hospital service plan qualifying under Chapter 11A (commencing with Section 11491) of Part 2 of Division 2 of the Insurance Code, or nonprofit membership corporation lawfully operating under Section 9200 or Section 9201 of the Corporations Code, or a health care service plan as defined under subdivision (f) of Section 1345 of the Health and Safety Code, or a health maintenance organization approved under Title XIII of the federal Public Health Services Act, which is lawfully engaged in providing, arranging, paying for, or reimbursing the cost of personal health services under insurance policies or contracts, medical and hospital service agreements, membership contracts, or the like, in consideration of premiums or other periodic charges payable to it.

(d) "Health benefits plan" means a group insurance policy or contract, medical or hospital service agreement, membership or subscription contract, or similar group arrangement provided by a carrier for the purpose of providing, arranging, paying for, or reimbursing the cost of basic hospital and medical care and for major medical or other comprehensive benefit plans

(e) "Annuitant" means·

(1) Any person who has retired while an employee and who receives any retirement allowance under any state or University of California retirement system to which the state was a contributing

party.

(2) A family member receiving an allowance as the survivor of an annuitant who has retired as provided in subdivision (1), or as the survivor of a deceased employee under Section 21364, 21365.5 or 21382 of this code or similar provisions of any other state retirement system.

(f) "Family member" means an employee's or annuitant's spouse and any unmarried child (including an adopted child, a stepchild, or recognized natural child who lives with the employee or annuitant in a regular parent-child relationship). The board shall, by regulation, prescribe age limits and other conditions and limitations pertaining to unmarried children.

(g) "Employee organization" means an association or other organization of employees in which membership is open to employees or annuitants of the state, and which is not organized solely or principally for the purpose of obtaining prepaid hospital and medical care.

(h) "Contracting agency" means any contracting agency as defined in Section 20010, and any school district, county board of education, personnel commission of a school district or a county superintendent of schools.

(i) "Employer" means the state, any contracting agency employing an employee, and any agency which has elected to become subject to this part pursuant to Section 22856.

SEC. 3. Section 22790 of the Government Code is amended to read:

22790. The board may contract with carriers for basic health benefit plans, comprehensive benefit plans, and, for employees and annuitants who are also covered under basic plans, major medical plans or approve basic health benefit plans offered by employee organizations, provided that the carriers have operated successfully in the prepaid hospital and medical care field prior to the contracting for or approval thereof. Such plans shall include hospital benefits, surgical benefits, in-hospital medical benefits, outpatient benefits, obstetrical benefits, and may include other benefits including, but not limited to, benefits offered by a bona fide church, sect, denomination or organization whose principles include healing entirely by prayer or spiritual means. The board may contract with health maintenance organizations approved under Title XIII of the federal Public Health Services Act. The board shall approve any basic health benefit plan in existence on January 1, 1962, which meets the requirements of this part and the minimum standards and other rules and requirements prescribed by the board, and for which payroll deductions were authorized under Section 1156 of this code.

SEC. 4. Section 22813 of the Government Code is amended to read:

22813. A transfer of enrollment from one health benefits plan to another such plan may be made by an employee or annuitant at such times and under such conditions as may be prescribed by regulations

of the board. In the case of a comprehensive group-practice prepayment plan in which services are provided by a limited panel of physicians associated with the plan, it is recognized that it may be impossible or impractical to maintain acceptable physician-patient relationships with particular employees or annuitants or members of their families. In any such case the plan may submit the question of ability to maintain adequate physician-patient relationships for consideration under the grievance procedure provided pursuant to Section 22793, and in the event such grievance procedure shall result in a determination that such relationship cannot reasonably be maintained, then the plan shall have the right to provide such annuitant or employee with coverage by contract with a service benefits plan or an indemnity carrier. Such coverage shall provide benefits substantially equivalent to the benefits available to annuitants or employees under the best coverage offered by a service benefits plan or an indemnity benefit plan under this act at a prepayment rate not in excess of the rate charged by the comprehensive group-practice prepayment plan for the coverage otherwise available to such annuitant or employee.

SEC. 5. Section 22814 of the Government Code is amended to read:

22814. An employee enrolled in a health benefits plan who is removed or suspended without pay and later reinstated or restored to duty on the ground that such removal or suspension was unjustified, unwarranted or illegal shall not be deprived of coverage or benefits for the interim, but any contributions otherwise payable by the employer which were actually paid by him shall be restored to the same extent and effect as though such removal or suspension had not taken place, and any other equitable adjustments necessary and proper under the circumstances shall be made in premiums, subscription charges, contributions and claims

SEC. 6 Section 22815 of the Government Code is amended to read·

22815. If an employee or annuitant is dissatisfied with any action or failure to act which has occurred in connection with his coverage or the coverage of his family members under this part, he shall have the right of appeal to the board and shall be accorded an opportunity for a fair hearing. The hearings shall be conducted, insofar as practicable, pursuant to the provisions of Chapter 5 of Part 1 of Division 3 of Title 2 of this code.

SEC. 7 Section 22816 of the Government Code is amended to read:

22816 An employee enrolled in a health benefits plan under this part who is granted a leave of absence without pay under the State Civil Service Act and the rules of the State Personnel Board, or other comparable leave, shall be entitled to have his coverage and the coverage of any family members continued for the duration of the leave of absence upon his application, but only upon assuming payment of the contributions otherwise required of the employer on

account of his enrollment.

CHAPTER 404

An act to amend Sections 12340.3 and 12389 of the Insurance Code, relating to insurance, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 27, 1979.]

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

SECTION 1. Section 12340.3 of the Insurance Code is amended to read·

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.

(d) The issuance, by a title insurer, of a letter of indemnity. Any such letter of indemnity shall be limited to and issued solely for the purpose of enabling an underwritten title company, with whom the title insurer has an underwriting agreement, to continue to transact an escrow business during that period of time required by the underwritten title company to comply with an increase in the statutory net worth requirements imposed as a condition to the transaction of the business of title insurance by an underwritten title company. A title insurer may charge a reasonable fee in connection with the issuance of any such letter. No rate or form filing shall be required with respect to any such letter of indenmity

SEC. 2. Section 12389 of the Insurance Code is amended to read:

12389 (a) An underwritten title company as defined in Section 12340.5, 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

Number of documents	Amount of required minimum net worth
Less than 50,000	$75,000
50,000 to 100,000	120,000
100,000 to 500,000	200,000
500,000 to 1,000,000	300,000
1,000,000 or more	400,000

"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 aggregate value of all other assets.

Where a title plant of an underwritten title company is not being currently maintained, the asset value of such plant shall not exceed its asset value as determined in the preceding paragraph as of the date to which such plant is currently maintained, less 1/10th thereof for each succeeding year or part thereof that such plant is not being currently maintained. For the purposes of this section, a title plant shall be deemed currently maintained so long as it is used in the normal conduct of the business of title insurance, and (1) the owner thereof continues regularly to obtain and index title record data to such plant or to a continuation thereof in a format other than that previously used, including, but not limited to, computerization of such data, or (2) the owner thereof is a participant, in an arrangement for joint use of a title plant system regularly maintained in any format, provided such owner is contractually entitled to receive a copy of the title record data contained in such jointly used title plant system during the period of such owner's participation therein, either periodically or upon termination of such participation, at a cost not to exceed the actual cost of duplication of such title record data.

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 three hundred dollars ($300). 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 seventy-five dollar ($175) 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 seventeen dollars and fifty cents ($17.50). The fee for filing the audit shall be thirty-seven dollars and fifty cents ($37.50).

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 deposit shall be 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 four years after all escrows handled by the depositor have been closed.

(A) The commissioner may release such deposits prior to the passage of such four-year period upon presentation of evidence satisfactory to the commissioner of either a statutory merger of the depositor into a licensee or certificate holder subject to the jurisdiction of the commissioner, or a valid assumption agreement under which all liability of the depositor stemming from escrow transactions handled by it is assumed by a licensee or certificate holder subject to the jurisdiction of the commissioner.

(B) With the foregoing exceptions, the deposit shall be returned to the depositor or lawful successor in interest following the four-year period, upon presentation of evidence satisfactory to the commissioner that there are no claims against the deposit stemming from escrow transactions handled by the depositor. If the commissioner has evidence of one or more claims against the depositor, and the depositor is not in conservatorship or liquidation, the commissioner may interplead the deposit by special endorsement to a court of competent jurisdiction for distribution on the basis that claims against the depositor stemming from escrow transactions handled by it have priority in such distribution over other claims against the depositor.

(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 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.

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. 3. An underwritten title company licensed to conduct the business of an underwritten title company on the effective date of this act and which does not meet the increased minimum net worth requirements established by this act is hereby granted a period of not less than two years nor more than four years, from the effective date of this act, to achieve such compliance, provided, however, any such underwritten title company which engages in the escrow business shall, as a condition to further engaging in such escrow business, file with the commissioner a letter of indemnity. Any such letter shall be issued by a title insurer with which the underwritten title company has an underwriting agreement. The letter of indemnity shall name the commissioner as the indemnitee on behalf of all persons who have engaged in escrow transactions with the underwritten title company during the period the letter is in effect. Any such letter of indemnity shall operate to indemnify any person or entity for any financial loss they may incur as a direct result of any fraudulent or dishonest act on the part of an officer or employee of the underwritten title company in connection with their conduct of an escrow. The maximum liability assumed under a letter of indemnity shall be prescribed by the commissioner in an amount not to exceed two hundred thousand dollars ($200,000). Any such letter of indemnity shall remain in effect for the period of time such underwritten title company is granted to achieve compliance with the new minimum net worth requirements established by this act or until such time as the underwritten title company achieves such compliance, which ever shall first occur. The determination to grant an underwritten title company a period of in excess of two, but not more than four, years to achieve compliance with the new net worth requirements established by this act shall be in the discretion of the commissioner, provided, however, in the exercise of such discretion no underwritten title company shall be required to cease the conduct of the business of title insurance for failure to achieve compliance with such requirements absent a showing that such company has not attempted, in good faith, to achieve compliance with the new net worth requirements of this act.

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

Due to the recent adoption of endorsements to standard fidelity bonds issued in this state, which endorsements are unacceptable to

the Department of Insurance, underwritten title companies are encountering extreme difficulty in obtaining fidelity coverage which is a necessary prerequisite to their conducting an escrow business. This inability to obtain coverage which is satisfactory to the Department of Insurance has resulted in the issuance of cease and desist orders by the department and may result in the future issuance of similar orders affecting the right underwritten title companies to continue to do business in this state. It is therefore necessary to provide an alternative to a fidelity bond so as to permit underwritten title companies to continue to conduct their business in this state. It is therefore necessary that this act take effect immediately.

CHAPTER 405

An act to add Section 3309.5 to the Government Code, relating to local public safety officers.

[Approved by Governor July 27, 1979 Filed with Secretary of State July 30, 1979]

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

SECTION 1. Section 3309.5 is added to the Government Code, to read·

3309.5. (a) It shall be unlawful for any local public safety department to deny or refuse to any local public safety officer the rights and protections guaranteed to them by this chapter.

(b) The superior court shall have initial jurisdiction over any proceeding brought by any local public safety officer against any local public safety department for alleged violations of this section.

(c) In any case where the superior court finds that a local public safety department has violated any of the provisions of this chapter, the court shall render appropriate injunctive or other extraordinary relief to remedy the violation and to prevent future violations of a like or similar nature, including, but not limited to, the granting of a temporary restraining order, preliminary, or permanent injunction prohibiting the local public safety department from taking any punitive action against the local public safety officer.

(d) This section shall apply only to local public safety officers who are peace officers as defined in Section 830.1 of the Penal Code, and shall not apply to public safety officers who are peace officers as defined in subdivisions (a) and (b) of Section 830.2 of the Penal Code.

CHAPTER 406

An act to amend Sections 69899.5, 74003, 74004, and 74005 of the Government Code, relating to courts.

[Became law without Governor's signature July 31, 1979. Filed with Secretary of State July 31, 1979.]

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

SECTION 1. Section 69899.5 of the Government Code is amended to read:

69899.5. In the County of Orange, a majority of the judges of the superior court may appoint the following officers and employees whose monthly salaries shall be:

Number of positions	Title	Salary range
1	Assistant superior court executive officer	E66
1	Administrative services assistant II—superior court	E60
1	Account clerk II	A32
1	Civil court coordinator	E55
1	Master calendar assistant	A39
1	Jury services supervisor	A51
1	Court services supervisor	A38
1	Executive secretary to presiding judge	A44
1	Supervising judicial stenographer	A41
2	Secretary II—judicial	A40
7	Judicial stenographer	A37
1	Court information clerk	A30
5	Juvenile court referee	80% of salary of superior court judge
2	Juvenile traffic hearing officer	A63
4	Legal research attorney	A63
1	Legal research assistant	A57
1	Probate court coordinator	A59
3	Probate examiner	A55
1	Probate secretary	A40
1	Jury payroll clerk	A32
2	Master calendar clerk	A34
1	Juvenile court administrator	E66
1	Systems and procedures analyst—departmental	A59
3	Probate investigator	A51
3	Stenographic clerk	A32
1	Master calendar supervisor	A51

The references to a numbered salary range in this section are to the salary schedule in the salary resolution of the County of Orange.

All personnel appointed pursuant to this section shall serve at the pleasure of the majority of the judges and may at any time be removed by the majority of the judges in their discretion.

With the approval of the board of supervisors, the majority of the judges may establish such additional titles and pay rates as are required, and, with the approval of the board of supervisors, may appoint and employ such additional commissioners, officers, assistants, and other employees as it deems necessary for the performance of the duties and exercise of the powers conferred by law upon the court and its members. Rates of compensation of all officers, assistants, and other employees, except those of court commissioners, may be adjusted by joint action and approval of the board of supervisors and a majority of the judges of the court.

All personnel shall be entitled to such step advancement, vacation, sick leave, holiday benefits, other leaves of absence, and other benefits as may be directed by rules adopted by a majority of the judges. Where statutes require implementation by local ordinances for the extension of benefits to local officers and employees, these may be made applicable, by rule, to such personnel.

The benefits shall also include the same lump-sum payments for sick leave and vacation for such personnel when they are separated from the service as are made to county employees of such county.

Rules of the court may include other matters pertaining to the general administration of the court, including conditions of employment of such personnel. When such rules are adopted by a majority of the judges and filed with the Judicial Council they shall have the same status as other rules of court adopted pursuant to Section 68070.

When requested to do so by the court, the county shall furnish to the judges such services as may be required in connection with the recruitment and employment of such personnel.

All such personnel and judges shall be allowed actual traveling and necessary expenses incurred while engaged in the duties of their employment or office outside of the county.

All such personnel shall be included in the retirement system of the County of Orange, subject to the provisions of such system.

SEC. 2. Section 74003 of the Government Code is amended to read:

74003. (a) There shall be one Marshal of the County of Orange appointed by, and serving at the pleasure of, a majority of the judges of the municipal courts in the county.

(b) A branch office of the Marshal of Orange County shall be maintained in each judicial district.

(c) Notwithstanding the provisions of Section 31662.6, the marshal of all municipal courts within the County of Orange who is a safety member shall be retired as of the first day of the calendar month next succeeding that in which he attains age 65.

(d) The number of positions within each job classification which shall be appointed by the marshal and the number of the salary range set forth in Section 74005 which constitutes the compensation for each job classification are shown in the table below:

Title of job classification	*Applicable salary range number*	*Number of positions authorized*
Marshal	E79	1
Captain, marshal's office	E72	2
Lieutenant, marshal's office	E68	4
Sergeant, marshal's office	A61	12
Deputy marshal II	A53	33
Deputy marshal I	A51	65
Chief clerk II, marshal's office	A44	3
Chief clerk I, marshal's office	A42	2
Secretary II	A40	1
Clerk III, marshal's office	A36	5
Clerk II, marshal's office	A32	14
Clerk I, marshal's office	A30	17
Administrative services assistant II	A60	1
Investigator I, marshal's office	A56	10
Radio dispatcher	A44	2
Teletype operator	A32	1
Supervising clerk I	A40	1

SEC. 3. Section 74004 of the Government Code is amended to read:

74004. (a) The number of positions within each job classification which may be filled by appointment by the clerk and administrative officer, respectively, of each such court, and the number of the salary range set forth in Section 74005 which constitutes the compensation for each job classification, are shown in the table below, in which the various municipal courts are designated by column headings from left to right in the same order as that in which their judicial districts are named in Section 74000:

Title of job classification	*Applicable salary range number*	*Number of positions authorized in each court*				
		NOCCOC	*WOCOC*	*HSOC*		
Appointed by the clerk and administrative officer.						
Chief deputy clerk II, municipal court	E61	1	1	1	0	0
Chief deputy clerk I, municipal court	E59	0	0	0	1	1
Division head II, municipal court	A52	4	4	4	1	0

Division head I, municipal court	A50	0	0	0	2	3
Accounting division head, municipal court	A44	1	1	1	1	0
Courtroom clerk municipal court	A48	13	15	13	7	4
Deputy clerk V, municipal court	A44	2	2	2	2	1
Deputy clerk IV, municipal court	A38	1	1	0	0	1
Deputy clerk III, municipal court	A36	7	7	6	4	5
Deputy clerk II, municipal court	A32	14	15	17	10	12
Deputy clerk I, municipal court	A30	31	38	39	28	16
Legal stenographer I	A36	2	2	2	2	1
Secretary II	A40	1	1	1	1	1
Systems and procedures analyst departmental	A59	1	1	1	1	0
Supervising detention release officer	A60	0	1	0	0	0
Detention release officer	A54	0	8	0	0	0
Data input operator	A32	9	13	14	7	2
Interpreter	A39	1	1	2	1	0
Supervising deputy clerk, municipal court	A40	3	3	3	2	0
Assistant courtroom clerk, municipal court	A36	3	4	3	4	0
Judicial support officer	A50	0	0	0	1	0

(b) The Legislature finds and declares that the matter of appointing, promoting, demoting, and dismissing persons in positions with the municipal courts and all other aspects of the personnel management of municipal courts of Orange County is one for local concern It further finds and declares that wherever possible such personnel management shall grant to persons in positions with the municipal courts equality of treatment with persons in positions with the County of Orange who are performing similar duties and who possess similar qualifications.

(c) To achieve the legislative intent expressed in subdivisions (a) and (b), the municipal courts of Orange County may create a personnel committee consisting of five judges selected one from each court by a majority vote of the judges of the respective courts, or where there is an equal division of the judges of a court, by the senior judge of that court The personnel committee may adopt rules and regulations providing for a personnel system for all municipal courts of Orange County which shall provide for equal treatment

concerning methods and conditions of employment for employees and attachés of the several courts and the marshal's office and which shall provide equal treatment for such employees as is provided for Orange County employees generally. In so providing for a personnel system, the judges may adopt all or any part of the personnel and salary resolution of the County of Orange.

(d) With the approval of the board of supervisors, the personnel system adopted by the personnel committee and made applicable to all the municipal courts of Orange County may be administered by the County of Orange through its personnel department. The board of supervisors may withdraw its approval at any time.

(e) If an increase in the business of the court or any other emergency requires a greater number of attachés or employees for the prompt and faithful discharge of the business of the court than the number expressly provided in this article or requires the performance of duties of positions in a class not expressly provided in this article, a majority of the judges of any of the courts, with the approval of the board of supervisors, may establish additional titles, pay rates, and positions as they deem necessary for the performance of the duties and exercise of the powers conferred by law upon the courts Rates of compensation of all officers, attachés, and employees may be adjusted by joint action and approval of the board of supervisors and a majority of the municipal court judges of Orange County. The establishment of additional titles, positions, and pay rates and changes in compensation made pursuant to this subdivision shall be on an interim basis and shall expire on January 1 of the second year following the year in which such establishment or change is made. The provisions of this section are directory only and are not intended to affect the application of Section 72150.

SEC. 4. Section 74005 of the Government Code is amended to read:

74005. The schedule of biweekly salary ranges referred to in Sections 74002, 74003, and 74004 are those ranges set forth in the 1978–79 Personnel and Salary Resolution adopted by the Orange County Board of Supervisors.

Notwithstanding any other provisions of law, the salaries of municipal court officers, attachés, and employees may upon the joint approval of the personnel committee and the board of supervisors be increased or decreased in order to provide compensation that is comparable to county employees of similar qualifications and experience holding equal or comparable positions in the Orange County classified service as the comparability is determined jointly by the personnel committee and the board of supervisors, except that any such increase or decrease shall be effective only until January 1 of the second year following the year in which such increase or decrease is made.

In the event that the board of supervisors adopts a revised salary schedule for county employees, the board shall confer with the personnel committee, and if both are agreed that the new schedule

shall apply also to the officers, attachés, and employees of the municipal courts and marshal's office, the revised salary schedule shall apply equally to the officers, attachés, and employees of municipal courts and marshal's office in the same manner and date as for county employees, except that any such salary adjustment shall only be effective until January 1 of the second year following the year in which such adjustment is made.

SEC. 5. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act is in accordance with the request of a local governmental entity or entities which desired legislative authority to carry out the program specified in this act. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 407

An act to add Section 23673 to the Business and Professions Code, relating to alcoholic beverages.

[Became law without Governor's signature August 1, 1979 Filed with Secretary of State August 1, 1979]

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

SECTION 1. Section 23673 is added to the Business and Professions Code, to read:

23673. No brand owner of distilled spirits or his agent shall sell any brand of distilled spirits to a wholesaler or rectifier in this state at a price higher than the lowest price at which such brand of distilled spirits is sold by such brand owner or his agent to any wholesaler or rectifier during any calendar month anywhere in any other state or in the District of Columbia or to any state or state agency which owns or operates retail distilled spirits stores.

In determining the lowest price for which any brand of distilled spirits is sold in any other state or the District of Columbia or to any state or state agency which owns and operates retail distilled spirits stores, appropriate reduction shall be made to reflect all discounts, all rebates, allowances, and other inducements of any kind whatsoever offered or given to any such wholesaler or state, or state agency, as the case may be, purchasing such brand of distilled spirits in such other state or in the District of Columbia or to the state or state agency which owns or operates retail distilled spirits stores, provided that nothing in this section shall prevent differentials in price which make only due allowance for differences in state excise taxes and fees and the actual cost of delivery. As used in this section, the term "excise taxes and license fees" shall mean the excise taxes

imposed or the fees required by any state or the District of Columbia.

A violation of this section shall be remediable only by a civil action for damages or an action to enjoin a brand owner or his agent from continued violation brought by any person suffering loss as a result of such violation A judgment in any such action rendered against a licensee shall be deemed grounds for the suspension or revocation of the violator's license pursuant to Chapter 7 (commencing with Section 24200) of this division.

For the purposes of this section, "distilled spirits" does not include brandy produced in California. No California brandy manufacturer or his agent shall be required to file an affidavit pursuant to this section for California brandy.

CHAPTER 408

An act to add Section 2008.3 to the Business and Professions Code, relating to physicians and surgeons.

[Approved by Governor August 1, 1979 Filed with Secretary of State August 1, 1979]

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

SECTION 1. Section 2008.3 is added to the Business and Professions Code, to read:

2008.3. Notwithstanding the provisions of Section 2008 relating to the charging of fees for professional services by medical schools, a clinic operated primarily for the purpose of medical education by a public or private nonprofit university medical school which has been approved by the Division of Licensing of the Board of Medical Quality Assurance pursuant to Section 2173 may charge for professional services rendered to teaching patients by physicians and surgeons who hold academic appointments on the faculty of such university, provided such charges are approved by the physician in whose name the charge is made.

CHAPTER 409

An act to add Section 987 to the Civil Code, relating to reserved rights in fine art.

[Approved by Governor August 1, 1979 Filed with Secretary of State August 1, 1979]

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

SECTION 1. Section 987 is added to the Civil Code, to read:

987. (a) The Legislature hereby finds and declares that the physical alteration or destruction of fine art, which is an expression of the artist's personality, is detrimental to the artist's reputation, and artists therefore have an interest in protecting their works of fine art against such alteration or destruction; and that there is also a public interest in preserving the integrity of cultural and artistic creations.

(b) As used in this section:

(1) "Artist" means the individual or individuals who create a work of fine art.

(2) "Fine art" means an original painting, sculpture, or drawing of recognized quality, but shall not include work prepared under contract for commercial use by its purchaser.

(3) "Person" means an individual, partnership, corporation, association or other group, however organized.

(4) "Frame" means to prepare, or cause to be prepared, a work of fine art for display in a manner customarily considered to be appropriate for a work of fine art in the particular medium.

(5) "Restore" means to return, or cause to be returned, a deteriorated or damaged work of fine art as nearly as is feasible to its original state or condition, in accordance with prevailing standards.

(6) "Conserve" means to preserve, or cause to be preserved, a work of fine art by retarding or preventing deterioration or damage through appropriate treatment in accordance with prevailing standards in order to maintain the structural integrity to the fullest extent possible in an unchanging state.

(c) (1) No person, except an artist who owns and possesses a work of fine art which the artist has created, shall intentionally commit, or authorize the intentional commission of, any physical defacement, mutilation, alteration, or destruction of a work of fine art.

(2) In addition to the prohibitions contained in paragraph (1), no person who frames, conserves, or restores a work of fine art shall commit, or authorize the commission of, any physical defacement, mutilation, alteration, or destruction of a work of fine art by any act constituting gross negligence. For purposes of this section, the term "gross negligence" shall mean the exercise of so slight a degree of care as to justify the belief that there was an indifference to the particular work of fine art.

(d) The artist shall retain at all times the right to claim authorship, or, for just and valid reason, to disclaim authorship of his or her work of fine art.

(e) To effectuate the rights created by this section, the artist may commence an action to recover or obtain any of the following:

(1) Injunctive relief.

(2) Actual damages

(3) Punitive damages In the event that punitive damages are

awarded, the court shall, in its discretion, select an organization or organizations engaged in charitable or educational activities involving the fine arts in California to receive such damages.

(4) Reasonable attorneys' and expert witness fees.

(5) Any other relief which the court deems proper.

(f) In determining whether a work of fine art is of recognized quality, the trier of fact shall rely on the opinions of artists, art dealers, collectors of fine art, curators of art museums, and other persons involved with the creation or marketing of fine art.

(g) The rights and duties created under this section:

(1) Shall, with respect to the artist, or if any artist is deceased, his heir, legatee, or personal representative, exist until the 50th anniversary of the death of such artist.

(2) Shall exist in addition to any other rights and duties which may now or in the future be applicable.

(3) Except as provided in paragraph (1) of subdivision (h), may not be waived except by an instrument in writing expressly so providing which is signed by the artist.

(h) (1) If a work of fine art cannot be removed from a building without substantial physical defacement, mutilation, alteration, or destruction of such work, the rights and duties created under this section, unless expressly reserved by an instrument in writing signed by the owner of such building and properly recorded, shall be deemed waived. Such instrument, if properly recorded, shall be binding on subsequent owners of such building.

(2) If the owner of a building wishes to remove a work of fine art which is a part of such building but which can be removed from the building without substantial harm to such fine art, the rights and duties created under this section shall apply unless the owner has diligently attempted without success to notify the artist, or, if the artist is deceased, his heir, legatee, or personal representative, in writing of his intended action affecting the work of fine art, or unless he did provide notice and that person failed within 90 days either to remove the work or to pay for its removal. If such work is removed at the expense of the artist, his heir, legatee, or personal representative, title to such fine art shall pass to that person.

(3) Nothing in this subdivision shall affect the rights of authorship created in subdivision (d) of this section.

(i) No action may be maintained to enforce any liability under this section unless brought within three years of the act complained of or one year after discovery of such act, whichever is longer.

(j) This section shall become operative on January 1, 1980, and shall apply to claims based on proscribed acts occurring on or after that date to works of fine art whenever created.

(k) If any provision of this section 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 section which can be effected without the invalid provision or application, and to this end the provisions of this section are severable.

SEC. 2. This act shall be known and may be cited as "The California Art Preservation Act."

CHAPTER 410

An act to amend Section 7013 of the Business and Professions Code, relating to contractors.

[Approved by Governor August 1, 1979 Filed with Secretary of State August 1, 1979]

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

SECTION 1. Section 7013 of the Business and Professions Code is amended to read:

7013 The board may in its discretion review and sustain or reverse by a majority vote any action or decision of the registrar.

This section shall apply to any action, decision, order, or proceeding of the registrar 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

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CHAPTER 411

An act to amend Section 7522 of the Business and Professions Code, relating to private patrol officers.

[Approved by Governor August 1, 1979. Filed with Secretary of State August 1, 1979]

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

SECTION 1. Section 7522 of the Business and Professions Code is amended to read:

7522. This chapter does not apply to·

(a) A person employed exclusively and regularly by one employer in connection with the affairs of such employer only and where there exists an employer-employee relationship, provided that such person at no time carries or uses any deadly weapon in the performance of his or her duties. For purposes of this subdivision, "deadly weapon" is defined to include any instrument or weapon of the kind commonly known as a blackjack, slungshot, billy, sandclub, sandbag, metal knuckles, any dirk, dagger, pistol, revolver, or any other firearm, any knife having a blade longer than five inches, any razor with an unguarded blade and any metal pipe or bar used or intended to be used as a club

(b) An officer or employee of the United States of America, or of

this state or a political subdivision thereof, while such officer or employee is engaged in the performance of his official duties, including uniformed peace officers employed part time by a public agency pursuant to a written agreement between a chief of police or sheriff and the public agency, provided such part-time employment does not exceed 50 hours in any calendar month.

(c) A person engaged exclusively in the business of obtaining and furnishing information as to the financial rating of persons.

(d) A charitable philanthropic society or association duly incorporated under the laws of this state which is organized and maintained for the public good and not for private profit.

(e) Patrol special police officers appointed by the police commission of any city, county, or city and county under the express terms of its charter who also under the express terms of the charter (1) are subject to suspension or dismissal after a hearing on charges duly filed with the commission after a fair and impartial trial, (2) must be not less than 18 years of age nor more than 40 years of age, (3) must possess physical qualifications prescribed by the commission, and (4) are designated by the police commission as the owners of a certain beat or territory as may be fixed from time to time by the police commission.

(f) An attorney at law in performing his duties as such attorney at law.

(g) A licensed collection agency or an employee thereof while acting within the scope of his employment, while making an investigation incidental to the business of the agency, including an investigation of the location of a debtor or his property where the contract with an assignor creditor is for the collection of claims owed or due or asserted to be owed or due or the equivalent thereof.

(h) Admitted insurers and agents and insurance brokers licensed by the state, performing duties in connection with insurance transacted by them.

(i) The legal owner of personal property which has been sold under a conditional sales agreement or a mortgagee under the terms of a chattel mortgage.

(j) Any bank subject to the jurisdiction of the Superintendent of Banks of the State of California or the Comptroller of Currency of the United States.

(k) A person engaged solely in the business of securing information about persons or property from public records.

(*l*) A peace officer of this state or a political subdivision thereof while such peace officer is employed by a private employer to engage in off-duty employment in accordance with the provisions of Section 1126 of the Government Code.

CHAPTER 412

An act to amend Sections 8892, 8898, and 8899.5 of the Government Code, relating to the Seismic Safety Commission.

[Approved by Governor August 1, 1979 Filed with Secretary of State August 1, 1979.]

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

SECTION 1 Section 8892 of the Government Code is amended to read:

8892. (a) The commission shall consist of 15 members appointed by the Governor and confirmed by the Senate, one member appointed by the Senate Rules Committee, and one member appointed by the Speaker of the Assembly. The Seismic Safety Commission shall elect annually from its membership its own chairman and vice chairman and may replace them with other commissioners by majority vote Commission members shall be residents of California.

(b) A quorum shall consist of nine members if there are no vacancies, or else a majority of the members of the commission at the time.

(c) The Legislature declares that the individuals appointed to the commission are intended to represent the professions of architecture, planning, fire protection, public utilities, electrical engineering, mechanical engineering, structural engineering, soils engineering, geology, seismology, local government, insurance, social services, emergency services, and the State Legislature and that such representation serves the public interest. Accordingly, the Legislature finds that for purposes of persons who hold such office the specified professions are tantamount to and constitute the public generally within the meaning of Section 87103.

SEC. 2. Section 8898 of the Government Code is amended to read·

8898. To implement the foregoing responsibilities, the commission may:

(a) Review state budgets and review grant proposals, other than those grant proposals submitted by institutions of postsecondary education to the federal government, in earthquake-related activities and to advise the Governor and Legislature thereon;

(b) Review earthquake-related legislation proposals, to advise the Governor and Legislature concerning such proposals, and to propose needed legislation;

(c) Recommend the addition, deletion, or changing of state agency standards when, in the commission's view, the existing situation creates an undue seismic hazard or when new developments would promote seismic safety, and conduct public hearings as deemed necessary on the subjects; and

(d) In the conduct of any hearing, investigation, inquiry, or study which is ordered or undertaken in any part of the state, to administer oaths and issue subpoenas for the attendance of witnesses and the production of papers, records, reports, books, maps, accounts, documents, and testimony.

SEC. 3. Section 8899.5 of the Government Code is amended to read:

8899.5. The provisions of this chapter shall remain in effect only until January 1, 1986 and as of such date are repealed, unless a later enacted statute, which is chaptered before January 1, 1986, deletes or extends such date.

CHAPTER 413

An act to add Sections 23366.2 and 23366.3 to the Business and Professions Code, relating to alcoholic beverages.

[Approved by Governor August 1, 1979. Filed with Secretary of State August 1, 1979]

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

SECTION 1. Section 23366.2 is added to the Business and Professions Code, to read:

23366.2. An out-of-state distilled spirits shipper's certificate authorizes the shipment of distilled spirits manufactured without this state to licensed importers within this state. Distilled spirits manufactured without this state may only be obtained by a licensed importer from the holder of an active out-of-state distilled spirits shipper's certificate. Only one out-of-state distilled spirits shipper's certificate may be issued to any one distilled spirits shipper.

SEC. 2. Section 23366.3 is added to the Business and Professions Code, to read:

23366.3 (a) An out-of-state distilled spirits shipper's certificate may be issued by the department upon the written undertaking and agreement by the applicant:

(1) That it and its agents and all agencies within this state controlled by it shall comply with all laws of this state and all rules of the department with respect to the sale of alcoholic beverages;

(2) That it shall make available, both in California and outside the state, for inspection and copying by the department, all books, documents, and records, located both within and without the state, which are pertinent to the activities of the applicant, its agents and agencies within this state controlled by it, in connection with the sale and distribution of its products within this state.

(b) The department may suspend or revoke an out-of-state distilled spirits shipper's certificate for cause in the manner provided for the suspension and revocation of licenses, and after a hearing

which shall be held in the City of Sacramento or in such other county seat in the state as the department determines to be convenient to the holder of an out-of-state distilled spirits shipper's certificate

(c) The annual fees for an out-of-state distilled spirits shipper's certificate shall be determined by the department, and shall approximate the department's cost of investigation of the applicant and of issuance of such certificate.

(d) All money collected from the fees provided for in this section shall be deposited directly in the General Fund of the State Treasury, rather than in the Alcoholic Beverage Control Fund as provided by Section 25761.

CHAPTER 414

An act to amend Sections 33470 and 33471 of, to repeal and add Section 33473 of, and to add Sections 33471.5 and 33475 to, the Health and Safety Code, relating to community redevelopment, and declaring the urgency thereof, to take effect immediately

[Approved by Governor August 1, 1979 Filed with Secretary of State August 1, 1979]

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

SECTION 1. Section 33470 of the Health and Safety Code is amended to read:

33470. For the purpose of allocating taxes pursuant to Section 33670 and subject to the provisions of this article, redevelopment project areas under the jurisdiction of the redevelopment agency of the City of San Bernardino, for which redevelopment plans have been adopted pursuant to Article 5 (commencing with Section 33360) of this chapter, may be merged, irrespective of contiguity, by the amendment of each affected redevelopment plan as provided in Article 12 (commencing with Section 33450) of this chapter. Upon merger, the provisions of subdivisions (a) and (c) of Section 33413 shall apply to the project areas merged pursuant to this article and the redevelopment agency shall use all reasonable efforts and all available subsidies to implement the provisions of subdivision (b) of Section 33413. Each constituent project area so merged, including, without limitation, those previously merged pursuant to this section, shall continue under its own redevelopment plan, but, except as otherwise provided in this article, taxes attributable to each project area merged pursuant to this section which are allocated to the redevelopment agency pursuant to Section 33670 shall be allocated, as provided in subdivision (b) of such section, to the entire merged project area for the purpose of paying the principal of and interest on loans, moneys advanced to, or indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the redevelopment

agency to finance or refinance, in whole or in part, such merged redevelopment project.

SEC. 2. Section 33471 of the Health and Safety Code is amended to read.

33471. If the redevelopment agency has, prior to merger of redevelopment project areas pursuant to Section 33470, incurred any indebtedness on account of a constituent project area so merged, taxes attributable to such area which are allocated to the agency pursuant to subdivision (b) of Section 33670 shall be first used to comply with the terms of any bond resolution or other agreement pledging such taxes from such constituent project area until a refunding has occurred which satisfies the terms of such resolution or agreement.

SEC. 3. Section 33471 5 is added to the Health and Safety Code, to read:

33471.5 After the refunding has occurred as provided in Section 33471, not less than 40 percent of all taxes which are allocated to the redevelopment agency pursuant to subdivision (b) of Section 33670 for redevelopment projects merged pursuant to this article shall be used by the agency for the purposes set forth in Section 33334.2, provided that such taxes shall first be used for the payment of principal, interest, and premium, if any, under the bond resolution or resolutions providing for the issuance of the refunding bonds and providing necessary reserves for such refunding bonds, but only to the extent that such refunding is necessary to refinance existing bonded obligations.

SEC. 4. Section 33473 of the Health and Safety Code is repealed.

SEC. 5. Section 33473 is added to the Health and Safety Code, to read:

33473 In the proceedings for the merger of a redevelopment project, pursuant to this article, the legislative body may provide for the extension of any termination date in the redevelopment plan for any particular project area to such date as will enable a refunding to be accomplished by the issuance of bonds for the merged project area which will extend debt service for the purpose of attempting to prevent default. The termination date may also be extended for the purpose of financing projects under Section 33334.2 or 33471.5 or for any other purposes permitted by law

SEC 6. Section 33475 is added to the Health and Safety Code, to read

33475. This article is, unless otherwise provided, applicable only to redevelopment projects of the redevelopment agency of the City of San Bernardino for which a final redevelopment plan was adopted by ordinance on or before January 1, 1978.

The Legislature finds and declares that conditions unique to the financing of redevelopment in the City of San Bernardino require the granting of authority to merge project areas in the manner provided in this article

SEC 7 This act is an urgency statute necessary for the

immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting such necessity are:

Redevelopment is vital to the economic and social welfare of the City of San Bernardino. In order to ensure the integrity of redevelopment project financing in the City of San Bernardino, and to avoid the severe disruption in the local housing market which will occur if there is delay in this act taking effect, it is necessary for this act to take effect immediately as an urgency statute.

CHAPTER 415

An act to amend Sections 53201 and 53205 of the Government Code, relating to local agencies.

[Became law without Governor's signature August 2, 1979. Filed with Secretary of State August 2, 1979]

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

SECTION 1. Section 53201 of the Government Code is amended to read:

53201. The legislative body of a local agency, subject to such conditions as may be established by it, may provide for any health and welfare benefits for the benefit of its officers, employees, retired employees, and retired members of the legislative body who elect to accept the benefits and who authorize the local agency to deduct the premiums, dues or other charges from their compensation, to the extent that such charges are not covered by payments from funds under the jurisdiction of the local agency as permitted by Government Code Section 53205.

SEC. 2. Section 53205 of the Government Code is amended to read:

53205. From funds under its jurisdiction, the legislative body may authorize payment of all or such portion as it may elect of the premiums, dues, or other charges for health and welfare benefits on officers, employees, retired employees, and retired members of the legislative body subject to its jurisdiction.

Such expenditures are charges against the funds. If the employer pays any portion of the premiums, dues or other charges for such health and welfare benefits, any dividends paid or premiums refunded or other rebates or refunds under any such health and welfare benefits up to the aggregate expenditures of the employer for such benefits are the employer's property. The excess, if any, shall be applied by the employer for the benefit of such employees or their dependents generally.

CHAPTER 416

An act to amend Sections 1, 3, 14, 27, 30, 52, and 58 of, and to add Sections 14.4, 30 1, 30.2, 30.3, 30 4, 30.5, 30.6, 30.7, 30 8, 30.9, 30.10, 30.11, 30.12, 30 13, 30.14, 30 15, 30 16, 30.17, 30.18, 30 19, 30.20, 30.21, 30.22, 30.23, 30.24, 30.25, 30.26, 30.27, 30.28, 30.29, 30 30, 30.31, 30.32, 30.33, 135, 136, 137, 138, 139, 140, and 141 to, the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), relating to drainage districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor August 3, 1979 Filed with Secretary of State August 3, 1979]

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

SECTION 1. Section 1 of the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903) is amended to read:

Section 1. Whenever fifty or a majority of the holders of title, or evidence of title as herein provided, to agricultural lands other than swamp and overflowed lands, which are susceptible to construction of works for the control of waters to protect, maintain, and enhance the quality of such lands, including drainage, disposal of drainage water and waters of deleterious quality, conservation and beneficial use of flood, storm, and other waste waters occurring on such lands, or control of flood, storm, and other waste waters occurring on district owned lands, desire to provide for the protection of such lands, they may propose the organization of a drainage district under the provisions of this act, and when so organized, such district shall have the powers, rights, and duties conferred or which may be conferred by law, upon such drainage districts. The equalized county assessment roll next preceding the presentation of a petition for the organization of a drainage district under the provisions of this act, shall be sufficient evidence of title for the purposes of this act; provided, that no person who has received or acquired title to land within such proposed district for the purpose of enabling him or her to join in such petition or to become an elector of said district, shall be allowed to sign such petition or to vote at any election to be held in such district under the provisions of this act Such illegal signing, however, shall not invalidate such petition when there shall be found a sufficient number of other legal petitioners.

SEC 2 Section 3 of the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903) is amended to read·

Sec. 3. When such petition is presented, the board of supervisors shall hear the same, and may adjourn such hearing from time to time not exceeding four weeks in all, and on the final hearing said board shall make such changes in the proposed boundaries as may be deemed advisable, and shall define and establish such boundaries But said board shall not modify said boundaries so as to exclude from

such proposed district any territory which is susceptible of protection or drainage by the same system of works applicable to the other lands in such proposed district; nor shall any lands which will not, in the judgment of said board, be benefited by means of said system of works, be included within such proposed district. Any person whose lands are susceptible of protection by the same system of works, may, upon his application, in the discretion of said board, have such lands included within said proposed district. Upon such hearing of said petition, the board of supervisors shall determine whether or not said petition complies with the requirements of Sections 1 and 2 of this act, and for that purpose must hear all competent and relevant testimony offered in support or in opposition thereto. Such determination shall be entered upon the minutes of said board of supervisors.

SEC. 3. Section 14 of the Drainage District Act of 1903 (Chapter 238 of the Statues of 1903) is amended to read:

Sec. 14. The board shall have the power and it shall be their duty, to manage and conduct the business and affairs of the district; make and execute all necessary contracts for services or the performance of services; to adopt a seal of the district to be used in the attestation of proper documents; provide for the payment, from the proper fund, of all the debts and just claims against the district; employ and appoint when necessary, engineers to survey, plan, locate, and estimate the cost of the works necessary to carry out the functions of the district and the land needed for right-of-way, including drains, canals, sluices, watergates, embankments, evaporation ponds, facilities for the disposal of accumulated salts, facilities for the control of storm and other waste waters occurring on lands owned by the district, including waters arising outside the district which flow through it, for the protection of lands owned by the district from storm and waste waters, and facilities for the conservation of storm and waste waters occurring within the district for beneficial use, including spreading, storing, percolation, and sale of such conserved waters, and to construct, maintain, and keep in repair all works necessary for the purpose of maintaining and enhancing the quality and use of the lands within the district through drainage, flood and waste water control on district owned lands, and conservation, storage, and beneficial use of flood and other waste waters from any lands within the district The board and its agents and employees shall have the right to enter upon any land to make surveys, and may locate the necessary works and the line for any canals, sluices, watergates and embankments, and the necessary branches for the same, on any lands which may be deemed best for such location Said board shall also have the right to acquire, hold and possess either by donation, purchase or condemnation, any land or other property, necessary for the construction, use, maintenance, repair, and improvement of any works required for purposes of the district as provided herein The board may establish equitable bylaws, rules and regulations necessary or proper for carrying on the business

herein contemplated, and generally may perform all such acts as shall be necessary to fully carry out the purposes of this act.

SEC. 4. Section 14.4 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 14.4. The district may execute contracts with landowners to perform one or more services to lands within the district, and such contracts may provide for payments by the landowners and may be recorded by the district as a lien upon the lands to be served.

SEC. 5. Section 27 of the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903) is amended to read:

Sec. 27. For the purpose of constructing necessary conduits, drains, sluices, watergates, embankments, evaporation ponds and buffer zones, salt disposal works, works for the control, storage, and beneficial use of storm, flood, and waste waters, and all works necessary for the purposes of the district, and acquiring the necessary property and rights therefor, and otherwise carrying out the provisions of this act, the board of directors of any such district must, as soon after such district has been organized as may be practicable, and also whenever thereafter the construction fund has been exhausted by expenditures as herein authorized therefrom, and it is necessary to raise additional money for said purposes, estimate and determine the amount of money necessary to be raised. And thereafter said board shall immediately call a special election, at which shall be submitted to the electors of such district the question whether or not the proposed work shall be undertaken and whether bonds of said district shall be issued in the amount so determined, or the works financed by annual assessments. Notice of such election must be given by posting notices in three public places in each election precinct in said district for at least 20 days, and also by publication of such notice pursuant to Section 6063 of the Government Code in some newspaper published in the county where the office of the board of directors of such district is required to be kept. Such notices must specify the time of holding the election, the nature of the work proposed, the amount of bonds proposed to be issued or the total amount of assessments to be levied each year and the number of years in which such assessments shall be levied; and the election must be held and the result thereof determined and declared in all respects as nearly as practicable in conformity with the provisions of this act governing the election of officers; provided, that no informalities in conducting such an election shall invalidate the same, if the election shall have been otherwise fairly conducted. At such election the ballots shall contain the words "Shall the proposed project of the _____ Drainage District to (brief description of work proposed) be undertaken?" "_____ Yes—No," or words equivalent thereto. Following this question shall be printed the statement "Vote for One," succeeded by "The project shall be financed by bonds," and "The project shall be financed by annual assessments on lands in the district," or words equivalent thereto.

SEC. 6. Section 30 of the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903) is amended to read:

Sec. 30. Any bonds issued prior to January 1, 1978, under the provisions of this act shall be a lien upon the property of the district and the lien for the bonds of any issue shall be a preferred lien to that for any subsequent issue. Said bonds, and the interest thereon, shall be paid by revenue derived from an annual assessment upon the real property of the district and may be paid from any revenue of the district available for such purpose; and all the real property in the district shall be and remain liable to be assessed for such payments as hereinafter provided.

Any bonds issued on and after January 1, 1978, under the provisions of this act, and the interest thereon, shall to the extent funds are not otherwise available, be paid by revenue derived from an annual assessment upon the assessable real property in the district; and all the assessable real property in the district shall be and remain liable to be assessed for such payments as hereinafter provided.

Issuance of bonds after January 1, 1978, shall not affect the preferred lien status of bonds issued prior to that date.

Any bonds issued on and after July 1, 1979, under the provisions of this act, and the interest thereon, shall, as determined by the board, be paid either from revenues only, or from assessments spread upon the lands of the district in proportion to the benefits to be provided to each parcel from the works to be constructed from the proceeds of the issuance of the bonds, or from revenues derived from an annual assessment upon the assessable real property in the district

SEC. 7. Section 30.1 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read

Sec. 30 1. Notwithstanding any other provision of this act, the board may determine to issue bonds secured solely by revenues to acquire any combination of works to carry out the purposes of the district, in which case the bonds shall be authorized and issued pursuant to the Revenue Bond Law of 1941, except that the voters authorized to vote in any election under such law shall be determined in the manner set forth in this act.

SEC 8. Section 30.2 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30.2. Notwithstanding any other provision of this act, the board may determine to issue bonds secured by benefit assessments, in which case the board shall determine a service area that will be benefited by the project The service area may be subdivided by the board into separate zones or subareas that benefit solely from corresponding components of the total project

SEC. 9 Section 30 3 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read

Sec 30 3 The board shall thereupon by resolution instruct the district engineer to prepare an estimated total project cost, to include contingencies, issuing expenses, acquisition of land and rights-of-way, construction costs, and all other costs properly

chargeable to the project, and to submit a report to the board.

SEC. 10. Section 30 4 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30 4. The board, if satisfied with the report, may thereupon, by resolution, instruct the district engineer to apportion the cost in accordance with the benefits that will accrue to each tract of land held in separate ownership.

SEC. 11. Section 30.5 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30.5 If the district project as proposed provides that all of the costs of the project are to be borne by certain designated lands within the district and there is on file with the board a written stipulation or agreement executed and acknowledged by the owners of all such designated lands wherein the landowners consent to the apportionment of all costs of the project on their lands in a particular manner, then all of such costs shall be apportioned by the district engineer in accordance with such stipulation agreement.

SEC. 12. Section 30.6 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30.6. Upon completion of the apportionment of costs the district engineer shall prepare and certify to the board an assessment roll which shall contain the following:

(a) A description of each tract held in separate ownership by legal subdivision, governmental surveys, or other boundaries sufficient to identify it If any area composed of more than one tract held in separate ownership is not assessed because the land therein will not be benefited by the expenditure of the funds to be raised by the assessment, a description of the area as a whole without a description of each tract shall be sufficient

(b) The number of acres in each tract.

(c) The name and address of the owner of each tract, if known, and if unknown, that fact. No mistake or error in the name of the owner of the property assessed, and no mistake in any other particular, shall render the assessment invalid.

(d) The rate per acre of the assessment upon each tract assessed, or if no assessment is made upon any tract or area composed of more than one tract, a statement of that fact.

(e) The total amount of the assessment as computed.

SEC. 13. Section 30.7 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30.7 When completed, the roll shall be accompanied by the written report of the district engineer setting out with particularity the exact nature and quantum of the benefits assessed, apportioned, and allocated to each tract of land in the district in respect to each separable component of the proposed project, shall be certified by the district engineer, and filed with the board

SEC 14 Section 30 8 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read

Sec. 30 8 The board shall file a copy of the roll and report in its

records and forthwith give notice of the filing of the report and assessment roll by publication at least once a week for two successive weeks in each affected county, and by mailing copies of such notice to each affected landowner, as shown on the last equalized assessment roll of the district or as known to the district, stating therein the time and place of a special meeting which shall not be less than 15 days after the completion of publication and mailing.

SEC. 15 Section 30.9 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec 30 9. If no objections are presented to the board with respect to a particular assessment roll at the time and place noticed the secretary of the board shall execute a certificate in which he shall certify to the fact that no objections were so presented and file it in the district records.

SEC. 16. Section 30.10 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read

Sec. 30 10. The board may continue the hearings on objections to assessments from time to time

SEC. 17. Section 30 11 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30 11 At the hearings the board shall hear such evidence as may be offered touching the correctness of the assessment, and may modify, amend, or approve the assessment in any particular and may reapportion the whole or any part of it.

SEC. 18 Section 30 12 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30.12 After hearing of objections the board shall by resolution approve the assessment as finally fixed or modified. A certified copy of the assessment roll as finally fixed shall be filed in the district records.

SEC. 19. Section 30.13 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read·

Sec. 30.13 When the secretary of the board files the certificate as provided for by Section 30.9, or if objections are raised, when the board approves the assessment as finally fixed as provided in Section 30 12, the board shall call for a district election at which shall be submitted to the electors of the district the question whether or not the board shall be authorized to issue bonds secured by such benefit assessment which election shall be held and conducted in the same manner as set forth in Section 27. At such election the ballots shall contain the words "Benefit assessment bonds—Yes" and "Benefit assessment bonds—No" or words equivalent thereto

SEC. 20. Section 30 14 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec 30 14 If a majority of the votes are cast for "Benefit assessment bonds—Yes" the board shall transmit a certified copy of the roll to the county tax collector in each affected county, and the charges assessed by the portion of the roll as certified as provided for by Section 30 9 or as finally fixed as provided for by Section 30.12 filed

with the county tax collector in each affected county shall upon recordation of a notice in the manner specified in Section 3114 of the Streets and Highways Code constitute a lien upon the land in each county which is prior to all other liens except city, county, and special district assessments or ad valorem taxes levied or assessed by or under statutory authority. The notice recorded pursuant to this section shall expressly provide that the lien is prior to all other liens except city, county, and special district assessments or ad valorem taxes.

SEC. 21. Section 30.15 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30.15. The assessment roll as approved by the board shall be conclusive evidence before any court or tribunal that the assessment has been made and levied according to law.

SEC. 22. Section 30.16 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30.16. All unpaid assessments bear interest at the rate of 8 percent per year. Interest commences to run 30 days after the board has adopted a resolution calling for the sale of bonds secured by the assessment.

SEC. 23. Section 30.17 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30.17. The assessment list of each county shall remain open for payment of any unpaid balance of the assessment and interest thereon at the office of the county tax collector.

SEC. 24. Section 30.18 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec 30.18. Payments on assessments made to the county tax collector prior to adoption of a resolution of the board calling for the issuance of bonds shall be transferred by the county tax collector to the county treasurer and placed in the construction fund. Payments on assessments made in advance of call of such assessments by the board but subsequent to adoption of a resolution of the board calling for the issuance of bonds shall be placed by the county treasurer in a special account established within the bond fund designated as the advance payments account.

SEC. 25. Section 30.19 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30.19. Any time after the filing of the assessment roll, as provided in Section 30.14, the board may by resolution call for the sale of bonds secured by such assessment. The form and substance of such bonds and the sale thereof shall be governed by the provisions of Sections 28 and 29. The total par value of bonds sold against any benefit assessment shall not exceed the total assessment less any collections against such assessment made prior to the first adoption of a resolution of sale of bonds secured by the assessment.

SEC. 26. Section 30.20 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read·

Sec 30.20. Collection of assessments levied and called by the

board shall be made by the auditor and tax collector of the county or counties in which the district is situated.

SEC. 27 Section 30.21 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec 30 21. On or before the third Monday in August the board shall designate and determine by resolution the percentage of any assessment theretofor levied that shall be called and collected The interest due on unpaid assessments may be called without calling any installment of the assessment. Certified copies of this resolution shall be filed by the secretary of the district with the county auditor, county tax collector, and county treasurer of each affected county on or before the third Monday in August.

SEC. 28. Section 30.22 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30.22. The county tax collector upon receipt of the certified copy of the resolution provided for by Section 30 21 shall forthwith discontinue making collections on the affected assessment and shall transfer to the county auditor the assessment rolls designated in the resolution together with an accounting of all payments made on the assessments so transferred

SEC. 29. Section 30.23 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec 30.23. The county auditor, on receipt of such affected assessment rolls from the county tax collector shall compute the amount to be collected from each parcel of land in the district held in separate ownership as shown on the transferred assessment rolls and the county tax roll, and shall enter in a separate column in the county assessment books, headed "Water Drainage District Assessment, _____ Drainage District (naming it)," the sums in dollars and cents to be collected against the respective parcels of land On any parcel of land on which payments have been made on such assessment prior to the receipt of the resolution by the county tax collector, credit for the amount so paid shall be given in determining the amount payable.

SEC. 30 Section 30 24 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read·

Sec 30 24 Assessments called pursuant to this act shall be collected at the same time and in the same manner as county taxes. When collected, the net amount, as provided by this act, shall be paid to the treasurer of the district, under the general requirements and penalties provided by law for the settlement of county taxes

SEC. 31 Section 30.25 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec 30 25. Upon receipt of the certified resolution provided for by Section 30 21 the county treasurer shall transfer a percentage of the funds in the advance payment account to the general bond fund account of the district, such percentage to be the same as that provided for call on the outstanding assessment in such resolution.

SEC 32 Section 30 26 is added to the Drainage District Act of

1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30.26. Each county auditor, treasurer, and tax collector shall file annually with the board of supervisors of his county, itemized statements showing the additional expenses to his office caused by performance of the duties imposed upon him by this act. Upon the filing of such statements the board of supervisors, by an order upon its minutes, shall deduct such expenses from the assessment money of the district while in the hands of such tax collector and transfer the amount deducted into the county general fund.

SEC. 33. Section 30.27 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30.27 Whenever any real property situated in any district has been sold for taxes and has been redeemed, the money paid for redemption shall be apportioned and paid, by the county treasurer receiving it, to the district in the proportion which the assessment due to the district shares to the total tax assessment for which the property was sold.

SEC. 34. Section 30.28 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30.28. The board shall levy an amendatory assessment in the manner provided for original assessments if any of the following occur:

(a) Any land within the district is omitted from any assessment roll.

(b) Land appears in the assessment roll but is neither assessed nor stated not to be assessed.

(c) A final judgment of a court of competent jurisdiction has held that any assessment is invalid as to any part of the land assessed.

This amendatory assessment shall be based upon a determination, as nearly as may be, of the amount the original assessment upon the land would have been except for the omission or invalidity.

SEC. 35. Section 30.29 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30.29. When any tract of land upon which any assessment has been levied is subdivided into smaller parcels the board shall, upon its own motion or upon written application therefor signed by a landowner of record within the subdivided tract, after a hearing noticed and held in the same fashion as provided in Section 30.8, reapportion the assessment upon such tract in such manner as will, in the judgment of the board, charge each of the smaller parcels with a just portion of the assessment. Such reapportionment shall be entered in the minutes of the board and, upon such entry, shall become final.

SEC. 36. Section 30.30 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30.30. The board shall file with the treasurer of each county in which any portion of the tract affected is situated, any amendatory or reapportioned assessments relating to the land in that county.

SEC. 37. Section 30.31 is added to the Drainage District Act of

1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30.31. Upon the inclusion of any land within a district an assessment shall be levied upon the land, the amount of the assessment against each tract or parcel to be the amount, as nearly as can be determined, of all assessments which would have been levied against the tract or parcel if it had been included in the district from the time of the original levy of such assessment.

SEC. 38. Section 30.32 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30.32. When a district has levied an assessment and it appears to the board that the assessment or some part thereof, together with the interest thereon, will provide an amount greater than is required to meet all obligations incurred or to be incurred for the purposes for which the assessment or part thereof was levied, the board, provided that no bonds are outstanding, may by resolution declare its intention to cancel all or any portion of the assessment, including any interest thereon, or all or any portion of such interest. For the purposes of this section, the term "assessment balance" means the assessment and the interest thereon, and the board, in the manner and subject to the limitations provided in this act, may cancel any part of such assessment balance, including all of the assessment and the interest thereon, a part of the assessment and the interest thereon, all of the interest on the assessment or a part of the interest on the assessment.

SEC. 39. Section 30.33 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 30.33. The board, pursuant to a resolution entered in its minutes, may distribute, among the landowners of the district, any funds in the treasury belonging to the district which were collected on an assessment on which no bonds are outstanding, or collected by way of interest or penalties on the assessment or by the rental, sale or redemption of delinquent land under the assessment, and which appear to the board to be greater than required to meet all obligations incurred or to be incurred for the purposes for which the assessment was levied, such distribution to the landowners to be made in the proportion that they were assessed on such assessment.

SEC. 40. Section 52 of the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903) is amended to read:

Sec. 52. The board of directors shall have the power to construct the works necessary for district puposes across any stream of water, watercourse, street, avenue, highway, railway, canal, ditch, or flume which the route of said conduits or drains may intersect or cross, in such manner as to afford security for life and property; but said board shall restore the same, when so crossed or intersected, to its former state as near as may be, or in such manner as not to have impaired unnecessarily its usefulness; and every company whose railroad, and the board of supervisors, where any public highway shall be intersected or crossed by said works, shall unite with said board in forming said intersections and crossings, and grant the privileges aforesaid; and if such railroad company, or said board of supervisors,

or the owners and controllers of the said property, thing, or franchise so to be crossed, and said board cannot agree upon the amount to be paid therefor, or the points or the manner of said crossings or intersections, the same shall be ascertained and determined in all respects as is herein provided in respect to the taking of property by condemnation. The right-of-way is hereby given, dedicated, and set apart, to locate, construct and maintain said works over and through any of the lands which are now or may be the property of this state.

SEC 41 Section 58 of the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903) is amended to read:

Sec. 58. An action to determine the validity of bonds, assessments, contracts, including contracts with the state, the Department of Water Resources, any other district, or the United States, the adoption of a project or the taking of any other action by the district or the board may be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

SEC. 42 Section 135 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read·

Sec. 135 In addition to, and as an alternative to, the matters contained in this act regarding assessments of district lands, the district may by resolution adopt separate plans for drainage, for disposal of drainage and other waste waters, for control of storm and waste waters occurring on lands owned by the district, and for the storage, conservation, and beneficial use of storm and flood waters within the district, and may establish limited areas within the district to which each of these plans shall apply. The district may enter into long-term contracts with holders of title to land in each such area to provide one or more of such services. Upon recordation of the long-term contract with the county recorder of the county in which the real property is situated, the contract shall run with the land and be binding upon successors in interest of the contracting landowners for the duration of the contract. Such recorded long-term contract may provide that the failure of the contracting landowner to pay for district service or services as required by contract, shall, upon recordation of a certificate in the office of the county recorder in the county in which the land is situated, constitute a lien with the priority of a judgment lien which delinquency may be collected and enforced in the manner provided in this act for the collection and enforcement of district assessments. Such contracts may be acknowledged or proved, certified, and recorded in like manner and with like effect as grants of real property, and all statutory provisions relating to the recording or nonrecordation of conveyances of real property, and to the effect thereof, shall apply to such contracts with like effect.

SEC 43. Section 136 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read

Sec 136. In addition to and as an alternative to, the powers contained in this act, zones may be established within the district for the purpose of fixing rates of assessments varying in accordance with

the extent of benefits to each zone derived or to be derived from services to the land in each zone arising from the district's plan of works or of any separately identifiable part thereof.

SEC. 44. Section 137 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 137. No zone shall be established or varying rates of assessments fixed under Section 136 unless the board by resolution declares that it intends to do so and that a public hearing will be held thereon at a specified day and place where all interested persons may appear and be heard. This resolution shall be published in the district pursuant to Section 6066 of the Government Code in a newspaper of general circulation published in the county of the district's office, with first publication to be at least 14 days prior to the time fixed for hearing, and a copy of such resolution shall be mailed, postage prepaid, to each holder of title to land within the district at his address as shown upon the last equalized assessment roll of the county in which the land is situated. Any error, omission, or mistake in such mailing, or any failure of any person to receive such copy, shall not invalidate the proceedings pursuant to this section. The hearing may be adjourned from time to time at the discretion of the board and at its conclusion the board shall by resolution determine the zones of benefit established, if any, the share of benefits received by each zone arising from the district's operations, expressed as a percent, the criteria for establishing each such zone and the percentage expressed, together with a map in such detail to delineate the geographical area of such zone. The zones and the percentages may be amended from time to time or abolished in the same manner required for original adoption.

SEC. 45. Section 138 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 138. The annual statement of expenses filed pursuant to Section 40 shall, in addition to the matters required by such section, contain the amount of expenses to be borne by each zone, which amount shall be computed by multiplying the total expenses by the percentage of benefits accruing to each such zone as so declared by the board.

SEC. 46. Section 139 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 139. The board of supervisors in fixing the rate of assessment authorized by Section 138 shall fix the rate or levy the assessment upon all lands within each zone sufficient to raise the amount stated in the estimate of the district board to be borne by such zone. Assessments made within such zones of benefit established pursuant to this act shall be levied on all lands within such zone of benefit on an ad valorem or acreage basis as determined by the board.

SEC. 47. Section 140 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read:

Sec. 140. Proceeds from assessments levied pursuant to this act may be used to pay any lawful obligation of the district.

SEC. 48. Section 141 is added to the Drainage District Act of 1903 (Chapter 238 of the Statutes of 1903), to read·

Sec. 141. The district may enter into contracts or agreements with the State of California or other public districts for the joint construction of and for the joint use and maintenance of evaporation ponds or other works for the disposal of saline drainage waters and for the disposal of salts and other residues developed from the operation of such works.

SEC. 49 Notwithstanding Section 2231 of the Revenue and Taxation Code, there shall be no reimbursement pursuant to that section nor shall there be an appropriation made by this act because self-financing authority is provided in this act to cover the costs imposed by this act.

SEC. 50 This act is an urgency statute necessary for the immediate preservation of the 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 protect the lands of the Tulare Lake Drainage District and to carry out the provisions of an agreement with the Department of Water Resources of the State of California, it is urgently necessary for the district promptly to acquire certain lands and construct works thereon. Under the provisions of Article XIII A of the California Constitution the district is presently unable to issue bonds to finance these actions. The provisions of this act incorporate alternative procedures and authority under which the district may proceed to carry out these actions and provide for their financing. It is necessary, therefore, that this act go into immediate effect.

CHAPTER 417

An act to amend Section 8101 of the Health and Safety Code, relating to cemeteries.

[Approved by Governor August 3, 1979 Filed with Secretary of State August 3, 1979]

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

SECTION 1 Section 8101 of the Health and Safety Code is amended to read·

8101 (a) Every person is guilty of a misdemeanor and 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 exceeding one year, or by both, who maliciously does any of the following:

(1) Destroys, cuts, mutilates, effaces, or otherwise injures, tears down, or removes any tomb, monument, memorial, or marker in a cemetery, or any gate, door, fence, wall, post or railing, or any

inclosure for the protection of a cemetery or any property in a cemetery.

(2) Obliterates any grave, vault, niche, or crypt.

(3) Destroys, cuts, breaks or injures any building, statuary, ornamentation, tree, shrub, or plant within the limits of a cemetery.

(4) Disturbs, obstructs, detains or interferes with any person carrying or accompanying human remains to a cemetery or funeral establishment. or engaged in a funeral service, or an interment.

(b) A court shall require as a condition of probation for any person convicted under this section, except in any case in which the court makes a finding and states on the record its reasons that such condition would be inappropriate, that such person wash, paint, repair, or replace the defaced, damaged, or destroyed property, or otherwise make restitution to the property owner. If restitution is found to be inappropriate, the court shall require as a condition of probation, except in any case in which the court makes a finding and states on the record its reasons that such condition would be inappropriate, that the defendant perform specified community service. Nothing in this section shall be construed to limit the authority of a court to grant or deny probation or provide conditions of probation.

CHAPTER 418

An act to amend Sections 73084.1, 73084.2, 73084.3, 73084.4, 73084.5, 73084.6, 73087, 73089, 73096, 74954, 74954.5, 74955, and 74956 of, and to repeal and add Section 69903 of, the Government Code, relating to courts.

[Became law without Governor's signature August 5, 1979. Filed with Secretary of State August 6, 1979.]

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

SECTION 1. Section 69903 of the Government Code is repealed.

SEC. 2. Section 69903 is added to the Government Code, to read:

69903. In any county with a population of less than 1,073,200, but more than 1,069,700 as determined by the 1970 federal census, a majority of the judges of the superior court may appoint the listed officers and employees whose salaries shall be paid by the county as follows:

	Title	*Item*
1	Executive officer	9030
1	Assistant executive officer	9031
1	Juvenile courts coordinator	9039
1	Probate commissioner	9050
2	Senior referees	9053

31	Court reporters	9056
1	Staff services assistant	0230
2	Secretary II	1220
1	Court statistician	9038
1	Supervising conciliation counselor	9054
1	Conciliation counselor	9057
3	Steno II	1210
1	Chief calendar clerk	9033
1	Chief deputy jury commissioner	9035
1	Chief deputy calendar clerk/jury commissioner	9034
1	Legal secretary reporter II	1245
10	Specialist clerks	1128
2	Supervising clerk I	1138
1	Chief probate investigator	9065
3	Probate investigators	9060
1	Clerk II	1120
	Court reporter, pro tem	F 78.16/day

The item number set forth in the previous paragraph refers to the classifications contained in the Alameda County salary ordinance and superior court positions shall be paid the equivalent amount as specified in the salary ordinance.

All personnel appointed pursuant to this section shall be exempt from civil service laws serving at the pleasure of the judges of the court and may at any time be removed by a majority thereof at their discretion. Notwithstanding any other provision of this section, each judge may appoint a competent phonographic reporter who shall perform, in addition to his other duties, such secretarial services for the appointing judge as he requires in the performance of his official duties.

With the approval of the board of supervisors, a majority of the judges may establish such additional titles and pay rates as are required and may appoint such additional commissioners, officers, assistants, and other employees as they deem necessary for the performance of the duties and exercise of the powers conferred by law upon the court and its members. Rates of compensation of all such officers, assistants, and other employees may be adjusted by joint action and approval of the board of supervisors and a majority of the judges of the court. Such additional appointments or changes in compensation made pursuant to this section shall be on an interim basis and shall expire on the effective date of appropriate ratifying or modifying state legislation.

All personnel except pro tem court reporters shall be entitled to salary advancement, vacation, sick leave, holiday benefits, other leaves of absence, and other benefits, not more than that provided in the Alameda County Administrative Code for county employees. However, vacation benefits for commissioner and referee classifications shall be determined by written court policy.

All personnel except pro tem court reporters shall be included in the Alameda County retirement system.

If the board of supervisors provides by ordinance or resolution for a rate of compensation for positions in any of the superior court classes specified in this section which is higher than that herein otherwise provided for, such higher rate of compensation shall be effective at the same time and in the same manner as rates of pay for Alameda County employees generally. Comparative classes shall be determined by a majority of the judges and the board of supervisors

SEC 3. Section 73084 1 of the Government Code is amended to read:

73084.1. The clerk and administrative officer of the municipal court for the Alameda Judicial District may appoint the following deputy clerks:

(a) One deputy clerk supervising municipal court clerk II who shall act as chief deputy.

(b) One deputy clerk, municipal courtroom clerk.

(c) One deputy clerk, senior municipal court clerk.

(d) Three deputy clerks, municipal court clerks.

(e) Two deputy clerks, clerk II.

(f) One deputy clerk, accounting technician.

Not more than one such deputy clerk may be assigned as court interpreter at the additional percentage compensation provided for county employees required to possess bilingual capabilities.

SEC. 4. Section 73084.2 of the Government Code is amended to read:

73084.2. The clerk and administrative officer of the municipal court for the Berkeley-Albany Judicial District may appoint the following deputy clerks:

(a) One chief deputy clerk.

(b) Four deputy clerks, division chiefs.

The clerk and administrative officer may transfer such division chiefs from one division to another regardless of any resulting change in salary as set forth in Section 73086.

(c) Three deputy clerks, supervising municipal court clerk II.

(d) Four deputy clerks, municipal courtroom clerk.

(e) One deputy clerk, supervising municipal court clerk I.

(f) Two deputy clerks, senior municipal court clerk.

(g) Twelve deputy clerks, municipal court clerk.

(h) Ten deputy clerks, clerk II.

(i) One deputy clerk, secretary II.

(j) One deputy clerk, supervising accountant I.

(k) One deputy clerk, account clerk II.

(*l*) One deputy clerk, account clerk I

(m) Two deputy clerks, data input clerk.

Not more than one such deputy clerk may be assigned as court interpreter at the additional percentage compensation provided for county employees required to possess bilingual capabilities.

SEC. 5. Section 73084.3 of the Government Code is amended to read:

73084.3. The clerk and administrative officer of the municipal court for the Oakland-Piedmont Judicial District may appoint the following deputy clerks:

(a) One chief deputy clerk.

(b) Three deputy clerks, division chiefs. The clerk and administrative officer may transfer such division chiefs from one division to another regardless of any resulting change in salary as set forth in subdivision (a) of Section 73086.

(c) One deputy clerk, administrative services officer II.

(d) Four deputy clerks, assistant division chiefs.

(e) One deputy clerk, calendar coordinator.

(f) Four deputy clerks, supervising municipal court clerk II.

(g) Fifteen deputy clerks, municipal courtroom clerk.

(h) Nine deputy clerks, supervising municipal court clerk I.

(i) Six deputy clerks, senior municipal court clerk.

(j) Forty-seven deputy clerks, municipal court clerk.

(k) Twenty-five deputy clerks, clerk II.

(*l*) One deputy clerk, supervising secretary II.

(m) Three deputy clerks, secretary I.

(n) Nine deputy clerks, data input clerk.

(o) One deputy clerk, supervising accountant I.

(p) One deputy clerk, information systems analyst.

Not more than eight such deputy clerks may be assigned as court interpreters at the additional percentage compensation provided for county employees required to possess bilingual capabilities.

SEC. 6. Section 73084.4 of the Government Code is amended to read:

73084.4. The clerk and administrative officer of the municipal court for the San Leandro-Hayward Judicial District may appoint the following deputy clerks:

(a) One chief deputy clerk.

(b) Three deputy clerks, division chiefs.

The clerk and administrative officer may transfer such division chiefs from one division to another regardless of any resulting change in salary as set forth in Section 73086.

(c) Two deputy clerks, supervising municipal court clerk II.

(d) Seven deputy clerks, municipal courtroom clerk.

(e) Two deputy clerks, supervising municipal court clerk I.

(f) Two deputy clerks, senior municipal court clerk.

(g) Seventeen deputy clerks, municipal court clerk.

(h) Thirteen deputy clerks, clerk II.

(i) One deputy clerk, secretary I.

(j) One deputy clerk, supervising accountant I.

(k) One deputy clerk, account clerk II

(*l*) Three deputy clerks, data input clerk.

Not more than three such deputy clerks may be assigned as court interpreters at the additional percentage compensation provided for

county employees required to possess bilingual capabilities.

SEC. 7 Section 73084.5 of the Government Code is amended to read:

73084.5. The clerk and administrative officer of the municipal court for the Fremont-Newark-Union City Judicial District may appoint the following deputy clerks:

(a) One chief deputy clerk.
(b) Three deputy clerks, municipal courtroom clerk.
(c) Three deputy clerks, supervising municipal court clerk I.
(d) Two deputy clerks, senior municipal court clerk.
(e) Eight deputy clerks, municipal court clerk.
(f) Five deputy clerks, clerk II.
(g) One deputy clerk, secretary I.
(h) One deputy clerk, accounting technician.
(i) One deputy clerk, account clerk II.

Not more than three such deputy clerks may be assigned as court interpreters at the additional percentage compensation provided for county employees required to possess bilingual capabilities.

SEC. 8. Section 73084.6 of the Government Code is amended to read:

73084.6. The clerk and administrative officer of the municipal court for the Livermore-Pleasanton Judicial District may appoint the following deputy clerks:

(a) One chief deputy clerk.
(b) Two deputy clerks, municipal courtroom clerk.
(c) Three deputy clerks, supervising municipal court clerk I.
(d) Three deputy clerks, senior municipal court clerk.
(e) Eight deputy clerks, municipal court clerk.
(f) Two deputy clerks, clerk II.
(g) One deputy clerk, accounting technician.

SEC. 9 Section 73087 of the Government Code is amended to read:

73087. (a) Deputy clerks in each municipal court in Alameda County shall receive a biweekly salary at the rate set forth for that item number classification in the ordinance established for municipal courts as follows:

	Ordinance Class No.
Deputy clerk, municipal court clerk	1615
Deputy clerk, senior municipal court clerk	1620
Deputy clerk, supervising municipal court clerk I	1655M
Deputy clerk, supervising municipal court clerk II	1656M
Deputy clerk, municipal courtroom clerk	1660

(b) Deputy clerks in each municipal court in Alameda County shall receive a biweekly salary at the rate set forth for that item number classification in the Alameda County ordinance as follows:

	Ordinance Class No.
Deputy clerk, account clerk I	1305
Deputy clerk, account clerk II	1310
Deputy clerk, accounting technician	1315M
Deputy clerk, administrative services assistant I	0220M
Deputy clerk, administrative services officer I	0224M
Deputy clerk, clerk I	1115
Deputy clerk, clerk II	1120
Deputy clerk, data input clerk	1131
Deputy clerk, information systems analyst	0419M
Deputy clerk, secretary I	1215
Deputy clerk, secretary II	1220M
Deputy clerk, stenographer II	1210
Deputy clerk, supervising accountant I	0133M
Deputy clerk, supervising secretary I	1216M
Deputy clerk, supervising secretary II	1221M

(c) Notwithstanding any other provisions of this code, the rules governing flexibly staffed classifications, the administration of the pay plan and additional compensation shall be the same as that for employees of Alameda County.

SEC. 10. Section 73089 of the Government Code is amended to read:

73089. With the approval of the board of supervisors, judges of each municipal court concerned within Alameda County may establish such additional titles and pay rates as are required and may appoint such additional deputy clerks, officers, assistants and other employees as deemed necessary for the powers conferred by law upon the court and its members. Rates of compensation of the clerk and administrative officers, deputy clerks, officers, assistants and other employees may be adjusted by joint action and approval of the board of supervisors and the judges in each respective municipal court within the county.

If the board of supervisors provides by ordinance or resolution for any increase in the number or rate of compensation of any municipal court personnel pursuant to this section, such increase shall be effective only until January 1, 1982, and shall be effective at the same time and in the same manner as such increases for Alameda County employees generally.

SEC. 11. Section 73096 of the Government Code is amended to read:

73096 Official reporters of municipal courts in Alameda County, in lieu of any other compensation provided by law for their services in reporting testimony and proceedings in such court, shall receive

(a) Seventy-eight dollars and sixteen cents ($78.16) a day for the days they actually are on duty under order of the court; or

(b) A minimum payment of thirty-nine dollars and eight cents

($39.08) for serving four hours or less a day, plus an hourly rate of nine dollars and seventy-seven cents ($9.77) for each hour served in excess of four hours, up to the maximum amount specified in subdivision (a): provided, that not to exceed three official reporters in a judicial district having three or more judges shall each receive an annual salary, vacation leave and sick leave, in the same amounts as the official reporters of the Superior Court in Alameda County.

Rates of compensation of regular official reporters and official reporters pro tempore may be adjusted by joint action and approval of the board of supervisors and a majority of the judges of the court, provided, however, that any changes in compensation which are made pursuant to this section shall be on an interim basis and shall remain in effect only until January 1, 1982, unless ratified by statute by the Legislature prior to that date.

SEC. 12. Section 74954 of the Government Code is amended to read:

74954. (a) Whenever a reference is made to a numbered salary range according to the standard salary schedule in any section of this article, the schedule found in the Napa County Departmental Allocation List in effect on March 31, 1979, shall apply.

(b) In the event the Board of Supervisors of the County of Napa amends the resolution establishing salary ranges and monthly salary rates on the standard salary schedule for the County of Napa, effective on the date of this act, or adopts a new resolution which provides for a change in compensation for ranges or steps, such changes shall be effective for the municipal court employees under this article on the effective date of the action of the board of supervisors and shall remain effective only until January 1 of the second year following the year in which such change is made.

SEC. 13. Section 74954.5 of the Government Code is amended to read:

74954.5. (a) Whenever a reference is made to a numbered salary range according to the management and nonclassified personnel salary schedule in any section of this article, the schedule found in the Napa County Departmental Allocation List in effect on March 31, 1979, shall apply.

(b) In the event the Board of Supervisors of the County of Napa amends the resolution establishing salary ranges and monthly salary rates for the management and nonclassified personnel of the County of Napa, or adopts a new resolution which provides for a change in compensation for ranges or steps, such changes shall be effective for the municipal court management and nonclassified personnel under this article on the effective date of the action of the board of supervisors and shall remain effective only until January 1 of the second year following the year in which such change is made.

SEC. 14. Section 74955 of the Government Code is amended to read:

74955. There shall be one clerk who shall also be the court administrator, and who shall receive the monthly salary provided for

salary range No. 74.1 in the salary schedule for management and nonclassified personnel. In addition to any other duties imposed by law, the clerk shall, at the direction of the presiding judge, perform the following duties:

(a) To direct and coordinate the nonjudicial activities of the court;

(b) To prepare and administer the budget of the court;

(c) To coordinate with other appropriate county agencies the acquisition, utilization, maintenance and disposition of county facilities, equipment and supplies necessary for the operation of the court;

(d) To collect, compare and analyze statistical data on a continuing basis concerning the status of judicial and nonjudicial business of the court and to prepare periodic reports and recommendations based on such data;

(e) To serve as liaison for the court with other persons, committees, boards, groups and associations as directed by the presiding judge

SEC. 15. Section 74956 of the Government Code is amended to read:

74956 (a) There shall also be the following court employee positions, whose numbers and salary range on the standard salary schedule of the County of Napa shall be as specified:

Position title	*Number of positions*	*Salary range*
Assistant clerk of the court	1	28.1
Senior municipal court clerk	3	24
Municipal court clerk	2	22
Account clerk III	1	22
Deputy clerk III	5	20
Deputy clerk II	4	18

(b) Each such person employed on the effective date of this article in the office of the clerk of the municipal court shall receive credit for prior continuous service in office, including service in a court superseded upon the establishment of the municipal court.

SEC 16. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act is in accordance with the request of a local governmental entity or entities which desired legislative authority to carry out the program specified in this act. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 419

An act making an appropriation to pay the claims of the Secretary of the State Board of Control, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor August 6, 1979 Filed with Secretary of State August 6, 1979]

I am reducing the appropriation contained in Senate Bill No 319 from $4,171,830 46 to $556,655 46.

I have deleted the appropriation for claims based on the added cost of retirement credit for unused sick leave for certificated employees ($2,580,288) and classified employees ($1,034,887) Action on these claims should be temporarily deferred until the Legislature has had an opportunity to review the ongoing costs of this retirment benefit

With this reduction, I approve Senate Bill No 319

EDMUND G BROWN JR , Governor

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

SECTION 1. The sum of four million one hundred seventy-one thousand eight hundred thirty dollars and forty-six cents ($4,171,830.46) is hereby appropriated from the General Fund to the State Board of Control to pay the claims awarded pursuant to Article 3.5 (commencing with Section 2250) of Chapter 3 of Part 4 of Division 1 of the Revenue and Taxation Code during the 1978 calendar year.

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

In order to settle claims against the state and end hardships to claimants as quickly as possible, it is necessary for this act to take effect immediately

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CHAPTER 420

An act relating to the release of an existing lien with deed of trust on property at Squaw Valley by the State of California, and declaring the urgency thereof, to take effect immediately

[Approved by Governor August 6, 1979 Filed with Secretary of State August 6, 1979]

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

SECTION 1. The Legislature finds and declares, that participation in the Olympic Games is beneficial to all citizens of the United States, including Californians, by promoting international athletic competition which in turn furthers foreign relations,

encourages athletic competition, and promotes patriotism.

The Legislature, in addition, finds and declares, that the establishment of a permanent Olympic training center at Squaw Valley by the United States Olympic Committee for the purpose of training American athletes and, in connection therewith the improvement and expansion of the Blyth Arena by the United States government, are important steps in preparing American athletes for participation in the Olympic Games.

Therefore, the Legislature further finds and declares, that the release by the State of California of the state's existing deed of trust and security agreement as to real and personal property at Squaw Valley, which property at the time of release is owned by the United States Olympic Committee or the United States government and which will be used in connection with the establishment of such permanent training center, serves a public purpose.

SEC. 2. The Director of the Department of General Services shall release the State of California's existing deed of trust and security agreement at Squaw Valley designated as Olympic Village and the Ski Slope to the United States Olympic Committee and the United States government. Any such release shall apply only to property actually owned by the United States Olympic Committee or the United States government as of the date of the release. The principal balance of the note secured by the deed of trust and security agreement shall be reduced proportionately as in the judgment of the Director of General Services the fair market value of the real property released bears to the fair market value of the real property covered by the deed of trust as of January 1, 1980. The real property released to the United States government shall adjoin the existing Blyth Arena and shall not exceed six acres.

No release shall be made to the United States government or the United States Olympic Committee unless, and until, (1) the sum of ten million dollars ($10,000,000), or an amount necessary to complete the repair and improvement of Blyth Arena in accordance with phase 1 of the Hunt Study, has been appropriated by the United States government and is available for the repair and improvement of Blyth Arena, and (2) the United States Olympic Committee has agreed that if within 10 years after the date of the release all or any part of the real property released to the Olympic Committee ceases to be used as a permanent Olympic training facility, the property not so used shall be sold at its fair market value and the State of California shall be paid from the first proceeds of such sale an amount equal to the principal portion of the note forgiven by the state plus accrued interest at the then prevailing rate for similar property.

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 secure moneys appropriated by the United States government for repairs and improvements to the Blyth Arena, it is

necessary that this act take effect immediately.

CHAPTER 421

An act to amend Section 70141.6 of the Government Code, relating to courts.

[Became law without Governor's signature August 7, 1979 Filed with Secretary of State August 7, 1979]

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

SECTION 1. Section 70141.6 of the Government Code is amended to read:

70141.6. (a) In Kern County, the superior court may provide that the commissioner, in addition to the duties prescribed in Section 259 of the Code of Civil Procedure, shall perform the duties prescribed by Section 259a of the Code of Civil Procedure and the duties of a probate commissioner appointed pursuant to Section 69897. The commissioner shall also perform the duties of a jury commissioner pursuant to Sections 204b to 204e, inclusive, of the Code of Civil Procedure.

(b) The commissioner shall receive a salary equal to 70 percent or 75 percent of the annual salary for a superior court judge. The commissioner shall be paid biweekly pursuant to the payroll procedures in effect in the County of Kern in an amount equivalent to 70 or 75 percent of a superior court judge's salary The court shall determine the level of salary to be received by the commissioner based on qualifications, performance, and other factors deemed relevant by the court. The biweekly salary rate of the commissioner shall be adjusted at the same time and manner and in the same percentage amount as set forth in Section 68203. The commissioner shall also be allowed actual traveling expenses pursuant to Section 70148

(c) In addition to the compensation provided for in this section, the commissioner shall be entitled to and shall receive on the same basis as other county employees, the same benefits and privileges, with respect to retirement, group insurance, sick leave, and vacation. The commissioner shall observe the same holidays as other court employees.

SEC 2. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act is in accordance with the request of a local governmental entity or entities which desired legislative authority to carry out the program specified in this act It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code

CHAPTER 422

An act to amend Sections 73431, 73433, 73435, 73436, and 73437 of the Government Code, relating to courts.

[Became law without Governor's signature August 7, 1979. Filed with Secretary of State August 7, 1979.]

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

SECTION 1. Section 73431 of the Government Code is amended to read:

73431. Each municipal court district established in Kern County shall have the number of judges set forth opposite the name of the judicial district over which such court has jurisdiction.

West Kern Judicial District	6
East Kern Judicial District	2

SEC. 2. Section 73433 of the Government Code is amended to read:

73433. There shall be one clerk-administrator in each municipal court who shall be appointed by and serve at the pleasure of a majority of the judges of the court to which the clerk-administrator is appointed. In a court with less than three judges, the presiding judge shall appoint the clerk-administrator of the court. The clerk-administrator of the East Kern Municipal Court shall receive the biweekly salary specified in range 37.4 of the salary schedule. The clerk-administrator of the West Kern Municipal Court shall receive the biweekly salary specified in range 40.4 of the salary schedule. The salary of the West Kern clerk-administrator of the municipal court shall be not less than 9.8 full range steps higher than the salary range in which the position of deputy municipal court clerk IV is compensated.

SEC. 3. Section 73435 of the Government Code is amended to read:

73435 The clerk-administrator of the West Kern Municipal Court may appoint:

(a) Four deputy municipal court clerks IV, who shall act as the supervisors of the civil, criminal, traffic, and accounting divisions of the court and each of whom shall receive the biweekly salary specified in range 30.6 of the salary schedule.

(b) Ten deputy municipal court clerks III, each of whom shall receive the biweekly salary specified in range 28.7 of the salary schedule.

(c) Seven municipal courtroom clerks or junior municipal courtroom clerks, each of whom shall receive the biweekly salary specified in ranges 28.7 and 25.9, respectively, of the salary schedule.

Junior municipal courtroom clerk shall be the entrance position to

courtroom clerk. The clerk-administrator, with the concurrence of the presiding judge, may advance any junior municipal courtroom clerk to the position of municipal courtroom clerk without further examination, if the junior municipal courtroom clerk has served for six months and otherwise meets the qualifications for municipal courtroom clerk and if the presiding judge is satisfied with the junior municipal courtroom clerk's performance during the six-month period.

(d) One data entry operator III who shall receive the biweekly salary specified in range 25.0 of the salary schedule.

(e) Three data entry operators II or I, each of whom shall receive the salary specified in ranges 23.2 and 21.4, respectively, of the salary schedule. Data entry operator I shall be the entrance position to the data entry operator series. The clerk-administrator may advance any data entry operator I to the position of data entry operator II without further examination if the data entry operator I has served for one year and otherwise meets the qualifications for data entry operator II and if the clerk-administrator is satisfied with the data entry operator I's performance during the one-year period.

(f) One account clerk III who shall receive the biweekly salary specified in range 25.4 of the salary schedule.

(g) Thirteen full-time and one part-time deputy municipal court clerks II, each of whom shall receive the biweekly salary specified in range 25.9 of the salary schedule.

(h) Sixteen full-time deputy municipal court clerks I or junior deputy municipal court clerks, and two deputy municipal court clerks I or junior deputy municipal court clerks, part-time, each of whom shall receive the biweekly salary specified in ranges 21.4 and 18.6, respectively, of the salary schedule.

Junior deputy municipal court clerk shall be the entrance position to the clerk's staff. The clerk-administrator may advance any junior deputy municipal court clerk to the position of deputy municipal court clerk I without further examination, if the junior deputy has served for six months and otherwise meets the qualifications for deputy municipal court clerk I and if the clerk-administrator is satisfied with the junior deputy's performance during the six-month period.

(i) One municipal court cashier, who shall receive the biweekly salary specified in range 22.7 of the salary schedule.

SEC. 4. Section 73436 of the Government Code is amended to read:

73436. The clerk-administrator of the East Kern Municipal Court may appoint

(a) Two deputy municipal court clerks III, each of whom shall receive the biweekly salary specified in range 28.7 of the salary schedule.

(b) Four deputy municipal court clerks II, each of whom shall receive the biweekly salary specified in range 25.9 of the salary schedule

(c) Two full-time and one part-time deputy municipal court clerks I, or junior deputy municipal court clerks, each of whom shall receive the biweekly salary specified in ranges 21.4 and 18.6, respectively, of the salary schedule.

Junior deputy municipal court clerk shall be the entrance position to the clerk's staff. The clerk-administrator may advance any junior deputy municipal court clerk to the position of deputy municipal court clerk I without further examination, if the junior deputy has served for six months and otherwise meets the qualifications for deputy municipal court clerk I and if the clerk-administrator is satisfied with the junior deputy's performance during the six-month period.

SEC. 5. Section 73437 of the Government Code is amended to read:

73437. (a) Whenever reference to a numbered salary range of the salary schedule is made in any section of this article, the schedule of five step levels found in the salary ordinance of the County of Kern in effect on July 1, 1978, shall apply. The clerks and deputy clerks shall be paid biweekly pursuant to the payroll procedures in effect in the County of Kern on such date.

(b) Notwithstanding any other provision of this article:

(1) The minimum salary for each position shall normally be "step A" for the position. If it is difficult to secure qualified personnel at that step or if a person of unusual qualifications is engaged, the court or the clerk-administrator may hire at any step of the salary range applicable to the position.

(2) Any employee who is promoted or whose position is reclassified from one class position to a higher class position shall be placed in the step level of the higher class salary range which most closely approximates a one-step increase from the former position, except that such increase shall not exceed an amount equivalent to 1.4 steps in the salary schedule. In the event the "A" step of the higher class position is greater than a 1.4-step increase over the salary of the employee in the lower class position, the employee shall be placed at the "A" step in the salary range of the higher class position.

(c) Certain positions in the municipal court are comparable to certain positions in the classified civil service of the County of Kern. The comparable positions are, respectively, as follows:

Municipal court classifications	County classifications
Deputy municipal court clerk IV	Superior court clerk II
Deputy municipal court clerk III or municipal courtroom clerk	Superior court clerk I
Deputy municipal court clerk II or junior municipal courtroom clerk .	Clerk IV
Deputy municipal court clerk I...	Typist-clerk II
Junior deputy municipal court clerk.	Typist-clerk I

The salaries paid by the County of Kern to persons holding the

positions in the classified service of the County of Kern hereinabove designated are paid in accordance with ordinances of the county adopted under the laws of the state and pursuant to a standardized salary schedule which, with respect to the several steps and ranges incorporated by reference in subdivision (a), is identical to the salary schedule incorporated by reference in subdivision (a). If and when the Board of Supervisors of the County of Kern adjusts the salaries paid to persons holding one or more of the respective positions among the county classifications hereinabove set forth, the salaries paid to persons holding each and every respective comparable position among the municipal court classifications hereinabove set forth shall be adjusted commensurately and in accordance with the provisions of this section. Such adjustment shall be effective the same date as the effective date of the action of the board of supervisors applicable to the respective and comparable county classifications. Any adjustment shall be effective only until January 1 of the second year following the year in which the adjustment is made, unless ratified by the Legislature. No salary adjustment exceeding four full range steps in the respective salaries specified in this article may be made pursuant to this subdivision. In the event any amendment to the standardized salary schedule of Kern County and the steps and ranges incorporated by reference in subdivision (a), impairs or alters the identity now existing between the standardized salary schedule of Kern County and the steps and ranges incorporated by reference in subdivision (a), the salaries of the comparable positions among the municipal court classifications hereinabove set forth may not thereafter be adjusted pursuant to this subdivision.

(d) In addition to the compensation provided in this article, the attachés of the municipal court shall receive, and they shall be entitled to, the same vacations, sick leaves, and similar privileges and benefits as are now or may hereafter be provided for the employees of the County of Kern, including the right to participate in any group, accident, health or life insurance plan adopted by the Board of Supervisors of the County of Kern.

SEC. 6. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act is in accordance with the request of a local governmental entity or entities which desired legislative authority to carry out the program specified in this act. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 423

An act to amend Section 1808.4 of the Vehicle Code, relating to records.

[Became law without Governor's signature August 7, 1979. Filed with Secretary of State August 7, 1979]

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

SECTION 1. Section 1808.4 of the Vehicle Code is amended to read·

1808.4. The home address of any district attorney; any probation or parole officer; any sheriff, undersheriff, or deputy sheriff of a county, regularly employed and paid as such; any policeman of a city; any member of the California Highway Patrol; any member of the California State Police Division; any member of the University of California Police Department appointed pursuant to Section 92600 of the Education Code and the California State University and Colleges Police Department appointed pursuant to Section 89560 of the Education Code; peace officer employees of the Department of Justice, the Department of Corrections, and the Department of the Youth Authority appearing in any record of the department is confidential and shall not be disclosed to any person, except a court, a law enforcement agency, the State Board of Equalization, or any governmental agency to which, under any provision of law, information is required to be furnished from records maintained by the department, if the peace officer requests confidentiality of that information. Any record of the department containing such a confidential home address shall be open to public inspection, as provided in Section 1808, if the address is completely obliterated or otherwise removed from the record. The department shall tell any person who requests a confidential home address what law enforcement agency or department the individual whose address was requested works for.

CHAPTER 424

An act to amend Section 23511.1 of, to repeal Section 22033 of, to amend the heading of Division 2 (commencing with Section 1000) of, to amend and renumber the heading of Chapter 5 (commencing with Section 1400) of Division 2 of, to add Chapter 5 (commencing with Section 1340) to Division 2 of, to amend Section 2503 of, and to repeal Section 22032 of, the Elections Code, relating to elections.

[Approved by Governor August 28, 1979 Filed with Secretary of State August 29, 1979]

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

SECTION 1. The heading of Division 2 (commencing with Section 1000) of the Elections Code is amended to read·

DIVISION 2. ABSENTEE VOTING, NEW RESIDENT VOTING AND MAIL BALLOT ELECTIONS

SEC. 2 The heading of Chapter 5 (commencing with Section 1400) of Division 2 of the Elections Code is amended and renumbered to read:

CHAPTER 6. CANVASS

SEC 3. Chapter 5 (commencing with Section 1340) is added to Division 2 of the Elections Code, to read:

CHAPTER 5 MAIL BALLOT ELECTIONS

Article 1. General Provisions

1340. Any local, special, or consolidated election may be conducted wholly by mail provided that:

(a) The governing body of the local agency authorizes the use of mailed ballots for the election; and

(b) The election does not occur on the same date as a statewide direct primary election or statewide general election; and

(c) The election is one of the following:

(1) An election in which no more than 300 registered voters are eligible to participate;

(2) A minimum property tax rate election as provided for in Section 2287 of the Revenue and Taxation Code;

(3) An election on a measure or measures restricted to the imposition of special taxes in a city, county, or special district with 5,000 or less registered voters calculated as of the time of the last report of registration by the county clerk to the Secretary of State;

(4) An election on the issuance of a general obligation water bond in accordance with Section 12944 5 of the Water Code; or

(5) An election of the Directors of the Monterey Peninsula Water Management District as authorized in Section 122 of Chapter 527 of the Statutes of 1977, known as the Monterey Peninsula Water Management District Law.

1341 Notwithstanding the provisions of Section 1340, a special district may conduct its elections by mail in accordance with the provisions of Sections 23509 5, 23511.1, 23511.2, 23511.3, and 23557 5

Article 2. Conduct of Mail Ballot Elections

1350. Except as otherwise provided in this article, mail ballot elections shall be conducted in accordance with the provisions of Chapter 1 (commencing with Section 1000) of this division.

1351. Notwithstanding the provisions of Sections 10007, 10010, 22832, and 23540, the clerk shall not commence to mail the combined sample ballot and mail ballot prior to the 22nd day before the election and shall complete the mailing by the 18th day before the election.

1352. The clerk may include in the mailings set forth in Section 1351 a printed notice to the voters informing the voters that they may return the voted ballot by certified or registered mail.

SEC. 4. Section 2503 of the Elections Code is amended to read:

2503. This chapter shall not apply to the following:

(1) Any special election called by the Governor.

(2) Elections held in chartered cities or chartered counties in which the charter provisions are inconsistent with the provisions of this chapter.

(3) School governing board elections consolidated pursuant to Section 5006 of the Education Code or initiated by petition pursuant to Section 5091 of the Education Code.

(4) Elections of any kind required or permitted to be held by a school district located in a chartered city or county when such election is consolidated with a regular city or county election held in a jurisdiction which includes 95 percent or more of the school district's population.

(5) County, municipal, district, and school district initiative, referendum, or recall elections.

(6) Any election conducted solely by mailed ballot pursuant to the provisions of Chapter 5 (commencing with Section 1340) of Division 2.

SEC. 5. Section 22032 of the Elections Code is repealed.

SEC. 6. Section 22033 of the Elections Code is repealed.

SEC. 7. Section 23511.1 of the Elections Code is amended to read:

23511.1. Notwithstanding any other provisions of law and regardless of the number of eligible voters within its boundaries a district may, by resolution of its governing board, conduct any election by all-mailed ballots pursuant to Chapter 5 (commencing with Section 1340) of Division 2.

CHAPTER 425

An act to amend Sections 17031 and 17032 of the Elections Code, relating to elections

[Approved by Governor August 28, 1979 Filed with Secretary of State August 29, 1979]

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

SECTION 1. Section 17031 of the Elections Code is amended to read.

17031 The clerk shall prepare and forward to each selected precinct forms containing a list of the offices and measures designated as being of more than ordinary interest, and stating the number of ballots to be counted for the snap tally. In each general election, the special form must, for each office listed on it, include the names of all candidates for that office whose names appear on the ballot

The inspector at each selected precinct shall note the results of the count and the total number of votes cast in the precinct on the snap tally forms as soon as the designated number of ballots has been tallied. The inspector shall then communicate the figures in the manner directed by the clerk. In each general election, such figures must include the votes cast for every candidate whose name appears on the ballot for an office listed on the forms. The inspector shall continue, each time the designated number of ballots have been tallied, to note and report the results as directed.

SEC. 2. Section 17032 of the Elections Code is amended to read:

17032 Upon receipt from the precincts of the reports of votes cast on the specially designated offices and measures, the clerk shall tabulate the results and make the results available to the public. In each general election, all such reports of the election results shall include the votes cast for all candidates whose names appear on the ballot for each office for which returns are reported.

CHAPTER 426

An act to amend Section 34900 of, and to add Chapter 2.9 (commencing with Section 35570) to Part 5 of Division 13 of, the Water Code, relating to California water districts.

[Approved by Governor August 28, 1979 Filed with Secretary of State August 29, 1979]

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

SECTION 1. Section 34900 of the Water Code is amended to read·

34900 The board shall

(a) Employ and appoint such agents, officers, and employees as may be required

(b) Prescribe their duties and fix their salaries

(c) Prescribe other terms and conditions of employment

Subject to policies and standards established by the board, the board may delegate the powers specified in this section to any officer or employee of the district.

SEC. 2. Chapter 2.9 (commencing with Section 35570) is added to Part 5 of Division 13 of the Water Code, to read:

CHAPTER 2.9. POWER GENERATION

35570. The provisions of this chapter shall apply only to South Sutter Water District.

35571. The district may construct, maintain, and operate one or more plants for the generation of hydroelectric power. The plant or plants so constructed shall be operated in a manner consistent with the district's storage, transmission, and distribution of irrigation water. Construction of such plant or plants may be financed by the issuance of revenue bonds as otherwise provided in this division.

35572. The hydroelectric plant or plants constructed pursuant to Section 35571 may be leased for operation to, or the power generated may be sold to, a public utility or public agency engaged in the distribution and sale of electricity at retail.

SEC. 3. The South Sutter Water District has a potential source of hydroelectric power in its Camp Far West Dam and Reservoir and conveyance canal which can be generated as an incident to the operation of the district's storage, transmission, and distribution of irrigation water. This incidental source of hydroelectric power is not common to other California water districts. The Legislature therefore finds and declares that a special law is necessary with respect to the South Sutter Water District, that the provisions of Section 2 of this act are needed to meet the special circumstances within the district, and that a general law cannot be made applicable.

SEC. 4 The Legislature finds and declares that the amendments made to Section 34900 of the Water Code by Section 1 of this act are declaratory of and do not constitute a change in existing law.

CHAPTER 427

An act to amend Section 31588 of the Government Code, relating to retirement.

[Approved by Governor August 31, 1979. Filed with Secretary of State August 31, 1979]

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

SECTION 1 Section 31588 of the Government Code is amended to read·

31588 A trust fund account to be designated as "employees retirement fund" shall be opened upon the books of the auditor and

treasurer of any county adopting this retirement system.

The "employees retirement fund" shall be a trust fund created or continued and administered in accordance with the provisions of this chapter, solely for the benefit of the members and retired members of the system and their survivors and beneficiaries.

Nothing in this section shall be construed to prohibit the Board of Retirement paying administrative costs, already authorized or to be authorized, or to prohibit the transfer of surplus funds to county advance reserves.

CHAPTER 428

An act to amend Sections 10504 and 10521 of, and to add Section 10504.1 to, the Government Code, relating to the Auditor General, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor August 31, 1979 Filed with Secretary of State August 31, 1979.]

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

SECTION 1. Section 10504 of the Government Code is amended to read:

10504. After recommendation by the committee, the Auditor General shall be selected by concurrent resolution and shall serve until his successor is selected or until his removal by concurrent resolution. When the Legislature is not in session, the committee may suspend the Auditor General until the Legislature reconvenes. When the Legislature is in session, the committee may suspend the Auditor General for a period not to exceed 30 days. When there is a vacancy in the office of Auditor General, the Chairman of the Joint Legislative Audit Committee shall select an acting Auditor General until an Auditor General is selected by the Legislature. The committee shall fix the salary of the Auditor General, deputies, and staff. The funds for the support of the committee shall be provided from the Contingent Funds of the Assembly and Senate in the same manner that such funds are made available to other joint committees of the Legislature.

SEC. 2. Section 10504.1 is added to the Government Code, to read:

10504.1. At least one assistant auditor general shall be a certified public accountant.

SEC. 3. Section 10521 of the Government Code is amended to read:

10521 The Auditor General, prior to his selection, shall possess a combination of education and experience which in the opinion of the Legislature is necessary to perform the duties of his office.

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 that the full Legislature may have an opportunity to select a new Auditor General and to ensure that highly talented persons with broad administrative capabilities may be included in the selection process for this very important office in state government, it is essential that this act take immediate effect

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CHAPTER 429

An act to amend Sections 5650, 5655, 5705, as amended by Section 61 of Chapter 282 of the Statutes of 1979, 5705, as added by Section 63 of Chapter 282 of the Statutes of 1979, 5710, and 5714 of, and to repeal Section 5709.5 of, the Welfare and Institutions Code, and to repeal Section 32 of Chapter 332 of the Statutes of 1978, relating to mental health, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor August 31, 1979 Filed with Secretary of State August 31, 1979]

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

SECTION 1. Section 5650 of the Welfare and Institutions Code is amended to read:

5650 On or before March 15 of each year, the board of supervisors of each county, or boards of supervisors of counties acting jointly, shall adopt, and submit to the Director of Mental Health in the form and according to the procedures specified by the director, an annual county Short-Doyle plan for the next fiscal year for mental health services in the county or counties. The county plan submitted shall be compatible with the budget for the next fiscal year submitted by the Governor to the Legislature. The purpose of a county plan shall be to provide the basis for reimbursement pursuant to the provisions of this division and to coordinate services as specified in this chapter in such a manner as to avoid duplication, fragmentation of services, and unnecessary expenditures.

To achieve this purpose, a county Short-Doyle plan shall provide for the most appropriate and economical use of all existing public and private agencies, licensed private institutions, and personnel A county Short-Doyle plan shall include the fullest possible and most appropriate participation by existing city Short-Doyle programs, local public and private general and psychiatric hospitals, state hospitals, city, county, and state health and welfare agencies, public guardians, mental health counselors, probation departments, physicians, psychologists, social workers, public health nurses, psychiatric technicians, and all such other public and private

agencies and personnel as are required to, or may agree to, participate in the county Short-Doyle plan.

The Director of Mental Health shall develop standard forms to be used by the counties in the submitting of the county plan. The forms shall include terms and conditions relative to county compliance with applicable laws, regulations, standards, and guidelines.

SEC. 1.4. Section 5655 of the Welfare and Institutions Code is amended to read:

5655. All departments of state government and all local public agencies shall cooperate with county officials to assist them in mental health planning. The State Department of Mental Health shall, upon request and with available staff, provide consultation services to the local mental health directors, local governing bodies, and local mental health advisory boards.

If the Director of Mental Health considers any county to be failing, in a substantial manner, to comply with any provision of this code or any regulation, or with the approved county Short-Doyle plan, the director shall order the county to appear at a hearing, before the director or the director's designee, to show cause why the department should not take action as set forth in this section. The county shall be given at least 20 days' notice of such hearing. The director shall consider the case on the record established at the hearing and make final findings and decision.

If the director determines that there is or has been a failure, in a substantial manner, on the part of the county to comply with any provision of this code or any regulations or the approved county Short-Doyle plan, and that administrative sanctions are necessary, the department may invoke any, or any combination of, the following sanctions:

(a) Withhold part or all of state mental health funds from such county

(b) Require the county to enter into negotiations for the purpose of assuring county Short-Doyle plan compliance with such laws and regulations.

(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.

SEC. 2. Section 5705 of the Welfare and Institutions Code, as amended by Section 61 of Chapter 282 of the Statutes of 1979, is amended to read:

5705. (a) Commencing with the 1979–80 fiscal year, the net cost of all services specified in the approved county Short-Doyle plans shall be financed on a basis of 90 percent state funds and 10 percent county funds, irrespective of where or by whom the services are provided, except for services to be financed from other public or private sources as indicated in the county Short-Doyle plan The cost of the services shall be the actual cost as determined in accordance with standard accounting practices or a negotiated net amount or rate approved by the Director of Mental Health.

(b) Negotiated net amounts or rates may be used as the cost of services only in accordance with the following paragraphs:

(1) Negotiated net amounts may be used as the cost of services in a contract which provides for the delivery of all or part of the total county Short-Doyle annual plan for each fiscal year. The negotiated net amount shall be approved by the State Department of Mental Health prior to commencing services for reimbursement. Providers under this paragraph shall report to the State Department of Mental Health and the local mental health program cost accounting and any other information required by the State Department of Mental Health in accordance with procedures established by the Director of Mental Health emphasizing success in program outcome versus providers' expenditures. Contracts entered into pursuant to this paragraph shall be financed within an approved Short-Doyle plan. For the purposes of this paragraph, the cost-sharing formula of such contracts shall be 90 percent state funds, and 10 percent funding from the contracting organization which shall not include state or federal funds directly allocated to contracting organizations.

(2) Negotiated rates may be used as the cost of services in contracts by providers with counties The negotiated rate shall be approved by the State Department of Mental Health prior to commencing services for reimbursement. Providers under this paragraph shall report to the State Department of Mental Health and the local mental health program cost accounting and any other information required by the State Department of Mental Health in accordance with procedures established by the Director of Mental Health

During the 1979–80, 1980–81, and 1981–82 fiscal years, the requirement for local financial participation in the net cost of services provided under this part shall be waived except for state hospital services provided on and after January 1, 1980. The required local financial participation in the net cost of state hospital services under this part shall only be waived until January 1, 1980.

This section shall remain in effect only until July 1, 1982, and on that date is repealed, unless a later enacted statute, which is chaptered before July 1, 1982, deletes or extends such date.

SEC. 3. Section 5705 of the Welfare and Institutions Code, as added by Section 63 of Chapter 282 of the Statutes of 1979, is amended to read·

5705 (a) The net cost of all services specified in the approved county Short-Doyle plans shall be financed on a basis of 90 percent state funds and 10 percent county funds, irrespective of where or by whom the services are provided, except for services to be financed from other public or private sources as indicated in the county Short-Doyle plan The cost of the services shall be the actual cost as determined in accordance with standard accounting practices or a negotiated net amount or rate approved by the Director of Mental Health

(b) Negotiated net amounts or rates may be used as the cost of

services only in accordance with the following paragraphs:

(1) Negotiated net amounts may be used as the cost of services in a contract which provides for the delivery of all or part of the total county Short-Doyle annual plan for each fiscal year The negotiated net amount shall be approved by the State Department of Mental Health prior to commencing services for reimbursement. Providers under this paragraph shall report to the State Department of Mental Health and the local mental health program cost accounting and any other information required by the State Department of Mental Health in accordance with procedures established by the Director of Mental Health emphasizing success in program outcome versus providers' expenditures. Contracts entered into pursuant to this paragraph shall be financed within an approved Short-Doyle plan For the purposes of this paragraph, the cost-sharing formula of such contracts shall be 85 percent state funds, 5 percent county funds, and 10 percent funding from the contracting organization which shall not include state or federal funds directly allocated to contracting organizations.

(2) Negotiated rates may be used as the cost of services in contracts by providers with counties. The negotiated rate shall be approved by the State Department of Mental Health prior to commencing services for reimbursement Providers under this paragraph shall report to the State Department of Mental Health and the local mental health program cost accounting and any other information required by the State Department of Mental Health in accordance with procedures established by the Director of Mental Health.

This section shall become operative July 1, 1982.

SEC 4. Section 5709.5 of the Welfare and Institutions Code is repealed.

SEC. 5. Section 5710 of the Welfare and Institutions Code is amended to read:

5710. City-operated Short-Doyle programs paid by the state under the provisions of Section 5615 shall be directly funded in accordance with Section 5705.

SEC. 6 Section 5714 of the Welfare and Institutions Code is amended to read·

5714. Of the funds allocated to each county in accordance with Sections 5704 to 5708, inclusive, the State Department of Mental Health shall reimburse to each county 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 and in accordance with the provisions of Section 5705. 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 each fiscal year such reimbursement shall be for one-month periods, commencing with the month of July of the same year

Claims for reimbursement shall be presented to the State

Department of Mental Health 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 State Department of Mental Health 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 the 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. 7. Section 32 of Chapter 332 of the Statutes of 1978 is repealed.

SEC 8 Section 2 of this act shall apply retroactively to July 1, 1979.

SEC. 9. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because the Legislature finds and declares that there are no new duties, obligations, or responsibilities imposed on local government by this act that require reimbursement. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

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

In order that this act, which provides for the waiver of local matching funds for local community mental health programs, and in order that counties may use negotiated rates with providers in this fiscal year, it is necessary that this act take effect immediately.

CHAPTER 430

An act to amend Sections 22113 and 22127 of, and to add Section 22113.1 to, the Education Code, relating to the State Teachers' Retirement System

[Approved by Governor August 31, 1979 Filed with Secretary of State August 31, 1979]

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

SECTION 1. Section 22113 of the Education Code is amended to read

22113. "Compensation earnable" by a member means the compensation as determined by the board which would have been earned by the member if he were engaged in his duties on a full-time basis

For part-time service, "compensation earnable" means the compensation which would be earnable if the employment were on

a full-time basis and the member worked full time.

SEC. 2. Section 22113.1 is added to the Education Code, to read:

22113 1 "Compensation earnable," for the purposes of determining final compensation for part-time employees, means the earned salary divided by the service credit.

(a) The compensation earnable shall be limited to the highest salary on the school district salary schedule for a teacher or principal, whichever is applicable, when the service credit for any year is less than one half of one year's service credit.

(b) The compensation earnable may be determined by the board when the service credit for any year is less than one-fifth of one year's service credit

SEC. 3 Section 22127 of the Education Code is amended to read:

22127 "Final compensation" means the highest average annual compensation earnable by a member during any period of three consecutive years during his membership in the system or time during which he was not a member but for which he has received credit under the system, except such time as was so credited for service performed outside this state prior to July 1, 1944 The last three consecutive years of employment shall be used by the system in determining final compensation unless designated to the contrary in writing by the member.

For the purposes of this section, periods of service separated by breaks in service may be aggregated to constitute a period of three consecutive years, if the periods of service are consecutive except for such breaks.

The determination of final compensation of a member who is also a member of the Public Employees' Retirement System, the Legislators' Retirement System, the University of California Retirement System, or the San Francisco City and County Employees' Retirement System shall take into consideration the compensation earnable while a member of such other system, provided all of the following exist

(a) The member was in state service or in the employment of a local school district or of a county superintendent of schools.

(b) Service under the other system was not performed concurrently with service under this system.

(c) Retirement under this system is concurrent with the member's retirement under the other system.

The compensation earnable for the first position in which California service is credited will be used when additional compensation earnable is required to accumulate three consecutive years for the purpose of determining final compensation under the provisions of Section 23804

The board may specify a different final compensation with respect to benefits based on part-time service performed prior to July 1, 1956, for which credit was given under this system under board rules in effect prior to such date

CHAPTER 431

An act to add Section 233.5 to the Welfare and Institutions Code, relating to juvenile court law.

[Approved by Governor August 31, 1979 Filed with Secretary of State August 31, 1979]

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

SECTION 1. Section 233.5 is added to the Welfare and Institutions Code, to read:

233.5. In a county having a population of over 6,000,000, the board of supervisors may assign the responsibility for assisting and advising the board and other county officers concerning the publication and distribution of allegedly indecent or pornographic materials and such other related duties as the board may determine proper to the delinquency prevention commission established pursuant to Section 233.

CHAPTER 432

An act to add Section 71.9 to the Harbors and Navigation Code, relating to small craft harbors.

[Approved by Governor August 31, 1979. Filed with Secretary of State September 4, 1979]

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

SECTION 1. Section 71.9 is added to the Harbors and Navigation Code, to read:

71.9. A city, county, or district may use any excess revenues from rates enacted pursuant to Section 71.4 or from other fees, rates, rents, or charges for services in excess of those revenues required to comply with Section 71.8 and with any agreement entered into pursuant to Section 70, for waterfront improvements, waterfront recreational programs, and purchases of other waterfront property in the waterfront area under its jurisdiction.

This section does not in any way affect the duties and obligations imposed upon a city, county, or district by any statute granting to any city, county, or district any state-owned tide or submerged lands.

CHAPTER 433

An act to amend Section 17804 of the Business and Professions Code, relating to marriage, family, and child counselors, and declaring the urgency thereof, to take effect immediately.

[Became law without Governor's signature September 3, 1979. Filed with Secretary of State September 5, 1979.]

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

SECTION 1. Section 17804 of the Business and Professions Code is amended to read:

17804 To qualify for a license an applicant shall have all the following qualifications:

(a) (1) At least a two-year master's degree in marriage, family, and child counseling or a master's degree in counseling psychology, or their equivalent, obtained from a school, college or university accredited by the Western College Association, the Northwest Association of Secondary and Higher Schools, or an essentially equivalent accrediting agency as determined by the board. Equivalent degrees include, but are not limited to, the master's degree in social work from a school accredited by the Council on Social Work Education and the master's degree in child development and family studies.

(2) After September 1, 1978, an applicant shall have a doctor's or a two-year master's degree in marriage, family, and child counseling or a master's degree in social work, clinical psychology, counseling, or a degree determined by the board to be equivalent. Such degree shall be obtained from a school, college, or university accredited as provided in paragraph (1) of subdivision (a).

(b) Must be at least 18 years of age.

(c) At least two years' experience, in interpersonal, relationship, marriage, family and child counseling and psychotherapy under the supervision of a licensed marriage, family and child counselor, licensed clinical social worker, licensed psychologist, or licensed physician certified in psychiatry, or the equivalent as determined by the board. All experience shall be at all times under the supervision of the supervisor who shall, with the person being supervised, be responsible for insuring that the extent, kind and quality of counseling performed is consistent with the training and experience of the person being supervised, and who shall be responsible to the board for the compliance of all laws, rules and regulations governing the practice of marriage, family and child counseling. Supervision shall include at least one hour of direct supervision for each week of experience claimed

(d) The applicant shall pass a written examination conducted by the board or persons designated by the board and shall pass an oral examination if required in the discretion of the board for all

applicants

(e) Must not have committed acts or crimes constituting grounds for denial of licensure under Section 480.

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 that the changes in the licensing requirements of marriage, family, and child counselors mandated by Chapter 1244 of the Statutes of 1978 be given effect, this act must be operative immediately.

CHAPTER 434

An act to amend Sections 17920, 17922, and 17980 of, and to add Sections 17920 3 and 17958.11 to, the Health and Safety Code, relating to housing.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1 Section 17920 of the Health and Safety Code, as amended by Chapter 62 of the Statutes of 1979, is amended to read:

17920 As used in this part.

(a) "Building" means a structure subject to this part.

(b) "Commission" means the Commission of Housing and Community Development.

(c) "Department" means the Department of Housing and Community Development

(d) "Noise insulation" means the protection of persons within buildings from excessive noise, however generated, originating within or without such buildings.

(e) "Nuisance" means any nuisance defined pursuant to Part 3 (commencing with Section 3479) of Division 4 of the Civil Code, or any other form of nuisance recognized at common law or in equity

(f) "Public entity" has the same meaning as defined in Section 811 2 of the Government Code.

SEC. 1 5 Section 17920 of the Health and Safety Code, as amended by Chapter 62 of the Statutes of 1979, is amended to read:

17920 As used in this part·

(a) "Building" means a structure subject to this part.

(b) "Commission" means the Commission of Housing and Community Development.

(c) "Department" means the Department of Housing and Community Development

(d) "Enforcement" means diligent effort to secure compliance,

including review of plans and permit applications, response to complaints, citation of violations, and other legal process Except as otherwise provided in this part, "enforcement" may, but need not, include inspections of existing buildings on which no complaint or permit application has been filed, and effort to secure compliance as to such existing buildings.

(e) "Fire protection district" means any special district, or any other municipal or public corporation or district, which is authorized by law to provide fire protection and prevention services

(f) "Noise insulation" means the protection of persons within buildings from excessive noise, however generated, originating within or without such buildings.

(g) "Nuisance" means any nuisance defined pursuant to Part 3 (commencing with Section 3479) of Division 4 of the Civil Code, or any other form of nuisance recognized at common law or in equity.

(h) "Public entity" has the same meaning as defined in Section 811.2 of the Government Code

SEC. 2 Section 17920 3 is added to the Health and Safety Code, to read·

17920.3. Any building or portion thereof including any dwelling unit, guest room or suite of rooms, or the premises on which the same is located, in which there exists any of the following listed conditions to an extent that endangers the life, limb, health, property, safety, or welfare of the public or the occupants thereof shall be deemed and hereby is declared to be a substandard building·

(a) Inadequate sanitation shall include, but not be limited to, the following

(1) Lack of, or improper water closet, lavatory, or bathtub or shower in a dwelling unit.

(2) Lack of, or improper water closets, lavatories, and bathtubs or showers per number of guests in a hotel.

(3) Lack of, or improper kitchen sink.

(4) Lack of hot and cold running water to plumbing fixtures in a hotel

(5) Lack of hot and cold running water to plumbing fixtures in a dwelling unit

(6) Lack of adequate heating.

(7) Lack of, or improper operation of required ventilating equipment

(8) Lack of minimum amounts of natural light and ventilation required by this code.

(9) Room and space dimensions less than required by this code.

(10) Lack of required electrical lighting.

(11) Dampness of habitable rooms

(12) Infestation of insects, vermin, or rodents as determined by the health officer.

(13) General dilapidation or improper maintenance

(14) Lack of connection to required sewage disposal system.

(15) Lack of adequate garbage and rubbish storage and removal

facilities as determined by the health officer.

(b) Structural hazards shall include, but not be limited to, the following:

(1) Deteriorated or inadequate foundations.

(2) Defective or deteriorated flooring or floor supports.

(3) Flooring or floor supports of insufficient size to carry imposed loads with safety.

(4) Members of walls, partitions, or other vertical supports that split, lean, list, or buckle due to defective material or deterioration.

(5) Members of walls, partitions, or other vertical supports that are of insufficient size to carry imposed loads with safety.

(6) Members of ceilings, roofs, ceilings and roof supports, or other horizontal members which sag, split, or buckle due to defective material or deterioration.

(7) Members of ceiling, roofs, ceiling and roof supports, or other horizontal members that are of insufficient size to carry imposed loads with safety.

(8) Fireplaces or chimneys which list, bulge, or settle due to defective material or deterioration.

(9) Fireplaces or chimneys which are of insufficient size or strength to carry imposed loads with safety.

(c) Any nuisance.

(d) All wiring, except that which conformed with all applicable laws in effect at the time of installation if it is currently in good and safe condition and working properly.

(e) All plumbing, except that which conformed with all applicable laws in effect at the time of installation and which has been maintained in good condition, or which may not have conformed with all applicable laws in effect at the time of installation but is currently in good and safe condition and working properly, and which is free of cross connections and siphonage between fixtures.

(f) All mechanical equipment, including vents, except that which conformed with all applicable laws in effect at the time of installation and which has been maintained in good and safe condition, or which may not have conformed with all applicable laws in effect at the time of installation but is currently in good and safe condition and working properly.

(g) Faulty weather protection, which shall include, but not be limited to, the following·

(1) Deteriorated, crumbling, or loose plaster.

(2) Deteriorated or ineffective waterproofing of exterior walls, roof, foundations, or floors, including broken windows or doors.

(3) Defective or lack of weather protection for exterior wall coverings, including lack of paint, or weathering due to lack of paint or other approved protective covering.

(4) Broken, rotted, split, or buckled exterior wall coverings or roof coverings

(h) Any building or portion thereof, device, apparatus, equipment, combustible waste, or vegetation which, in the opinion

of the chief of the fire department or his deputy, is in such a condition as to cause a fire or explosion or provide a ready fuel to augment the spread and intensity of fire or explosion arising from any cause.

(i) All materials of construction, except those which are specifically allowed or approved by this code, and which have been adequately maintained in good and safe condition

(j) Those premises on which an accumulation of weeds, vegetation, junk, dead organic matter, debris, garbage, offal, rat harborages, stagnant water, combustible materials, and similar materials or conditions constitute fire, health, or safety hazards.

(k) Any building or portion thereof which is determined to be an unsafe building due to inadequate maintenance, in accordance with the latest edition of the Uniform Building Code.

(*l*) All buildings or portions thereof not provided with adequate exit facilities as required by this code, except those buildings or portions thereof whose exit facilities conformed with all applicable laws at the time of their construction and which have been adequately maintained and increased in relation to any increase in occupant load, alteration or addition, or any change in occupancy.

When an unsafe condition exists through lack of, or improper location of, exits, additional exits may be required to be installed.

(m) All buildings or portions thereof which are not provided with the fire-resistive construction or fire-extinguishing systems or equipment required by this code, except those buildings or portions thereof which conformed with all applicable laws at the time of their construction and whose fire-resistive integrity and fire-extinguishing systems or equipment have been adequately maintained and improved in relation to any increase in occupant load, alteration or addition, or any change in occupancy.

(n) All buildings or portions thereof occupied for living, sleeping, cooking, or dining purposes which were not designed or intended to be used for such occupancies.

(o) Inadequate structural resistance to horizontal forces.

"Substandard building" includes a building not in compliance with Section 17920.7.

However, a condition which would require displacement of sound walls or ceilings to meet height, length, or width requirements for ceilings, rooms, and dwelling units shall not by itself be considered sufficient existence of dangerous conditions making a building a substandard building, unless the building was constructed, altered, or converted in violation of such requirements in effect at the time of construction, alteration, or conversion.

SEC. 3. Section 17922 of the Health and Safety Code, as amended by Chapter 62 of the Statutes of 1979, is amended to read:

17922. (a) Except as otherwise specifically provided by law, the rules and regulations adopted, amended, or repealed from time to time pursuant to this chapter shall impose substantially the same requirements as are contained in the most recent editions of the following uniform industry codes as adopted by the organizations

specified:

(1) The Uniform Housing Code of the International Conference of Building Officials, except its definition of "substandard building."

(2) The Uniform Building Code of the International Conference of Building Officials.

(3) The Uniform Plumbing Code of the International Association of Plumbing and Mechanical Officials.

(4) The Uniform Mechanical Code of the International Conference of Building Officials and the International Association of Plumbing and Mechanical Officials.

(5) The National Electrical Code of the National Fire Protection Association.

In promulgating regulations the commission shall consider local conditions and any amendments to the uniform codes referred to in this section. In the absence of adoption by regulation, the most recent editions of the uniform codes referred to in this section shall be considered to be adopted and in effect one year after the date of publication.

(b) Except as provided in Section 17959.5, local use zone requirements, local fire zones, building setback, side and rear yard requirements, and property line requirements are hereby specifically and entirely reserved to the local jurisdictions notwithstanding any requirements found or set forth in this part.

(c) Regulations governing alteration and repair of existing buildings and moving of apartment houses and dwellings shall permit the replacement, retention, and extension of original materials and the continued use of original methods of construction as long as the hotel, lodginghouse, motel, apartment house, or dwelling, or portions thereof, or building and structure accessory thereto, complies with the rules and regulations of the commission or alternative local standards adopted pursuant to Section 17920.7 and does not become or continue to be a substandard building. Building additions or alterations which increase the area, volume, or size of an existing building, and foundations for apartment houses and dwellings moved, shall comply with the requirements specified in this part, or in rules and regulations adopted pursuant to this part, for new buildings or structures. However, such additions and alterations shall not cause the building to exceed area or height limitations applicable to new construction.

(d) Regulations adopted by the commission pursuant to this section governing alteration and repair of existing buildings shall permit the use of alternate materials, appliances, installations, devices, arrangements, or methods of construction if the material, appliance, installation, device, arrangement, or method is, for the purpose intended, at least the equivalent of that prescribed in this part and the rules and regulations promulgated pursuant thereto in performance, safety, and for the protection of life and health. Regulations governing abatement of substandard buildings shall permit those conditions prescribed by Section 17920 3 which do not

endanger the life, limb, health, property, safety, or welfare of the public or the occupant thereof.

(e) No local enforcement agency may prohibit the use of materials, appliances, installations, devices, arrangements, or methods of construction specifically permitted by the commission to be used in the alteration or repair of existing buildings, but such materials, appliances, installations, devices, arrangements, or methods of construction may be specifically prohibited by local ordinance as provided pursuant to Section 17958.5.

(f) No local ordinance may permit any action or proceeding to abate violations of regulations governing maintenance of existing buildings, unless the building is a substandard building or the violation is a misdemeanor.

SEC. 3.5. Section 17958.11 is added to the Health and Safety Code, to read:

17958.11. (a) Any city or county may adopt alternative building regulations for the conversion of commercial or industrial buildings, or portions thereof, to joint living and work quarters. As used in this section, "joint living and work quarters" means residential occupancy by a family maintaining a common household, or by not more than four unrelated persons, of one or more rooms or floors in a building originally designed for industrial or commercial occupancy which include (1) cooking space and sanitary facilities in conformance with local building standards adopted pursuant to Section 17958 or 17958.5 and (2) adequate working space reserved for, and regularly used by, one or more persons residing therein.

The alternative building regulations adopted pursuant to this section shall be applicable in those geographic areas specifically designated for such occupancy, or as expressly permitted by a redevelopment plan with respect to a redevelopment project area. The alternative building regulations need not impose the same requirements as regulations adopted pursuant to Section 17922, except as otherwise provided in this section, but in permitting repairs, alterations, and additions necessary to accommodate joint living and work quarters, the alternative building regulations shall impose such requirements as will, in the determination of the local governing body, protect the public health, safety, and welfare.

(b) The Legislature hereby finds and declares that a substantial number of manufacturing and commercial buildings in urban areas have lost manufacturing and commercial tenants to more modern manufacturing and commercial premises, and that the untenanted portions of such buildings constitute a potential resource capable, when appropriately altered, of accommodating joint living and work quarters which would be physically and economically suitable particularly for use by artists, artisans, and similarly-situated individuals The Legislature further finds that the public will benefit by making such buildings available for joint living and work quarters for artists, artisans, and similarly-situated individuals because (1) conversion of space to joint living and work quarters provides a new

use for such buildings contributing to the revitalization of central city areas, (2) such conversion results in building improvements and rehabilitation, and (3) the cultural life of cities and of the state as a whole is enhanced by the residence in such cities of large numbers of persons regularly engaged in the arts.

(c) The Legislature further finds and declares that (1) persons regularly engaged in the arts require larger amounts of space for the pursuit of their artistic endeavors and for the storage of materials therefor, and of the products thereof, than are regularly found in dwellings, (2) the financial remunerations to be obtained from a career in the arts are generally small, (3) persons regularly engaged in the arts generally find it financially difficult to maintain quarters for their artistic endeavors separate and apart from their places of residence, (4) high property values and resulting rental costs make it particularly difficult for persons regularly engaged in the arts to obtain the use of the amount of space required for their work, and (5) the residential use of such space is accessory to the primary use of such space as a place of work.

It is the intent of the Legislature that local governments have discretion to define geographic areas which may be utilized for joint living and work quarters and to establish standards for such occupancy, consistent with the needs and conditions peculiar to the local environment. The Legislature recognizes that building code regulations applicable to residential housing may have to be relaxed to provide joint living and work quarters in buildings previously used for commercial or industrial purposes.

SEC. 4.5. Section 17980 of the Health and Safety Code, as amended by Chapter 62 of the Statutes of 1979, is amended to read:

17980. (a) If any building is constructed, altered, converted, or maintained in violation of any provision of, or of any order or notice giving a reasonable time to correct such violation issued by an enforcement agency pursuant to, this part and rules and regulations promulgated thereunder, or if a nuisance exists in any building or upon the lot on which it is situated, the enforcement agency shall after 30 days' notice to abate such nuisance institute any appropriate action or proceeding to prevent, restrain, correct, or abate the violation or nuisance.

(b) Whenever the enforcement agency has inspected or caused to be inspected any building and has determined that such building is a substandard building, the enforcement agency shall commence proceedings to abate the violation by repair, rehabilitation, vacation, or demolition of the building. The enforcement agency shall not require the vacating of a residential building unless it concurrently requires expeditious demolition or repair to comply with the provisions of this part and rules and regulations hereunder. The owner shall have the choice of repairing or demolishing However, if the owner chooses to repair, the enforcement agency shall require that the building be brought into compliance according to a reasonable and feasible schedule for expeditious repair. The

enforcement agency may require vacation and demolition or may itself vacate the building, repair, demolish, or institute any other appropriate action or proceeding, if repair work is not done as scheduled or if the owner does not make a timely choice of repair or demolition.

(c) Notwithstanding the provisions of subdivision (b) of this section and notwithstanding local ordinances, tenants in a residential building shall be provided notice of an order to demolish, of the enforcement agency's decision to demolish, or of the issuance of a demolition permit following upon abatement order of an enforcement agency.

SEC. 5. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections 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. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

SEC. 6. It is the intent of the Legislature, if this bill and Senate Bill 811 are both chaptered and become effective January 1, 1980, both bills amend Section 17920 of the Health and Safety Code, and this bill is chaptered after Senate Bill 811, that the amendments to Section 17920 proposed by both bills be given effect and incorporated in Section 17920 in the form set forth in Section 1.5 of this act. Therefore, Section 1.5 of this act shall become operative only if this bill and Senate Bill 811 are both chaptered and become effective January 1, 1980, both amend Section 17920, and this bill is chaptered after Senate Bill 811, in which case Section 1 of this act shall not become operative.

CHAPTER 435

An act to amend Sections 3380 and 3381 of the Health and Safety Code, relating to child immunizations.

[Approved by Governor September 5, 1979. Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 3380 of the Health and Safety Code is amended to read:

3380. In enacting this chapter, it is the intent of the Legislature to provide:

(a) A means for the eventual achievement of total immunization of appropriate age groups against diphtheria, pertussis, tetanus, poliomyelitis, measles, mumps, and rubella.

(b) That the persons required to be immunized be allowed to obtain immunizations from whatever medical source they so desire, subject only to the condition that the immunization be performed in accordance with the regulations of the State Department of Health Services and that a record of the immunization is made in accordance with such regulations.

(c) Exemptions from immunization for medical reasons or because of personal beliefs.

(d) For the keeping of adequate records of immunization so that health departments, schools, and other institutions, parents or guardians, and the persons immunized will be able to ascertain that a child is fully or only partially immunized, and so that appropriate public agencies will be able to ascertain the immunization needs of groups of children in schools or other institutions.

SEC. 2. Section 3381 of the Health and Safety Code is amended to read:

3381. As used in this chapter, the term "governing authority" means the governing board of each school district or the authority of each other private or public institution responsible for the operation and control of the institution or the principal or administrator of each school or institution.

The governing authority shall not unconditionally admit any person as a pupil of any private or public elementary or secondary school, child care center, day nursery, nursery school, or development center, unless prior to his or her first admission to that institution he or she has been fully immunized against diphtheria, pertussis (whooping cough), tetanus, poliomyelitis, measles, mumps, and rubella in the manner and with immunizing agents approved by the state department.

Persons already enrolled in California public or private schools at the kindergarten level or above as of January 1, 1980, shall be exempt from the rubella and mumps immunization requirement for school entry.

SEC. 3. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because the duties, obligations, or responsibilities imposed on local agencies or school districts by this act are such that related costs are incurred as part of their normal operating procedures. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 436

An act to repeal Article 8 (commencing with Section 22860) of Chapter 1 of Part 5 of Division 5 of Title 2 of the Government Code, relating to health care.

[Approved by Governor September 5, 1979. Filed with Secretary of State September 5, 1979]

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

SECTION 1. Article 8 (commencing with Section 22860) of Chapter 1 of Part 5 of Division 5 of Title 2 of the Government Code is repealed.

CHAPTER 437

An act to amend Sections 4053, 4057, and 4061 of, to add Section 4160 to, and to repeal Sections 4032, 4055, 4056, 4092, 4120, 4121, 4122, 4123, 4124, 4160, 4161, 4162, 4163, 4164, 4165, 4166, 4167, 4169, 4170, 4172, 4173, 4174, 4175, 4176, 4177, 4178, 4179, 4180, 4182, and 4184 of, the Business and Professions Code, relating to pharmacy.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 4032 of the Business and Professions Code is repealed.

SEC. 2. Section 4053 of the Business and Professions Code is amended to read.

4053 Premises in which any of the articles enumerated in Sections 4052 and 4057 of this chapter are sold shall not be deemed to be a pharmacy, as that term is defined in Section 4035, except as otherwise provided by this chapter.

SEC. 3 Section 4055 of the Business and Professions Code is repealed.

SEC. 4. Section 4056 of the Business and Professions Code is repealed

SEC 5 Section 4057 of the Business and Professions Code is amended to read

4057. Nothing in this chapter shall apply to or interfere with the sale at wholesale or retail by grocers, persons who are not registered pharmacists, and other vendors generally without restriction of the following articles, whether or not they are otherwise exempted from the provisions of this chapter by Section 4052 or otherwise referred to therein vitamin or mineral products or combinations thereof,

dietary foods or food supplements, foods or other nutrients for dietary uses when any of such articles are sold to supplement or fortify the ordinary or usual diet of man or other animal or poultry and are labeled accordingly, and when such articles meet the requirements of the Federal Food, Drug and Cosmetic Act and the food laws of the State of California; Glauber salt, petroleum jelly, turpentine, cod liver oil, milk of magnesia, condition powders, cream of tartar, carbonate of soda, bay rum, essence of peppermint, ammonia, alum, castor oil, bicarbonate of soda, chloride of lime, glycerin, witch hazel, sheep dip, borax, sulfur, aspirin tablets, gauze bandage, mineral oil, sterile cotton, medicated adhesive and corn plasters, peroxide of hydrogen, 10 volume, bluestone, copperas, flaxseed, insect powder, flypaper, unmedicated corn plasters, unmedicated adhesive plasters, epsom salts, saccharin, and poultry vermifuge.

SEC. 6. Section 4061 of the Business and Professions Code is amended to read:

4061. Notwithstanding any provision in this chapter to the contrary, the board may by rule prohibit the sale of any drug except in a pharmacy and under the personal supervision of a registered pharmacist if after open hearing following due notice to persons who have filed written requests for such notice to the board, it shall find that the public health and safety is or will be endangered by the sale of such drug except in a pharmacy and under the personal supervision of a registered pharmacist. A violation of any rule adopted by the board under this section shall be punished in the same manner as provided in Section 4389. If a person holding a certificate, license or permit issued by the board, under the provisions of this chapter, shall violate any such rule he shall, in addition, be subject to disciplinary proceedings, as provided in Section 4350.5; provided, he is a person against whom disciplinary proceedings may be invoked, under the provisions thereof. This section shall not apply to products sold or offered for sale under the provisions of Sections 4057 and 4058; nor shall this section apply to products lawfully sold or offered for sale to the general public under the provisions of Section 4052 of this code.

SEC. 7. Section 4092 of the Business and Professions Code is repealed.

SEC. 8. Section 4120 of the Business and Professions Code is repealed.

SEC. 9. Section 4121 of the Business and Professions Code is repealed.

SEC. 10. Section 4122 of the Business and Professions Code is repealed.

SEC. 11. Section 4123 of the Business and Professions Code is repealed.

SEC. 12. Section 4124 of the Business and Professions Code is repealed.

SEC. 13. Section 4160 of the Business and Professions Code is

repealed.

SEC. 14 Section 4160 is added to the Business and Professions Code, to read

4160. (a) The California Hazardous Substances Act, Chapter 13 (commencing with Section 28740) of Division 21 of the Health and Safety Code is applicable to pharmacies and pharmacists and any other person or place subject to the jurisdiction of the board.

(b) The board may enforce such act when necessary for the protection of the health and safety of the public if prior regulatory notice is given in accordance with the Administrative Procedure Act (Chapter 4 (commencing with Section 11370), Chapter 4.5 (commencing with Section 11371), Chapter 5 (commencing with Section 11500) of Division 3 of Title 2 of the Government Code, as amended). Board enforcement shall focus on those hazardous substances which relate significantly to or overlap the practice of pharmacy.

(c) "Poison" as used elsewhere in this chapter shall reference a category of hazardous substances defined in Section 28743 of the Health and Safety Code which the board may by regulation make more specific.

SEC. 15. Section 4161 of the Business and Professions Code is repealed

SEC. 16. Section 4162 of the Business and Professions Code is repealed.

SEC. 17 Section 4163 of the Business and Professions Code is repealed.

SEC. 18. Section 4164 of the Business and Professions Code is repealed.

SEC 19. Section 4165 of the Business and Professions Code is repealed.

SEC. 20. Section 4166 of the Business and Professions Code is repealed.

SEC 21. Section 4167 of the Business and Professions Code is repealed.

SEC 22. Section 4169 of the Business and Professions Code is repealed

SEC 23. Section 4170 of the Business and Professions Code is repealed.

SEC. 24. Section 4172 of the Business and Professions Code is repealed

SEC 25 Section 4173 of the Business and Professions Code is repealed

SEC 26 Section 4174 of the Business and Professions Code is repealed

SEC. 27. Section 4175 of the Business and Professions Code is repealed

SEC. 28 Section 4176 of the Business and Professions Code is repealed

SEC 29 Section 4177 of the Business and Professions Code is

repealed.

SEC. 30. Section 4178 of the Business and Professions Code is repealed.

SEC. 31. Section 4179 of the Business and Professions Code is repealed.

SEC. 32. Section 4180 of the Business and Professions Code is repealed.

SEC. 33. Section 4182 of the Business and Professions Code is repealed.

SEC. 34. Section 4184 of the Business and Professions Code is repealed.

CHAPTER 438

An act to amend Sections 14016.5, 14300, 14301, 14405, and 14408 of the Welfare and Institutions Code, relating to prepaid health plans.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 14016.5 of the Welfare and Institutions Code is amended to read:

14016.5. The director shall require that, at the time of determining or redetermining the eligibility of a Medi-Cal beneficiary who resides in an area served by a prepaid health plan and is eligible to enroll in such a plan, the county shall inform the Medi-Cal beneficiary of options available to him regarding methods of receiving Medi-Cal benefits and shall inquire whether the beneficiary wishes to choose any particular method.

SEC. 2. Section 14300 of the Welfare and Institutions Code is amended to read:

14300. The department shall conduct a public hearing at least 30 days prior to the execution of an initial contract with a prepaid health plan and within 120 days prior to the renewal of a prepaid health plan contract to hear and receive evidence on the ability of the prepaid health plan to fulfill its responsibilities under the contract. The hearing shall be conducted in the county within which the prepaid health plan is located, or in the case of a prepaid health plan situated in more than one county, in the county where the largest number of Medi-Cal beneficiaries are enrolled in the plan

Notice of the time, date, and place of the hearing shall be mailed to the following:

(a) The prepaid health plan applying for the contract or contract renewal.

(b) Medi-Cal beneficiaries enrolled in the prepaid health plan subject to the hearing.

(c) Any interested party who requests notification of public hearings conducted pursuant to this section.

The department shall present evidence and make a finding of fact as to the ability of the prepaid health plan to comply with its previous and proposed contract obligations.

No contract shall be renewed unless the department makes a finding based upon the evidence presented at the public hearing, including evidence presented by the department, that the prepaid health plan has complied substantially with its contract obligations.

SEC. 3. Section 14301 of the Welfare and Institutions Code is amended to read:

14301 (a) The department shall determine, by actuarial methods, prospective per capita rates of payment for services provided under this chapter for Medi-Cal beneficiaries enrolled in a prepaid health plan. The rates of payment shall be determined annually, shall be effective no later than the first day of July each year, and shall not exceed the total per capita amount (including cost of administration) which the department estimates (with appropriate adjustments to provide actuarial equivalence) would be payable for all services and requirements covered under the prepaid health plan contract if all such services and requirements were to be furnished to Medi-Cal beneficiaries under the fee-for-service Medi-Cal program provided for by Chapter 7 (commencing with Section 14000) of this part. In the event that there is any delay in the payment of said new annual rates determined pursuant to this subsection, continued payment to the prepaid health plan of the rate in effect at the time the delay occurred shall be interim payment only, and shall be subject to increase or decrease, as the case may be, to the level of the new annual rates effective as of the first day of July. The per capita rates shall be determined by sound actuarial methods on the basis of age, sex, and aid categories. The contract shall provide the specific per capita rates which the state shall pay the prepaid health plan each month for each beneficiary enrolled in the prepaid health plan, a detailed description of the specific actuarial method or methods and assumptions used in determining per capita rates, and a summary of the data base, including cost and utilization rates, which was used to determine per capita rates. In addition, the director shall engage and rely upon the services of an actuary or consulting actuary in determining prospective per capita rates.

(b) Any prepaid health plan with an operating experience and scale of operation deemed by the department to be insufficient to justify the application of an actuarially determined per capita rate, shall be reimbursed on a cost basis up to the fee-for-service maximum for services provided until such time as the director determines that a per capita method is reasonable, but not to exceed a period of one year For purposes of this section, costs shall be net of intercompany profits in those circumstances where any of the following persons have a substantial financial interest, as defined by Section 14478, in any vendor to the prepaid health plan or any vendor to a

subcontractor of the plan:

(1) Any person also having a substantial financial interest in the plan.

(2) Any director, officer, partner, trustee or employee of the plan.

(3) Any member of the immediate family of any person designated in (1) or (2).

(c) The obligations of a prepaid health plan shall be changed only by contract or contract amendment. Any such change may be made during a contract term or at the time of contract renewal, where there is a change in obligations required by federal or state law or regulation, or required by a change in the interpretation or implementation of any such law or regulation. If any such change in obligations occurs which affects the cost to a prepaid health plan of performing under the terms of its contract, then the per capita rates under the contract may be redetermined in the manner provided by subdivision (a) to reflect such change. During such period of time as is required to redetermine the per capita rates, payment to a prepaid health plan of the per capita rates in effect at the time such change occurred shall be considered interim payments and shall be subject to increase or decrease, as the case may be, effective as of the date on which such change is effective.

(d) The obligations of a prepaid health plan shall be changed only by contract or contract amendment wherein payment for the changes, whether payment results in an increase or decrease in the prior per capita rates paid to a prepaid health plan, shall be determined in accordance with this section and paid to affected prepaid health plans.

(e) Nothing contained in this section shall be construed as removing from a prepaid health plan the risk of beneficial or adverse effects, including inflation, which normally result from contracting to furnish health services.

SEC. 4. Section 14405 of the Welfare and Institutions Code is amended to read:

14405. The director shall make available such information as is necessary to enable Medi-Cal beneficiaries to exercise an informed choice in receiving benefits under this chapter. For this purpose each prepaid health plan shall provide marketing material to the director for distribution to all prospective enrollees in the plan's service area. Such marketing material shall include the following:

(a) A description of all services and benefits provided by the prepaid health plan.

(b) The location of facilities where benefits and services are provided.

(c) The hours and days when services are available at each of the facilities

(d) The names of and addresses where each primary care physician, dentist, optometrist, or psychologist provides health services to enrollees of the prepaid health plan.

(e) The names and addresses of each hospital which has agreed to

provide health services to the enrollees.

(f) Names and addresses of each pharmacy providing pharmaceutical services to the enrollees

(g) Transportation arrangements, both routine and emergency, offered by the prepaid health plan.

(h) Any other information as the department may require.

SEC. 5 Section 14408 of the Welfare and Institutions Code is amended to read:

14408. (a) Notwithstanding the provisions of Section 14118, and except as otherwise prohibited by law, a prepaid health plan which has entered into a contract with the department pursuant to this chapter may make the benefits known to potential enrollees by methods approved by the department.

(b) No prepaid health plan or marketing organization shall engage in marketing activities prior to written approval by the department. All marketing activities and procedures shall be approved by the department prior to being used by a prepaid health plan or marketing organization The department may approve, disapprove, or withdraw approval of any marketing activity or procedure. The department shall require the discontinuance of any marketing activity or procedure for which the department withdraws approval.

The prepaid health plan shall be responsible for all presentations by their official representatives and for their ethical and professional conduct.

(c) All printed or illustrated material prepared by the prepaid health plan for dissemination to enrollees or to prospective enrollees shall be submitted to the department prior to such dissemination. The department shall acknowledge receipt of the printed or illustrated material within five days, and shall approve or disapprove such material for dissemination within 60 days after the date of notification that the material has been received. The department may withdraw approval of such material previously approved and order its dissemination discontinued Where the department notifies the prepaid health plan of its disapproval or withdrawal of approval, the prepaid health plan shall have the right to meet and confer with the director or his designee and demonstrate the purpose and reasonable basis for the distribution of such material to enrollees and potential enrollees

(d) On or after January 1, 1980, door-to-door solicitation of Medi-Cal enrollees shall not be permitted except by authorization of the department. Prior to authorizing a continuation of door-to-door solicitation, the department shall make a written finding of fact, for each plan for which the department proposes to permit a continuation of door-to-door solication, that alternative methods of marketing and enrollment are insufficient to guarantee enrollment stability for the prepaid health plan The authorization to continue door-to-door solicitation shall apply to each plan for which the department has made such a finding of fact and shall continue for a

period not to exceed one year, except that the department may extend such authorization an additional year by making a new finding of fact. In permitting door-to-door solicitation of Medi-Cal enrollees, it is the intent of the Legislature that the department shall develop alternative enrollment procedures to maximize enrollment stability and growth in prepaid health plans

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CHAPTER 439

An act to amend Section 10177.4 of the Business and Professions Code, relating to real estate licenses.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979.]

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

SECTION 1. Section 10177.4 of the Business and Professions Code is amended to read:

10177 4 Notwithstanding any other provision of law, the commissioner may, after hearing in accordance with the provisions of this part relating to hearings, suspend or revoke the license of a real estate licensee who claims, demands, or receives a commission, fee or other consideration, as compensation or inducement, for referral of customers to any escrow agent, structural pest control firm, home protection company, title insurer, controlled escrow company, or underwritten title company.

The term "other consideration" as used in this section does not include:

(1) Bona fide payments for goods or facilities actually furnished by a licensee or for services actually performed by a licensee, provided such payments are reasonably related to the value of the goods, facilities or services furnished;

(2) Furnishing of documents, services, information, advertising, educational materials, or items of a like nature which are customary in the real estate business and which relate to the product or services of the furnisher and which are available on a similar and essentially equal basis to all customers or the agents of such customers of the furnisher;

(3) Moderate expenses for food, meals, beverages and similar items furnished to individual licensees or groups or associations of licensees within a context of customary business, educational or promotional practices pertaining to the business of the furnisher;

(4) Items of a character and magnitude similar to those in subsections (2) and (3) which are promotional of the furnisher's business customary in the real estate business, and available on a similar and essentially equal basis to all customers, or the agents of such customers, of the furnisher

Nothing in this section shall relieve any licensee of the obligation of disclosure otherwise required by this part.

CHAPTER 440

An act to amend Sections 33704 and 33704.5 of, and to add Sections 38903.6, 38926, and 38926.5 to, the Food and Agricultural Code, relating to nondairy products.

[Approved by Governor September 5, 1979. Filed with Secretary of State September 5, 1979.]

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

SECTION 1. Section 33704 of the Food and Agricultural Code is amended to read:

33704. The provisions of Sections 33701, 33731, 33732, 33733, 33734, 33767, 33768, 33770, 33771, 33776, and 34593 do not apply to the manufacture of a milk drink if such product is manufactured from milk drink mix or sterilized milk drink mix, or to ice cream which is manufactured from ice cream mix, or to ice milk which is manufactured from ice milk mix, or to frozen yogurt, which is manufactured from frozen yogurt mix, or to lowfat frozen yogurt, which is manufactured from lowfat frozen yogurt mix, or to frozen dairy dessert, which is manufactured from frozen dairy dessert mix, or to nondairy frozen dessert which is manufactured from nondairy frozen dessert mix, if such products are manufactured in a freezing device from which such products are served directly in a semifrozen state, without packaging of any type, for consumption on the premises in or from rooms where food is served to the public.

Except for nondairy frozen dessert mix, all such mixes so used shall be secured from a licensed manufacturer of milk products.

Frozen yogurt mix, lowfat frozen yogurt mix, frozen dairy dessert mix, and nondairy frozen dessert mix shall be manufactured into a semifrozen state without adulteration and freezing device salvage shall not be reused as a mix.

Nondairy frozen dessert mix shall be obtained from manufacturers licensed pursuant to Section 38931 or under Section 38984 Any dry or condensed mix to be reconstituted into freezable form shall be reconstituted on the premises in containers or equipment that meet the requirements of Sections 33763, 33764, 33765, and 33766 Any water used for reconstitution shall be treated in such a manner to assure a quality equal to potable pasteurized water. Upon reconstitution, the product shall be poured directly into the freezing unit or refrigerated at a temperature not to exceed 50 degrees Fahrenheit, and so maintained until frozen, or both.

Where any retail establishment manufactures two or more of the products provided for under this section, each such product shall be

processed in a separate freezing device, and such freezing device shall be clearly identified as to the product being manufactured therein.

The director may by agreement with any approved milk inspection service, authorize such service to inspect and enforce requirements of this code applicable to the establishments covered by this section. Any such agreement shall provide that the approved inspection service shall collect the applicable license fee for such establishments as provided in Sections 35221 and 38933. The fees so collected shall be retained by the approved service to cover its cost of enforcement, provided that 25 percent of the fees collected shall be remitted to the director to cover his cost of administration.

SEC. 2. Section 33704.5 of the Food and Agricultural Code is amended to read:

33704.5. (a) Any person who manufactures and directly serves frozen yogurt, lowfat frozen yogurt, frozen dairy dessert, or nondairy frozen dessert in the manner specified in Section 33704, shall post on the premises where such manufacture and service takes place a sign, or signs, which (1) states that frozen yogurt or lowfat frozen yogurt, or frozen dairy dessert, or nondairy frozen dessert, is served on such premises and (2) lists the ingredients in each of such products served

(b) The sign required to be posted pursuant to subdivision (a) shall be placed in a conspicuous location, such as on a menu or other sales device, and shall be printed in a legible manner that is understandable under normal conditions by the person purchasing such frozen products.

SEC. 3. Section 38903.6 is added to the Food and Agricultural Code, to read:

38903.6. Nondairy frozen dessert is subject to the provisions of this chapter.

SEC. 4. Section 38926 is added to the Food and Agricultural Code, to read:

38926. Nondairy frozen dessert shall comply with the following standards:

(a) The product shall contain not less than 2 percent of edible oil or fat other than milk fat.

(b) The product shall contain 1 3 pounds of food solids per gallon at the time of sale to the consumer.

(c) The product may contain harmless edible stabilizers and emulsifiers, not to exceed six-tenths of 1 percent by weight of the finished product.

(d) The product may contain nutritive carbohydrate sweeteners.

(e) The product may contain fruit or fruit juices, nut meats, harmless flavoring, and harmless coloring.

(f) The product shall not contain more than 75,000 bacteria or 10 coliform bacteria per gram.

SEC. 5 Section 38926 5 is added to the Food and Agricultural Code, to read:

38926.5. Nondairy frozen dessert mix is a product in a final, dry, or concentrated form used in the manufacture of nondairy frozen dessert. It shall comply with all the requirements of nondairy frozen dessert. It shall have been pasteurized or otherwise subjected to a process that has been proven, to the satisfaction of the director, to be equally effective.

SEC. 6. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code

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CHAPTER 441

An act to amend Sections 13131 and 13143.6 of the Health and Safety Code, relating to fire prevention.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 13131 of the Health and Safety Code is amended to read:

13131. "Nonambulatory persons" means persons unable to leave a building unassisted under emergency conditions. It includes, but is not limited to, persons who depend upon mechanical aids such as crutches, walkers, and wheelchairs, and profoundly or severely mentally retarded persons.

SEC. 2. 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 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, means nonambulatory person as defined in Section 13131.

The ambulatory or nonambulatory status of any mentally retarded person within the scope of this subdivision shall be determined by the State Director of Developmental Services.

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 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.

(c) It is the intent of the Legislature that any building or structure within the scope of subdivision (a) in which there is housed any totally deaf person, shall be required by the State Fire Marshal to be equipped with fire warning devices to which such person is able to respond.

CHAPTER 442

An act to amend Sections 13131 and 13143.6 of the Health and Safety Code, relating to fire prevention.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

The people of the State of California do enact as follows

SECTION 1. Section 13131 of the Health and Safety Code is amended to read:

13131. "Nonambulatory persons" means persons unable to leave a building unassisted under emergency conditions. It includes, but is not limited to, persons who depend upon mechanical aids such as crutches, walkers, and wheelchairs, and profoundly or severely mentally retarded persons.

SEC. 2. 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 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, means nonambulatory person as defined in Section 13131.

The ambulatory or nonambulatory status of any mentally retarded person within the scope of this subdivision shall be determined by the Director of Developmental Services.

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 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.

(c) It is the intent of the Legislature that any building or structure within the scope of subdivision (a) in which there is housed any totally deaf person, shall be required by the State Fire Marshal to be equipped with fire warning devices to which such person is able to respond.

CHAPTER 443

An act to add Chapter 11 (commencing with Section 1925) to Division 2 of, and to repeal Chapter 10 (commencing with Section 1900), as added by Chapter 1240 of the Statutes of 1977, and Chapter 11 (commencing with Section 1925) of Division 2 of, the Fish and Game Code, to add Division 23 (commencing with Section 67500) to, to repeal Division 23 (commencing with Section 66000), as added by Chapter 1239 of the Statutes of 1977, of, and to repeal Division 23 (commencing with Section 66000), as added by Chapter 1240 of the Statutes of 1977, of, the Food and Agricultural Code, relating to California native desert plants.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979.]

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

SECTION 1. Chapter 10 (commencing with Section 1900) of Division 2 of the Fish and Game Code, as added by Chapter 1240 of the Statutes of 1977, is repealed.

SEC. 2. Chapter 11 (commencing with Section 1925) of Division 2 of the Fish and Game Code is repealed.

SEC. 3. Chapter 11 (commencing with Section 1925) is added to Division 2 of the Fish and Game Code, to read.

CHAPTER 11. CALIFORNIA DESERT NATIVE PLANTS

1925. The department shall enforce the provisions of the California Desert Native Plants Act (commencing with Section 67500 of the Food and Agricultural Code), except that permits, tags, seals, and wood receipts shall be issued pursuant to Chapter 4 (commencing with Section 67650) of Division 23 of the Food and Agricultural Code, by the county agricultural commissioner or the sheriff. Nothing in the California Desert Native Plants Act, or any other law, shall prohibit the department from taking, for scientific or propagation purposes, any species of native plants. The department may import, propagate, and distribute native plants, and the provisions of the California Desert Native Plants Act shall not apply

to such activities.

1926. In carrying out the provisions of this chapter, the department shall cooperate fully with the Department of Food and Agriculture.

SEC. 4. Division 23 (commencing with Section 66000) of the Food and Agricultural Code, as added by Chapter 1239 of the Statutes of 1977, is repealed.

SEC. 5. Division 23 (commencing with Section 66000) of the Food and Agricultural Code, as added by Chapter 1240 of the Statutes of 1977, is repealed.

SEC. 6. Division 23 (commencing with Section 67500) is added to the Food and Agricultural Code, to read:

DIVISION 23. CALIFORNIA DESERT NATIVE PLANTS

CHAPTER 1. GENERAL PROVISIONS

67500. This division shall be known and may be cited as the California Desert Native Plants Act.

67501. It is the intent of the Legislature in enacting the provisions of this division to protect California desert native plants from unlawful harvesting on both public and privately owned lands. It is also the intent of the Legislature to provide the people of this state with the information necessary to legally harvest native plants so as to ultimately transplant such plants with the greatest possible chance of survival. It is the further intent of the Legislature to encourage public participation in implementing the safeguards established by this division and in evaluating the effectiveness and desirability of such safeguards.

67502. The provisions of this division shall be applicable only within the boundaries of the Counties of Imperial, Inyo, Kern, Los Angeles, Mono, Riverside, San Bernardino, and San Diego. The director may thereafter revise the boundaries of the areas of the state which shall be subject to the provisions of this division after a public hearing required to be held pursuant to Section 67633 and upon receipt of a resolution approving such change of boundaries by the board of supervisors of the affected county.

67503. Persons engaged in the production, storage, sale, delivery, or transportation of nursery stock pursuant to the provisions of Part 3 (commencing with Section 6701) of Division 4 of the Food and Agricultural Code shall not be required to obtain a permit pursuant to this division unless such activities involve the harvesting of native plants growing in a wild, uncultivated state

67504 Persons engaged in the production, storage, sale, delivery, or transportation of nursery stock pursuant to the provisions of Part 3 (commencing with Section 6701) of Division 4 of the Food and Agricultural Code shall not receive any harvested native plants unless each plant has securely and properly attached thereto a valid native plant tag and seal

67505. Persons engaged in the sale of nursery stock pursuant to the provisions of Part 3 (commencing with Section 6701) of Division 4 of the Food and Agricultural Code shall maintain records of their receipts or purchases for sale or resale of any native plant. Such records shall include the name and address of the person selling or delivering such plants and shall be subject to inspection by the commissioner or the director.

CHAPTER 2. DEFINITIONS

67600. Unless the context otherwise requires, the definitions of this chapter govern the construction of this division

67601. "Landowner" includes the public agency administering any public lands within the areas subject to this division.

67602. "Harvest" means to remove or cut and remove from the place where grown.

67603 "Harvester" means a person who harvests a native plant.

67604. "Director" means the Director of the Department of Food and Agriculture.

67605. "Department" means the Department of Food and Agriculture

67606. "Tag" means a paper or cloth label that can be attached to a native plant or a commercial load by means of a string and a seal, which tag specifies among other things a serial number, type of plant, fee required, location of origin, date of removal, witnessing authority, applicant, destination, and proposed use, including, but not limited to, commercial processing or landscaping.

67607 "Seal" means a metal, tamperproof clamp used to permanently affix the tag to a native plant

67608. "Resale" means native plants harvested, possessed, or transported with the intent to sell such plants for the ultimate purpose of landscaping or decoration or both.

67609. "Resale load" means native plants harvested, possessed, or transported for resale purposes.

67610 "Native plant" means any tree, shrub, bulb, or plant or part thereof, except its fruit, named in this division as being under the provisions of this division or added by the director pursuant to Section 67633, which is growing wild "Native plant" includes any part of any tree of the following species, whether living or dead:

(a) Olneya tesota (desert ironwood).

(b) All species of the genus Prosopis (mesquites).

(c) All species of the genus Cercidium (palos verdes).

67611 "Commercial harvesting" means harvesting native plants for an ultimate use other than as landscaping or decorative material and with the plants' tops, or branches, or both, boughs or limbs removed

67612 "Permit" means an application form to harvest native plants that has been filled out by the applicant and approved and officially endorsed by the agricultural commissioner or sheriff of the

county wherein the native plants covered by such application are located.

67613. "Wood receipt" means a receipt that is to accompany one or more cords of wood harvested under the provisions of this division. Such wood receipt shall contain information which specifies, among other things, a serial number, species of wood, fee required, location of origin, date of removal, witnessing authority, applicant, destination, and proposed use, including, but not limited to, commercial processing landscaping.

CHAPTER 3. REGULATED NATIVE PLANTS

67630. The botanical names of the plants referred to in this chapter shall in all cases govern in the interpretation of this division.

67631. The following native plants may not be harvested except for scientific or educational purposes under a permit issued by the agricultural commission of the county in which the native plants are growing. all species of Burseraceae family (elephant tree), Carnegiea gigantea (sahuaro cactus), Castela emoryi (crucifixion thorn), Dudleya saxosa (Panamint dudleya), Pinus longaeva (bristlecone pine), and Washingtonia filifera (fan palm).

67632 The following native plants may be harvested under a permit issued by the agricultural commissioner or the sheriff of the county in which the native plants are growing: all species of the family Agavaceae (century plants, nolinas, yuccas), all species of the family Cactaceae (cacti), except the species Carnegiea gigantea (sahuaro cactus), all species of the family Fouquieriaceae (ocotillo, candlewood), all species of the genus Prosopis (mesquites), all species of the genus Cercidium (palos verdes), and the following species Acacia greggii (catclaw), Atriplex hymenelytra (desert-holly), Dalea spinosa (smoke tree), Olneya tesota (desert ironwood), or any part thereof, except the fruit. For purposes of this division, Olneya tesota (desert ironwood) includes both dead and live desert ironwood.

The county agricultural commissioner may establish limits on the quantity of desert ironwood which may be taken under any permit and on the number of permits for the taking of desert ironwood which may be issued The county agricultural commissioner may establish such rules and regulations as may be necessary for the protection of the ironwood resource

Notwithstanding the foregoing provisions of this section, the director may add desert ironwood to, or remove it from, the jurisdiction of this division pursuant to Section 67633.

67633 After consultation with the Secretary of the Resources Agency and after a public hearing, the director may add to or remove from the jurisdiction of this division a native plant A public hearing on native plants shall be held at least once every 24 months in a county subject to this division and in a location that is convenient to a large segment of the public

In deciding whether to call a public hearing, the director may consider a request from a public or private group, including concerned citizens, and the director shall convene such a hearing when requested by resolution of any county board of supervisors The director may consider at such a hearing which plants are in need of protection and whether the boundaries of the area to be protected should be changed pursuant to Section 67502.

67634 Any native plant that is declared to be a rare, endangered or threatened species by federal or state law or regulations, including, but not limited to, the Fish and Game Code, is exempt from the provisions of this division.

CHAPTER 4 ENFORCEMENT POWERS AND ADMINISTRATIVE RESPONSIBILITIES

67650 (a) The county agricultural commissioner or the sheriff of a county subject to this division shall issue, in accordance with the provisions of this division, permits, wood receipts, tags, and seals for a fee as prescribed by the board of supervisors of the county where the native plants are located. Such fee shall not be less than one dollar ($1) per plant for all native plants, except Yucca brevifolia (Joshua tree), and not less than two dollars ($2) per plant for each Yucca brevifolia (Joshua tree), except that in the case of trees, live or dead, mesquite, palo verde or ironwood species of trees cut or removed for wood, as provided in Section 67652, such fee shall not be less than one dollar ($1) per cord. Such fees shall cover the cost of issuing a permit and may cover other related costs including but not limited to, administration, enforcement, and research costs. The permit shall specify, among other things, the species of native plants which may be harvested, the area from which plants may be harvested, and the manner in which plants may be harvested. No person, except as provided in this division, shall harvest, transport, offer for sale, or have in his possession any native plant unless at the time of harvesting he has a valid permit or valid wood receipt therefor on his person, and he attaches the required tags and seals to the native plants, and unless he exhibits the permit, wood receipt, and tags and seals upon request for inspection by any duly authorized agent of the county agricultural commissioner or any peace officer as provided in this division No wood receipt or tag and seal is valid unless it is issued with a valid permit and such permit bears the tag number or wood receipt number on its face.

(b) Native plants which have been tagged and sealed, as provided in this section, may be transported under a California nursery stock certificate or a shipping permit.

67651 (a) Each permit authorizing the harvesting, transporting, or possessing of native plants, except trees cut or removed for wood as provided in Section 67652, shall be accompanied by a sufficient number of tags and seals The permittee or his agent shall attach tags and seals to the native plants at the time of harvesting and before

transporting in such manner as prescribed by the agricultural commissioner of the county in which the native plants are located. After any native plant has been legally harvested and tagged or sealed as provided in this division, it shall be unlawful to remove such tag or seal until the plant has been transplanted into its ultimate site for landscaping or decoration. The tag or seal may be removed from the plant only by the county agricultural commissioner or the ultimate owner of the plant, who shall retain such tag or seal as proof of ownership.

(b) No permit or tag or seal is transferable by the permittee or his agent, nor shall it be used by anyone except that person to whom such permit or tag or seal was issued, and no refunds shall be made for the purchase thereof.

(c) Every permittee shall be responsible for the acts of any other person or persons acting under any authority, express or implied, of the permittee.

67652. (a) Each permit authorizing the harvesting, transporting, or possessing of live or dead mesquite, palo verde, or ironwood species of trees which are harvested for wood, shall be accompanied by a wood receipt. Any required wood receipt shall be in the possession of the person harvesting, transporting, or possessing the wood

(b) No permit or wood receipt is transferable by the permittee or his agent, nor shall it be used by anyone other than the person to whom such permit or wood receipt was issued or his agent or employee, except that the wood receipt shall be transferred by the permittee or his agent or employee to the purchaser of the wood covered by the receipt as proof of ownership.

67653. Any person in possession of a valid permit for the removal of dead plants or wood issued by the United States Forest Service, the National Park Service, or the Bureau of Land Management, or any person in compliance with appropriate federal regulations and policies allowing the removal of dead plants or wood from lands administered by the Bureau of Land Management, shall not be required to obtain a permit pursuant to this division for the removal or possession of such dead plants or wood.

67654. The director may make necessary rules and regulations not in conflict with this division for the enforcement of its provisions.

67655. The director or any of his duly authorized agents, any commissioner, or any peace officer is authorized and directed to enter in or upon any premises or other place, train, vehicle, or other means of transportation within or entering the state, which is suspected of containing or having present therein or thereon native plants in violation of this division, in order to examine permits and wood receipts and observe tags and seals.

67656. When any power or authority is given by any provision of this division to any person, it may be exercised by any deputy, inspector, or agent duly authorized by such person. Any person in whom the enforcement of any provision of this division is vested has

the power of a peace officer as to such enforcement, which shall include state or federal agencies with which cooperative agreements have been made by the department to enforce any provisions of this division.

67657 Any county may adopt ordinances not in conflict with the provisions of this division for the preservation of native plants specified in Sections 67631 and 67632.

CHAPTER 5. HARVESTING OF NATIVE PLANTS

67680 (a) Except as provided in this division, it shall be unlawful for any person to destroy, dig up, mutilate, or harvest any living native plant, or the living or dead parts of any native plant, except its fruit, without obtaining written permission from the landowner and a permit and any required wood receipts or tags and seals.

(b) It shall be unlawful for any person to falsify any paper or document issued to give permission for any person to harvest a native plant specified in Section 67632, or to fail to comply with all conditions or stipulations of the permit.

67681. The agricultural commissioner of the county wherein the plants are located may issue a permit to a scientific or educational institution to harvest a definite number of plants listed in Section 67631 for scientific or educational purposes, if permission is obtained from the landowner on whose property the plants are located.

67682 Permits issued for the removal of native plants shall be valid only for a stated period of time to allow the permittee to remove the specific amount of plants or wood stated in the permit, or such period of time stated by the landowner as part of such landowner's permission, whichever is shorter, but in no case for more than one year.

It is the intent of the Legislature that each permit or wood receipt shall be valid for the least period of time possible in which to accomplish the authorized purpose.

67683 No person shall knowingly make any false statement on any application for such permits, wood receipts, or tags and seals. The application shall contain the following information.

(a) The name, address, and telephone number of the applicant.

(b) The amount and species of native plants to be transported.

(c) The name of the county from which the native plants are to be removed

(d) A description sufficient to identify the real property from which the native plants are to be removed, and such other information or documents as the issuing agency may require to identify the general boundaries of the property

(e) The name, address, and telephone number of each landowner from whose property the native plants are to be removed

(f) The applicant's timber operator permit number, if the harvesting of the native plants is subject to the Z'berg-Nejedly Forest Practice Act of 1973 (Chapter 8 (commencing with Section 4511) of

Part 2 of Division 4 of the Public Resources Code).

(g) The proposed date or dates of such transportation.

(h) The location of the office of the peace officer who will validate the tag or tags.

(i) The destination of such native plants.

(j) The ultimate use of the native plants, such as for use as landscaping or decorative material, or for use as a raw material in the manufacture or processing of a product.

(k) Make, model, and license number of the transportation vehicle.

(*l*) Such other information as may be required by the agency issuing the permit.

Every applicant shall, at the time of making the application, show his proof of ownership of the native plants. The application forms, tags, seals, and wood receipts shall be produced by the State Department of Justice, and distributed to the sheriff and the agricultural commissioner of each county subject to Section 67502.

67684. Any permit issued pursuant to Section 67680, 67681, 67682 or 67683 shall expire when the tags and seals issued therewith have been attached to the plants covered by such permit and such plants are no longer in the possession of the permittee.

67685. The director or agricultural commissioner may establish specific cutting, harvesting, and plant care criteria which shall include the most favorable and practical horticultural methods and seasons to assure the survivability of the plants and to assure compliance with existing local, state, and federal regulations.

67686. No provision of this division shall prevent:

(a) The clearing of land for agricultural purposes, fire control measures, or required mining assessment work pursuant to federal or state mining laws.

(b) The holding of a recreational event sanctioned by the Bureau of Land Management.

(c) The clearing or removal of native plants from a canal, lateral ditch, survey line, building site, or road or other right-of-way by the landowner or his agent if such native plants are not to be transported from the land or offered for sale and if the agricultural commissioner is given at least 10 days' notice of any such activity.

The provisions of this division are not applicable to a public agency or to a publicly or privately owned public utility when acting in the performance of its obligation to provide service to the public. This section shall not prevent the landowner or his agent from complying with any other federal, state, or local laws or regulations.

The agricultural commissioner may exempt the use of dead and down wood for camping or branding fires from the requirements of this division.

67687. Except as provided in Section 67631, no provision of this division shall prohibit any person from harvesting or possessing, for purposes other than resale, five or fewer native plants or from cutting, removing, harvesting, transporting, or possessing, for

purposes other than resale, any dead mesquite or palo verde in amounts less than one cord, from land owned by such person, or from land leased by such person when the landowner's written permission to harvest has been obtained and is exhibited, or from land not owned by such person when such person exhibits written permission to harvest from the landowner. Such written permission shall not be valid unless it includes a description of the land satisfying the requirements of Section 67683 and the address and telephone number of the landowner.

Persons harvesting five or fewer native plants, for purposes other than resale, and persons cutting, removing, harvesting, transporting, or possessing any dead mesquite or palo verde, for purposes other than resale, in amounts less than one cord shall not be required to obtain and exhibit any permits, tags and seals, or wood receipts.

Persons possessing six or more harvested native plants shall obtain and exhibit a tag and seal for the sixth native plant and for each additional native plant in his possession.

67688 Each county may enact ordinances not inconsistent with this division to control commercial harvesting in that county.

67689 The issuing agency shall collect fees for the issuance of permits, tags and seals and wood receipts under this division, except from a landowner moving native plants from one of his properties to another, provided that such plants are not to be offered for sale.

67690. Any harvested native plant listed in Section 67631 or 67632, or added by the director pursuant to Section 67633, which is not exempt from the permit requirements of this division pursuant to Section 67687, found without a tag and seal securely and properly affixed thereto or for which the owner does not exhibit a tag and seal, or any mesquite or palo verde wood in the amount of one cord or more found in the possession of a person without a wood receipt, may be confiscated as evidence of a violation.

Chapter 6. Shipment of Plants

67700. No person or common carrier shall transport or receive or possess for transportation any native plant or any wood or part thereof, except its fruit or manufactured wood articles, that requires a permit, wood receipt, or tag and seal, unless the person offering the plant for shipment furnishes to the person or common carrier a valid permit therefor, and any required wood receipts, and has securely and properly attached thereto any required tag and seal. If for transportation outside of the state, the plant shall also bear a certificate of inspection by the department.

67701 All native plant species or varieties subject to this division, when not grown in California and imported into this state, shall be declared at a California agricultural inspection station or an office of the department, and proceed to destination under quarantine orders issued by agents of the department employed at such station or office. Any person transporting any plant species or varieties subject

to this division from outside the state into California shall have in his possession a valid bill of sale for such native plants, and such permits and tags as may be required by the state of origin, and shall produce such bill of sale as well as any permits and tags for inspection by any duly authorized person as described in this division or any peace officer of the State of California as a requirement for entry into the state of such native plants.

CHAPTER 7. ENFORCEMENT

67720 A peace officer may, in the enforcement of this division, make arrests without warrant for a violation of this division which he may witness, and may confiscate native plants or parts thereof when unlawfully harvested, transported, possessed, sold, or otherwise obtained in violation of this division.

67721. A person violating any provision of this division is guilty of a misdemeanor punishable by a fine of not less than three hundred dollars ($300), nor more than one thousand dollars ($1,000), for each violation or by imprisonment in the county jail not to exceed one year, or both, and each violation constitutes a separate offense.

67722 Upon conviction of a violation of this division, all permits issued to the person convicted shall be revoked and the permittee shall be required to surrender any unused tags and seals or wood receipts to the issuing agency and no new or additional permits shall be issued to the permittee for a period of one year from the date of conviction.

67723 A second conviction may be considered as a misdemeanor or a felony. If a misdemeanor, it shall be punishable by a fine of not less than three hundred dollars ($300), nor more than one thousand dollars ($1,000), for each violation or by imprisonment in the county jail not to exceed one year, or both, and each violation constitutes a separate offense. If a felony, it shall be punishable by a fine of not less than one thousand dollars ($1,000), nor more than five thousand dollars ($5,000), for each violation or by imprisonment in the state prison not to exceed five years, or both, and each violation constitutes a separate offense

Upon the second conviction, all permits issued to the person convicted shall be revoked and the permittee shall be required to surrender any unused tags and seals or wood receipts to the issuing agency and no new or additional permits shall be issued to the permittee at any time in the future from the date of conviction.

67724 The issuing agency may revoke any permit, tags, or seals issued for the purpose of harvesting for ultimate replanting if the permittee willfully fails to comply with all conditions or stipulations of the permit.

CHAPTER 8. FINANCIAL PROVISIONS

67740. All fees or moneys collected under the provisions of this division shall be paid into the General Fund of the county in which the permits, tags and seals, and wood receipts were issued.

SEC. 33. 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 this act authorizes a revenue source, or makes local governments eligible for a revenue source, that may be utilized by local governments to cover the costs of the mandate.

CHAPTER 444

An act to amend Section 5019 of the Education Code, relating to school districts, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 5, 1979. Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 5019 of the Education Code is amended to read:

5019. Except in a school district governed by a board of education provided for in the charter of a city or city and county, in any school district or community college district the county committee on school district organization shall have the power to establish trustee areas, rearrange the boundaries of trustee areas, abolish trustee areas, and increase to seven or decrease to five the number of members of the governing board, or to adopt one of the alternative methods of electing governing board members specified in Section 5030.

Any such proposal may be initiated by the county committee or made to the county committee by a petition signed by at least 2 percent or 50, whichever is the lesser, of the qualified electors residing in the district, or by resolution of the governing board of the district.

When any such proposal is made, the county committee shall call and conduct a hearing in the district on the matter. At the conclusion of the hearing, the county committee shall approve or disapprove the proposal.

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 make a technical correction in the law relating to

trustee areas of school districts at the earliest possible time, it is necessary that this act take effect immediately.

CHAPTER 445

An act to amend Section 6833 of the Elections Code, relating to elections.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

The people of the State of California do enact as follows

SECTION 1. Section 6833 of the Elections Code is amended to read

6833 Nomination papers shall be filed with the Secretary of State not more than 129 nor less than 64 days before the day of the election, and shall be prepared, circulated, signed, verified and left with the county clerk for examination no earlier than 148 days before the election and no later than 5 p.m. 88 days before the election. If the total number of signatures submitted to a county clerk for an office entirely within that county does not equal the number of signatures needed to qualify the candidate, the county clerk shall declare the petition void and is not required to verify the signatures. If the district falls within two or more counties, the county clerk shall within two working days report in writing to the Secretary of State the total number of signatures submitted. If the Secretary of State finds that the total number of signatures submitted in the district or state is less than the minimum number required to qualify the candidate he shall within one working day notify in writing the counties involved that they need not verify the signatures

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CHAPTER 446

An act to amend Section 4035 of the Business and Professions Code, relating to pharmacy

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1 Section 4035 of the Business and Professions Code is amended to read:

4035 Pharmacy is an area, place or premises in which the profession of pharmacy is practiced and where prescriptions are compounded "Pharmacy" means and includes but is not limited to

any area, place or premises described in a permit issued by the board by reference to plans filed with and approved by the board wherein narcotics or dangerous drugs or dangerous devices, as they are herein defined, are stored, possessed, prepared, manufactured, derived, compounded or repackaged, and from which said narcotics or dangerous drugs or dangerous devices are furnished, sold, or dispensed at retail.

"Pharmacy" shall not include any area in a facility licensed by the State Department of Health Services where floor supplies, ward supplies, operating room supplies, or emergency room supplies of drugs or dangerous devices are stored or possessed solely for treatment of patients registered for treatment in the facility or for treatment of patients receiving emergency care in the facility.

"Narcotics or dangerous drugs or dangerous devices" as used herein shall include but is not limited to all narcotics, drugs or devices which are included within one or more of the following classifications:

(a) Drugs or devices bearing the legend, "Caution, federal law prohibits dispensing without prescription," or words of similar import.

(b) Controlled substances as defined in Chapter 2 (commencing with Section 11053) of Division 10 of the Health and Safety Code.

(c) Drugs or devices enumerated in Section 4211 of this code.

(d) Drugs or devices heretofore or hereafter classified as dangerous by the board pursuant to Sections 4061 and 4240 of this code.

(e) Poisons, hypodermic syringes and needles, or other drugs or devices, the sale of which is restricted by law to a registered pharmacist.

Neither this section nor any other provision of law shall be construed as prohibiting a pharmacy from furnishing a prescription drug or device to a licensed health care facility for storage in a secured emergency pharmaceutical supplies container maintained within the facility in accordance with facility regulations of the Department of Health Services set forth in Title 22 of the California Administrative Code.

CHAPTER 447

An act to amend Section 16035 of the Education Code, relating to school buildings, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 16035 of the Education Code is amended to read:

16035. The board may approve, in whole or in part, an application submitted by a school district under Section 16024 and in such amount, not exceeding the amount applied for, as the board may deem appropriate.

The board may, upon approval of the application, in whole or in part, and subsequently from time to time, make a conditional apportionment or conditional apportionments not exceeding in the aggregate the total amount determined by the board as aforesaid, to the applicant school district from the State School Building Aid Fund for such portion or portions of the construction project as the board determines the district is ready to proceed with. If the board has approved an application and made an apportionment as to a portion or portions of a construction project, the board may approve the remaining portion or portions of the construction project and make an additional apportionment or apportionments within five years after the original approval without requiring a district to issue additional bonds. The board may also make an additional apportionment or apportionments for a period of time in excess of five years after the original approval without requiring a district to issue additional bonds if it has made a finding that such additional apportionment or apportionments are justified by virtue of the fact that state funds were not available for apportionment within the two-year period after the original approval because of the inability of the state to sell authorized state bonds within the maximum permitted interest rate.

If the board determines that the actual cost is in excess of the estimated cost of the specific school plant facilities or sites for which an apportionment to a district has been made, or for which a district's application has been approved in whole or in part pursuant to this section, the board may make an additional apportionment to such district in an amount equal to such excess even though such additional apportionment will result in the total apportionments to the district exceeding the amount of the application originally approved by the board. Before such additional apportionment becomes final the district, pursuant to Section 16058, shall hold an election to repay the amount of such additional apportionment which is in excess of the amount which the district has previously voted to repay. Such additional apportionment shall become final when the county superintendent of schools transmits to the board and the State Controller a certificate in duplicate stating that the school district has authorized the acceptance and expenditure of the necessary amount of such excess. If such additional apportionments are made by the board within five years after the original approval, except an apportionment made final pursuant to subdivision (c) of Section 16058, the district shall not be required to issue additional

bonds

Except as otherwise provided in this section, all provisions of this chapter relating to apportionments shall apply to apportionments made under this section.

Whenever an apportionment has heretofore been made or is hereafter made to a district for a site and the district heretofore or hereafter proposes to acquire the site through negotiation or condemnation but the total acquisition cost thereof, plus all other costs incidental to either the acquisition or condemnation of the site, exceeds or exceeded the apportionment for the site, the board may at any time hereafter make an additional apportionment to provide for the differential in total acquisition cost without the district being required to issue additional bonds to qualify, providing the board finds (1) that it is in the interest of the state to proceed with the acquisition despite the acquisition costs, and (2) that the district is unable to provide, or it would be a hardship to require it to provide, the excess costs. The board may also, in its discretion, as a condition of making such apportionment, require the district to repay in full all or any part of the excess apportionment, under such terms and conditions as the board deems desirable, and the district shall be empowered and obligated to comply if it accepts the excess apportionment, notwithstanding any other law to the contrary; provided, (1) that no such repayment shall be required from any source that would be exempt from required contribution toward the cost of a project under Sections 16024 and 16031 (excepting amounts in the General Fund raised by taxes to pay any judgment requiring such repayment), and (2) that any portion of the apportionment not required to be repaid in full, shall be repayable in the same manner as a construction apportionment.

Approval of an application under this section shall not be construed as creating or implying any obligation, commitment or promise on the part of the board or the state to make apportionments under this chapter

SEC. 2. This act is an urgency statute necessary for the immmediate 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:

Due to inflationary construction prices school districts are finding it difficult to obtain bids within their budgets, complete approved construction projects, and qualify for specified apportionments within two years of the original approval of such projects. In order to prevent, at the earliest possible date, certain school districts from losing the ability to qualify for such apportionments, it is necessary that this act take effect immediately.

CHAPTER 448

An act to amend Sections 39363.5 and 81363.5 of, and to repeal Sections 39120 and 81109 of, the Education Code, relating to school buildings.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 39120 of the Education Code is repealed.

SEC. 2. Section 39363.5 of the Education Code is amended to read:

39363.5. Except as provided for in Article 2 (commencing with Section 39030) of Chapter 1 of this part, the sale or lease with an option to purchase of real property by a school district shall be in accordance with the following priorities and procedures.

(a) First, the property shall be offered for park or recreational purposes pursuant to Article 8 (commencing with Section 54220) of Chapter 5 of Part 1 of Division 2 of Title 5 of the Government Code, in any instance in which such article is applicable.

(b) Second, the property shall be offered for sale or lease with an option to purchase, at fair market value;

(1) In writing, to the Director of General Services, the Regents of the University of California, the Trustees of the California State University and Colleges, the county and city in which the property is situated, and to any public housing authority in the county in which the property is situated; and

(2) By public notice to any public district, public authority, public agency, public corporation, or any other political subdivision in this state, to the federal government, and to nonprofit charitable corporations existing on December 31, 1979, and organized pursuant to Part 3 (commencing with Section 10200) of Division 2 of Title 1 of the Corporations Code then in effect or organized on or after January 1, 1980, for charitable or eleemosynary purposes under Part 2 (commencing with Section 5110) of Division 2 of Title 1 of the Corporations Code. Public notice shall consist of at least publishing its intention to dispose of the real property in a newspaper of general circulation within the district, or if there is no such newspaper, then in any newspaper of general circulation that is regularly circulated in the district. The notice shall specify that the property is being made available to all public districts, public authorities, public agencies, and other political subdivisions or public corporations in this state, and to other nonprofit charitable or nonprofit public benefit corporations.

Publication of notice pursuant to this section shall be once each week for three successive weeks. Three publications in a newspaper regularly published once a week or more often, with at least five days

intervening between the respective publication dates not counting such publication dates, are sufficient. The written notice required by paragraph (1) of this subdivision shall be mailed no later than the date of the second published notice.

The entity desiring to purchase or lease the property shall, within 60 days after the third publication of notice, notify the school district of its intent to purchase or lease the property. If the entity desiring to purchase or lease the property and the district are unable to arrive at a mutually satisfactory price or lease payment during the 60-day period, the property may be disposed of as otherwise provided in this section. In the event the district receives offers from more than one entity pursuant to this subdivision, the school district governing board may, in its discretion, determine which of such offers to accept.

(c) Third, the property shall be made available in writing to the former owner, in accordance with Section 39369.5.

(d) Fourth, the property may be disposed of in any other manner authorized by law.

SEC. 3. Section 81109 of the Education Code is repealed.

SEC. 4. Section 81363.5 of the Education Code is amended to read:

81363.5. Except as provided for in Article 9 (commencing with Section 81190) of Chapter 1 of this part, the sale or lease with an option to purchase of real property by a community college district shall be in accordance with the following priorities and procedures.

(a) First, the property shall be offered for park or recreational purposes pursuant to Article 8 (commencing with Section 54220) of Chapter 5 of Part 1 of Division 2 of Title 5 of the Government Code, in any instance in which such article is applicable.

(b) Second, the property shall be offered for sale or lease with an option to purchase, at fair market value;

(1) In writing, to the Director of General Services, the Regents of the University of California, the Trustees of the California State University and Colleges, the county and city in which the property is situated, and to any public housing authority in the county in which the property is situated; and

(2) By public notice to any public district, public authority, public agency, public corporation, or any other political subdivision in this state, to the federal government, and to nonprofit charitable corporations existing on December 31, 1979, and organized pursuant to Part 3 (commencing with Section 10200) of Division 2 of Title 1 of the Corporations Code then in effect or organized for charitable purposes on or after January 1, 1980, under Part 2 (commencing with Section 5110) of Division 2 of Title 1 of the Corporations Code. Public notice shall consist of at least publishing its intention to dispose of the real property in a newspaper of general circulation within the district, or if there is no such newspaper, then in any newspaper of general circulation that is regularly circulated in the district. The notice shall specify that the property is being made available to all public districts, public authorities, public agencies, and other

political subdivisions or public corporations in this state, and to other nonprofit charitable or nonprofit public benefit corporations.

Publication of notice pursuant to this section shall be once each week for three successive weeks. Three publications in a newspaper regularly published once a week or more often, with at least five days intervening between the respective publication dates not counting such publication dates, are sufficient. The written notice required by paragraph (1) of this subdivision shall be mailed no later than the date of the second published notice.

The entity desiring to purchase or lease the property shall, within 60 days after the third publication of notice, notify the community college district of its intent to purchase or lease the property. If the entity desiring to purchase or lease the property and the district are unable to arrive at a mutually satisfactory price or lease payment during the 60-day period, the property may be disposed of as otherwise provided in this section In the event the district receives offers from more than one entity pursuant to this subdivision, the school district governing board may, in its discretion, determine which of such offers to accept

(c) Fourth, the property may be disposed of in any other manner authorized by law.

CHAPTER 449

An act to amend Section 41380 of the Education Code, relating to the West Covina Unified School District.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 41380 of the Education Code is amended to read:

41380. The Covina Valley Unified School District may conduct an experimental kindergarten program pursuant to this section.

The provisions of Section 45342, of subdivision (a) of Section 45347, and of Sections 41378 and 41379 are not applicable to the experimental kindergarten program which may be conducted by the Covina Valley Unified School District in three schools which has been approved by the Superintendent of Public Instruction.

The governing board of the Covina Valley Unified School District shall submit an evaluation of program results to the Superintendent of Public Instruction no later than December 1st of each year The Superintendent of Public Instruction shall forward such report to the Legislature no later than January 10 of each year.

Such evaluation report shall include an assessment of the effectiveness of the program in terms of academic and readiness

skills, social development, and the personal maturity of the pupils. The report shall show the relative progress of the pupils in the program compared to similar pupils in comparable schools which do not have such a program.

The school district shall provide in its report to the superintendent a comprehensive evaluation of the experimental kindergarten program's impact on student academic achievement. Pre- and post-testing of basic skills for student participants and a separate control group shall be conducted at the beginning and end of each school year. The evaluation report shall identify the variables which may have affected student academic achievement. The evaluation objective shall be to determine if the experimental organization pattern has a measurable impact on student academic achievement.

SEC. 2. Due to the unique circumstances concerning the long-term experimental kindergarten program in the Covina Valley Unified School District, the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

CHAPTER 450

An act to amend Sections 16427 and 16428 of the Government Code, relating to litigation deposits.

[Approved by Governor September 5, 1979. Filed with Secretary of State September 5, 1979.]

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

SECTION 1. Section 16427 of the Government Code is amended to read:

16427. The fund is under the control of the Department of Justice, hereafter referred to as "the department." The department shall maintain accounting records pertaining to the fund, including subsidiary records of individual litigation deposits and the disbursements thereof. The department shall file a claim with the State Controller to pay out money in the fund to whomever and at such time as the department may direct; provided that if a sum of money in the fund was deposited pursuant to order or direction of the court, that sum shall be paid to whomever and at such time as the court may direct. Any residue remaining in a deposit account after satisfaction of all court-directed claims for that account shall be transferred to the General Fund.

SEC. 2. Section 16428 of the Government Code is amended to read:

16428. Money in the fund may be invested and reinvested in any securities described in Section 16430 or deposited in banks as provided in Chapter 4 (commencing with Section 16500) of this part

or deposited in savings and loan associations as provided in Chapter 4.5 (commencing with Section 16600) of this part. The department shall determine the amount of money available for investment or deposit and shall so arrange the investment or deposit program that funds will be available for the immediate payment of any court order or decree. The Treasurer shall invest or make deposits in accordance with these determinations.

All revenues earned from investment or deposit of fund moneys shall be deposited in the fund. After first deducting therefrom the amount payable to the Treasurer for investment services rendered and the amount payable to the department for administrative services rendered, the department shall apportion as of June 30 and December 31 of each year the remainder of such revenues earned and deposited in the fund during the six calendar months ending with such dates. There shall be apportioned and credited to each litigation deposit in the fund during such six-month period, an amount directly proportionate to the total deposits in the fund and the length of time such deposits remained therein. The amounts so apportioned shall be paid to the party receiving the deposit. The cost of administrative services rendered shall be determined by the department in a manner approved by the Department of Finance. The amounts payable to the department and to the Treasurer shall be transferred to the General Fund and accounted as reimbursements to their respective appropriations.

CHAPTER 451

An act to amend Sections 14005.4, 14008, 14010, and 14052 of the Welfare and Institutions Code, relating to Medi-Cal.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 14005.4 of the Welfare and Institutions Code is amended to read:

14005.4. (a) A medically indigent person or family whose monthly income in excess of the amount required for maintenance established pursuant to Section 14005.12 (exclusive of any amounts considered exempt under the provisions of Chapter 2 (commencing with Section 11200) of this part) is not sufficient to provide for the costs of health care or coverage, less any amount by which the value of his other resources exceeds the value established in accordance with Section 14006, or a reasonable portion of such value thereof as may be determined in accordance with standards established by the director, is eligible for health care services under Section 14005.

(b) Included under this section are children in foster care for

whom public agencies are assuming financial responsibility in whole or in part and persons receiving aid under Chapter 2.1 (commencing with Section 16115) or Part 4 of Division 9 of this code.

(c) The director may, to meet the requirements of the Federal Social Security Act, decrease or increase the eligibility standards for persons under this section

SEC. 2. Section 14008 of the Welfare and Institutions Code is amended to read:

14008 (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, except as provided in subdivision (c).

(b) No relative, other than the parent or parents of a child under the age of 18 years, 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.

(c) To the extent required by federal law, the parent or parents shall have such financial responsibility for any child 18 years of age or older but under the age of 21 years who is living in the home of the parent or parents.

SEC. 3 Section 14010 of the Welfare and Institutions Code is amended to read:

14010. Notwithstanding any other provision of law, the parent or parents of a person under 21 years of age shall not be held financially responsible, nor shall financial contribution be requested or required of such parent or parents for health care or related services to which the person may consent under any express provision of law, including, but not limited to, Sections 25.6, 34.5, 34.7, 34.8, 34.9, and 34.10 of the Civil Code and including, but not limited to, maternity home care, social service counseling, and other services related to pregnancy of the person which are provided by a licensed maternity home

Federal financial participation in providing such services shall not be claimed to the extent that the exemption from financial responsibility provided by this section is inconsistent with federal law.

SEC 4. Section 14052 of the Welfare and Institutions Code is amended to read:

14052 "Medically indigent person or family" means a person or family who could not qualify as a public assistance recipient, a medically needy person, or a medically needy family person, for reasons other than income or resources but whose income and resources are insufficient to provide for the costs of health care, provided, that to the extent required by federal law, any person under the age of 21 years who could qualify as a medically needy person or a medically needy family person may, instead, qualify as a medically indigent person if the person so chooses

CHAPTER 452

An act to repeal Section 25106 and Division 4.5 (commencing with Section 29500) of the Corporations Code, relating to commodities.

[Approved by Governor September 5, 1979. Filed with Secretary of State September 5, 1979.]

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

SECTION 1. Section 25106 of the Corporations Code is repealed.

SEC. 2. Division 4.5 (commencing with Section 29500) of the Corporations Code is repealed.

SEC. 3. This act shall not affect any civil or criminal liability based upon transactions occurring prior to the effective date of this act and liability with respect to such transactions shall continue to be governed by the laws then applicable thereto.

SEC. 4. On and after the effective date of this act any reference in any code or statute of this state to persons licensed pursuant to the provisions of Division 4.5 (commencing with Section 29500) of the Corporations Code shall be construed to refer to persons registered pursuant to the Commodity Exchange Act (7 U.S.C. Sec. 1 and following).

CHAPTER 453

An act to repeal Section 6614.1 of the Elections Code, relating to elections.

[Approved by Governor September 5, 1979. Filed with Secretary of State September 5, 1979.]

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

SECTION 1. Section 6614.1 of the Elections Code is repealed.

SEC. 2. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections 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. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 454

An act to add Section 7505 to, and to amend Section 31452.6 of, the Government Code, relating to retirement of public employees.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979.]

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

SECTION 1. Section 7505 is added to the Government Code, to read:

7505. Every state and local public retirement system shall permit any person entitled to the receipt of benefits to designate that payment of such benefits shall be transmitted to a bank, savings and loan association, or credit union for deposit in the person's account, and the transmittal of such payment pursuant to this section shall discharge the public agency's obligations in respect to such payment.

SEC. 2. Section 31452.6 of the Government Code is amended to read:

31452 6. The board shall comply with and give effect to a revocable written authorization signed by a retired member or beneficiary of a retired member entitled to a retirement allowance or benefit under this chapter, authorizing the treasurer to deliver the monthly warrant for the retirement allowance or benefit to any specified bank, savings and loan institution, or credit union to be credited to the account of the retired member or survivor of a deceased retired member. Such delivery is full discharge of the liability of the board to pay a monthly retirement allowance or benefit to such retired member or survivor of a deceased retired member.

SEC. 3 Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, there shall be no appropriation made by this act pursuant to these sections 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. It is recognized, however, that a local agency or school district may pursue any other remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 455

An act to add Section 24400 to the Business and Professions Code, relating to alcoholic beverages.

[Approved by Governor September 5, 1979. Filed with Secretary of State September 5, 1979.]

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

SECTION 1. Section 24400 is added to the Business and Professions Code, to read:

24400. Notwithstanding any other provision of law, two or more retail licensees of the same type may agree to group purchase distilled spirits from a licensed wholesaler or rectifier through a designated agent, subject to the following restrictions:

(a) The designated agent shall hold a retail license of the same type operating a premises in the same county or counties as the purchasing group.

(b) No retailer shall have more than one designated agent nor shall an agent make purchases for more than one group.

(c) The merchandise purchased for each group shall be delivered to and stored in either a single licensed premises or a single warehouse located in the same county as the premises of the purchasing group and such delivery shall be a single delivery within two consecutive business days at the discount in effect on the day the delivery was commenced. Saturday, Sunday, and holidays shall not be deemed business days.

(d) A record of purchase shall be made by the agent on a master purchase order. Each purchasing retailer shall furnish the designated agent with a signed order setting forth such licensee's purchase, to be attached to and become a part of the master order. Master and individual orders shall be maintained in compliance with Section 25752 and fiscal liability shall extend in so far as the amount of the purchase designated and delivered for each individual retailer of the purchasing group is subject to the provisions of Section 25509.

(e) The merchandise shall be deemed to have been received by each retailer member of the purchasing group when delivered to the designated premises.

(f) When a group buying member has not made payment in full by the expiration of the 30th day from date of delivery or has not paid the one percent charge at the expiration of the 30th day from the date the charge became due, such group buying member shall be expelled from the buying group and prohibited from rejoining that group or joining any other such group until such time that all payments have been received for the merchandise sold and delivered to such retailer more than 30 days previously.

CHAPTER 456

An act to amend Sections 312, 621, 1030, 1327, 1328, 1331, 3654, 3701, 4654, and 4701 of, and to repeal Section 983 of, the Unemployment Insurance Code, relating to unemployment insurance.

[Approved by Governor September 5, 1979. Filed with Secretary of State September 5, 1979.]

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

SECTION 1. Section 312 of the Unemployment Insurance Code is amended to read:

312. The director shall execute to the State of California an official bond conditioned upon the faithful performance of his or her duties in such amount as the Director of General Services shall fix.

SEC. 2. Section 621 of the Unemployment Insurance Code is amended to read:

621. "Employee" means all of the following:

(a) Any officer of a corporation.

(b) Any individual who, under the usual common law rules applicable in determining the employer-employee relationship, has the status of an employee.

(c) (1) Any individual, other than an individual who is an employee under subdivision (a) or (b), who performs services for remuneration for any employing unit if the contract of service contemplates that substantially all of such services are to be performed personally by such individual either:

(A) As an agent-driver or commission-driver engaged in distributing meat products, vegetable products, fruit products, bakery products, beverages (other than milk), or laundry or drycleaning services, for his or her principal.

(B) As a traveling or city salesperson, other than as an agent-driver or commission-driver, engaged upon a full-time basis in the solicitation on behalf of, and the transmission to, his or her principal (except for sideline sales activities on behalf of some other person) of orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments for merchandise for resale or supplies for use in their business operations.

(C) As a home worker performing work, according to specifications furnished by the person for whom the services are performed, on materials or goods furnished by such person which are required to be returned to such person or a person designated by him or her.

(2) An individual shall not be included in the term "employee" under the provisions of this subdivision if such individual has a substantial investment in facilities used in connection with the performance of such services, other than in facilities for

transportation, or if the services are in the nature of a single transaction not part of a continuing relationship with the employing unit for whom the services are performed.

(d) Any individual who is an employee pursuant to Section 601.5, 680, or 681.

(e) Any individual whose services are in subject employment pursuant to an election for coverage under any provision of Article 4 (commencing with Section 701) of this chapter.

SEC. 3. Section 983 of the Unemployment Insurance Code is repealed.

SEC 4. 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 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 or her work, or whether the claimant was a student employed on a temporary basis and whose employment began within, and ended with his or her leaving to return to school at the close of, his or her vacation period. The period during which the employer may submit such facts may be extended by the director 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 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 or her work, or whether the claimant was a student employed on a temporary basis and whose employment began within, and ended with his or her leaving to return to school at the close of, his or her vacation period. The period during which the employer may submit such facts may be extended by the director for good cause.

(c) The department 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. The employer may appeal from a ruling or reconsidered ruling to a referee within 20 days after mailing or personal service of notice of the ruling or reconsidered ruling. The 20-day period may be extended for good cause, which shall include, but not be limited to, mistake, inadvertence, surprise, or excusable neglect. The director shall be an interested party to any appeal. The department may for good cause reconsider any ruling or reconsidered ruling within either five days after the date an appeal to a referee is filed or, if no appeal is filed, within 20 days after mailing or personal service of notice of the ruling or reconsidered ruling,

except that any ruling or reconsidered ruling which relates to a determination which is reconsidered pursuant to subdivision (a) of Section 1332 may also be reconsidered by the department within the time provided for reconsideration of such determination.

(d) 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.

(e) 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 or her employment without good cause.

SEC. 4.5. 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 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 or her work, or whether the claimant was a student employed on a temporary basis and whose employment began within, and ended with his or her leaving to return to school at the close of, his or her vacation period, or whether the claimant left such employer's employ to accompany his or her spouse to or join her or him at a place from which it is impractical to commute to such employment, to which a transfer of the claimant by the employer is not available, and at which the spouse has secured employment. The period during which the employer may submit such facts may be extended by the director 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 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 or her work, or whether the claimant was a student employed on a temporary basis and whose employment began within, and ended with his or her leaving to return to school at the close of, his or her vacation period, or whether the claimant left such employer's employ to accompany his or her spouse to or join her or him at a place from which it is impractical to commute to such employment, to which a transfer of the claimant by the employer is not available, and at which the spouse has secured employment. The period during which the employer may submit such facts may be extended by the director for good cause.

(c) The department 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. The employer may appeal from a ruling or reconsidered ruling to a referee within 20 days after mailing or personal service of notice of the ruling or reconsidered ruling. The 20-day period may be extended for good cause, which shall include, but not be limited to, mistake, inadvertence, surprise, or excusable neglect. The director shall be an interested party to any appeal. The department may for good cause reconsider any ruling or reconsidered ruling within either five days after the date an appeal to a referee is filed or, if no appeal is filed, within 20 days after mailing or personal service of notice of the ruling or reconsidered ruling, except that any ruling or reconsidered ruling which relates to a determination which is reconsidered pursuant to subdivision (a) of Section 1332 may also be reconsidered by the department within the time provided for reconsideration of such determination.

(d) 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.

(e) 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 or her employment without good cause.

SEC. 5. Section 1327 of the Unemployment Insurance Code is amended to read:

1327. The department 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. 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 claimant 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, and such 10-day period may also be extended for good cause.

SEC. 6 Section 1328 of the Unemployment Insurance Code is amended to read:

1328. The department 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 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 or this section and authorized regulations of the

determination or reconsidered determination and the reasons therefor If after notice of a determination or reconsidered determination the employing unit acquires knowledge of facts which may affect the eligibility of the claimant and such facts could not reasonably have been known within the 10-day period provided by Section 1327, the employing unit shall within 10 days of acquiring such knowledge submit such facts to the department, and such 10-day period may be extended for good cause. The claimant and any such employer may appeal from a determination or reconsidered determination to a referee within 20 days from mailing or personal service of notice of the determination or reconsidered determination. The 20-day period may be extended for good cause, which shall include, but not be limited to, mistake, inadvertence, surprise, or excusable neglect. The director shall be an interested party to any appeal

SEC. 7. Section 1331 of the Unemployment Insurance Code is amended to read:

1331. Any base period employer shall, within 15 days after mailing of a notice of computation, submit to the department any facts then known which he or she was not previously required to submit to the department under Section 1327 which may affect the claimant's eligibility for benefits. The 15-day period may be extended for good cause. If after such 15-day period the employing unit acquires knowledge of facts which may affect the eligibility of the claimant 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 The 10-day period may be extended for good cause. The department shall make a determination or reconsidered determination thereon and shall promptly notify the claimant and the base period employer submitting the facts of the determination or reconsidered determination and the reasons therefor. An appeal may be taken in the manner prescribed in Section 1328. The director shall be an interested party to any appeal

SEC. 8. Section 3654 of the Unemployment Insurance Code is amended to read·

3654 The department 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, and such 10-day period may also be extended for good cause

SEC. 9. 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 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 or her work, or whether the claimant was a student employed on a temporary basis and whose employment began within, and ended with his or her leaving to return to school at the close of, his or her 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 for good cause.

(b) The department 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. The employer may appeal from a ruling or reconsidered ruling to a referee within 20 days after mailing or personal service of notice of the ruling or reconsidered ruling. The 20-day period may be extended for good cause, which shall include, but not be limited to, mistake, inadvertence, surprise, or excusable neglect The director shall be an interested party to any appeal. The department may for good cause reconsider any ruling or reconsidered ruling within either five days after the date an appeal to a referee is filed or, if no appeal is filed, within 20 days after mailing or personal service of notice of the ruling or reconsidered ruling, except that any ruling or reconsidered ruling which related to a determination is reconsidered pursuant to subdivision (a) of Section 1332 may also be reconsidered by the department within the time provided for reconsideration of such determination.

(c) Rulings under this section shall have the effect prescribed by Section 1032.

SEC 10. Section 4654 of the Unemployment Insurance Code is amended to read:

4654 The department 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, and such 10-day period may also be extended for good cause.

SEC. 11 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 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 or her work 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 for good cause

(b) The department 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. The employer may appeal from a ruling or reconsidered ruling to a referee within 20 days after mailing or personal service of notice of the ruling or reconsidered ruling. The 20-day period may be extended for good cause, which shall include, but not be limited to, mistake, inadvertence, surprise, or excusable neglect. The director shall be an interested party to any appeal. The department may for good cause reconsider any ruling or reconsidered ruling within either five days after the date an appeal to a referee is filed or, if no appeal is filed, within 20 days after mailing or personal service of notice of the ruling or reconsidered ruling, except that any ruling or reconsidered ruling which relates to a determination which is reconsidered pursuant to subdivision (a) of Section 1332 may also be reconsidered by the department within the time provided for reconsideration of such determination.

(c) Rulings under this section shall have the effect prescribed by Section 1032.

SEC 12. It is the intent of the Legislature, if this bill and Assembly Bill No 134 are both chaptered and become effective January 1, 1980, both bills amend Section 1030 of the Unemployment Insurance Code, and this bill is chaptered after Assembly Bill No 134, that the amendments to Section 1030 proposed by both bills be given effect and incorporated in Section 1030 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 Assembly Bill No. 134 are both chaptered and become effective January 1, 1980, both amend Section 1030, and this bill is chaptered after Assembly Bill No. 134, in which case Section 4 of this act shall not become operative.

CHAPTER 457

An act to amend Sections 457 and 458 of the Military and Veterans Code, relating to courts-martial.

[Approved by Governor September 5, 1979. Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 457 of the Military and Veterans Code is amended to read:

457. Special courts-martial have power:

(a) To try:

(1) Warrant officers and enlisted members of the National Guard.

(2) Warrant officers and enlisted members of the unorganized militia whenever they are called out for service with the state.

(b) To adjudge·

(1) In the case of a one-officer special court-martial:

(A) Fine not exceeding one hundred dollars ($100) for a single offense or not exceeding one hundred eighty dollars ($180) for two or more offenses.

(B) Confinement not exceeding 100 days for a single offense or not exceeding six months for two or more offenses.

(C) Fine and confinement, the total of the number of dollars of fine and the number of days of confinement not to exceed 180.

(D) Reduction to the ranks in the case of enlisted personnel of the fourth enlisted pay grade or below Reduction to next inferior grade in the case of enlisted personnel above the fourth enlisted pay grade.

(E) Forfeiture of pay and allowances.

(F) Reprimand.

(2) In the case of a special court-martial composed of three or more members, one of which is a military judge, the same punishments as provided in paragraph (1) of this subdivision in addition to either or both of the following:

(A) Dismissal, in the case of a warrant officer.

(B) Bad-conduct discharge, in the case of an enlisted member.

SEC. 2 Section 458 of the Military and Veterans Code is amended to read:

458. Summary courts-martial have power:

(a) To try enlisted members of the National Guard unless they object thereto

(b) To adjudge:

(1) Reduction to the ranks in the case of enlisted personnel of the fourth enlisted pay grade or below. Reduction to next inferior grade in the case of enlisted personnel above the fourth enlisted pay grade.

(2) Forfeiture of pay and allowances.

(3) Fine not exceeding twenty-five dollars ($25).

(4) Confinement not exceeding 25 days for a single offense or not

exceeding 30 days for two or more offenses.

(5) Fine and confinement, the total of the number of dollars of fine and number of days of confinement not to exceed 30.

CHAPTER 458

An act to amend Sections 1985 and 1986 of the Code of Civil Procedure, relating to subpoenas.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979.]

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

SECTION 1. Section 1985 of the Code of Civil Procedure is amended to read:

1985. The process by which the attendance of a witness is required is the subpoena. It is a writ or order directed to a person and requiring his attendance at a particular time and place to testify as a witness. It may also require him to bring with him any books, documents, or other things under his control which he is bound by law to produce in evidence. When a county recorder is using the microfilm system for recording, and he is subpoenaed to present a record, he shall be deemed to have complied with the subpoena if he produces a certified copy thereof.

A copy of an affidavit shall be served with a subpoena duces tecum issued before trial, showing good cause for the production of the matters and things described in such subpoena, specifying the exact matters or things desired to be produced, setting forth in full detail the materiality thereof to the issues involved in the case, and stating that the witness has the desired matters or things in his possession or under his control.

The clerk, or if there be no clerk, the judge, shall issue a subpoena or subpoena duces tecum signed and sealed but otherwise in blank to a party requesting it, who shall fill it in before service. An attorney at law who is the attorney of record in an action or proceeding, may sign and issue a subpoena to require attendance before the court in which the action or proceeding is pending or at the trial of an issue therein, or upon the taking of a deposition in an action or proceeding pending therein; the subpoena in such a case need not be sealed. Nothing herein shall authorize the issuance of a subpoena or subpoena duces tecum in cases provided for by Sections 68097.1 to 68097.10, inclusive, of the Government Code unless the required payment or deposit has been made.

SEC. 2 Section 1986 of the Code of Civil Procedure is amended to read:

1986. A subpoena is obtainable as follows.

(a) To require attendance before a court, or at the trial of an issue

therein, or upon the taking of a deposition in an action or proceeding pending therein, it is obtainable from the clerk of the court in which the action or proceeding is pending, or if there is no clerk then from a judge or justice of such court.

(b) To require attendance before a commissioner appointed to take testimony by a court of a foreign country, or of the United States, or of any other state in the United States, or before any officer or officers empowered by the laws of the United States to take testimony, it may be obtained from the clerk of the superior court of the county in which the witness is to be examined.

(c) To require attendance out of court, in cases not provided for in subdivision (a), before a judge, justice, or other officer authorized to administer oaths or take testimony in any matter under the laws of this state, it is obtainable from the judge, justice, or other officer before whom the attendance is required.

If the subpoena is to require attendance before a court, or at the trial of an issue therein, it is obtainable from the clerk, as of course, upon the application of the party desiring it. If it is obtained to require attendance before a commissioner or other officer upon the taking of a deposition, it must be obtained, as of course, from the clerk of the superior court of the county wherein the attendance is required upon the application of the party requiring it.

CHAPTER 459

An act to repeal Article 10 (commencing with Section 5450) of Chapter 3 of Part 4 of Division 1 of Title 1 of the Education Code, to amend and renumber the heading of Chapter 6 (commencing with Section 5350) of Division 5 of, and to add Chapter 6 (commencing with Section 5320) to Division 5 of the Elections Code, relating to ballot arguments.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1 Article 10 (commencing with Section 5450) of Chapter 3 of Part 4 of Division 1 of Title 1 of the Education Code is repealed

SEC 2 The heading of Chapter 6 (commencing with Section 5350) of Division 5 of the Elections Code is amended and renumbered to read

CHAPTER 7. GENERAL PROVISIONS

SEC 3 Chapter 6 (commencing with Section 5320) is added to Division 5 of the Elections Code, to read

CHAPTER 6. SCHOOL DISTRICT ELECTIONS

5320. As used in this chapter, "school measure" means any proposition, including but not limited to, a proposal for the issuance of bonds by a school district or community college district, an increase in the maximum tax rate of a school district or community college district, or the acceptance, expenditure, and repayment of state funds by a school district or community college district to enable the district to construct buildings and other facilities, submitted to the voters of the district at any election held in the district.

5321. Whenever a school measure qualifies for a place on the ballot, the county clerk shall transmit a copy of the measure to the county counsel or to the district attorney in any county which has no county counsel.

The county counsel or district attorney shall prepare an impartial analysis of the measure showing the effect of the measure on the existing law and the operation of the measure.

The analysis shall be printed preceding the arguments for and against the measure. The analysis shall not exceed 500 words in length.

5322. The governing board of the district or any member or members of the board authorized by the board, or any individual voter or bona fide association of citizens, or any combination of such voters and associations may file a written argument for or against any school measure. No argument shall exceed 300 words in length. No more than five signatures shall appear with any argument submitted under this section. If an argument is signed by more than five persons, the names of only the first five persons signing, determined by the order in which their signatures appear, shall be printed with the argument. The person conducting the election shall cause an argument for and an argument against the measure to be printed, and shall transmit the arguments to the voters with the card giving notice of the election.

Printed arguments submitted to voters in accordance with this section shall be titled either "Argument in Favor of Measure _____" or "Argument Against Measure _____," accordingly, the blank spaces being filled in only with the letter or number, if any, which designates the measure. At the discretion of the clerk, the word "Proposition" may be substituted for the word "Measure" in such titles. Words used in the title shall not be counted when determining the length of any measure.

5323. Based on the time reasonably necessary to prepare and print the arguments, the person conducting the election shall fix and determine a reasonable date prior to the election after which no arguments for or against any school measure may be submitted to him for printing and distribution to the voters. Notice of the date fixed shall be published pursuant to Section 6061 of the Government Code. Arguments may be changed until and including the date fixed

by the person conducting the election.

5324 If more than one argument for or more than one argument against any school measure is submitted to the person conducting the election within the time prescribed, the person conducting the election shall select one of the arguments in favor and one of the arguments against the measure for printing and distribution to the voters. In selecting the arguments the person conducting the election shall give preference and priority in the order named to the arguments of the following:

(a) The governing board of the district or member or members of the board authorized by the board.

(b) The individual voter or bona fide associations of citizens, or combination of voters and associations, who are the bona fide sponsors or proponents of the measure.

(c) Bona fide associations of citizens.

(d) Individual voters.

If more than one argument is filed within the category having the highest preference and priority, the person conducting the election shall appoint a committee of three people familiar with the issues presented by the measure who favor the position being advocated in the arguments but who have not filed an argument themselves, who shall within 10 days meet and select by majority vote the argument which most fairly and completely states the position being advocated. The decision of the committee shall be final.

5325 When the person conducting the election has selected the arguments for and against the measure which will be printed and distributed to the voters, he shall send copies of the argument in favor of the measure to the authors of the argument against, and copies of the argument against to the authors of the argument in favor.

The authors may prepare and submit rebuttal arguments not exceeding 250 words.

The rebuttal arguments shall be filed with the county clerk not more than 10 days after the final date for filing direct arguments. Rebuttal arguments shall be printed in the same manner as the direct arguments Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut and shall be titled "Rebuttal to Argument in Favor of Measure (or Proposition) _____" or "Rebuttal to Argument Against Measure (or Proposition) _____," the blank spaces being filled in only with the letter or number, if any, which designates the measure. Words used in the title shall not be counted when determining the length of any rebuttal argument.

5326 A ballot argument or a rebuttal argument which includes in its text the name of a person, other than the author of the argument, who is represented as being for or against a measure, shall not be accepted unless the argument is accompanied by a signed consent of such person The consent of a person, other than an individual, shall be signed by an officer or other duly authorized representative "Person" as used in this section means any individual,

partnership, corporation, association, committee, labor organization, and any other organization or group of persons.

5327 All arguments prepared pursuant to this chapter and any statement submitted pursuant to Section 5325 shall be verified in the same manner as a pleading in a civil action.

5328. Any bona fide association of citizens which files a written argument pursuant to this article shall include therewith its fictitious name and the names of its officers.

If the argument of a bona fide association of citizens is selected for printing and distribution to the voters, the fictitious name and the names of the officers of the association shall appear in connection with the printed argument.

5329. Whenever a proposition relating to the approval of district bonds and a proposition, which is conditioned by the State Allocation Board on the approval of the bond issue, relating to the acceptance and expenditure of state school building aid funds are to be submitted to the voters of a district on the same ballot, both such propositions may be combined in such a manner that the proposed obligations of the district are clearly expressed and the voter may cast one "Yes" or "No" vote upon such combined proposition.

The combined proposition shall, as nearly as practicable, be worded in accordance with the statutory requirements for the wording of each such proposition

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CHAPTER 460

An act to amend Section 830 35 of the Penal Code, relating to peace officers.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 830 35 of the Penal Code is amended to read·

830 35 (a) Members of the San Francisco Police Department who were formerly policemen of the San Francisco Port Commission are peace officers; provided, that the primary duty of such peace officer shall be the enforcement of statutes and ordinances relating to the San Francisco Harbor.

(b) The authority of any such peace officer extends to any place in the state; provided, that except as otherwise provided in Section 830.3 or Section 830.6 of this code, or Section 8597 of the Government 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.

SEC. 2. 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 this act is in accordance with the request of a local government entity which desires legislative authority to act to carry out the program specified in this act

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CHAPTER 461

An act to amend Sections 7060 and 11517 of, and to repeal Section 1075 and Article 12 (commencing with Section 970) of Chapter 1 of Part 2 of Division 1 of, the Insurance Code, relating to insurance

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1 Article 12 (commencing with Section 970) of Chapter 1 of Part 2 of Division 1 of the Insurance Code is repealed.

SEC 2 Section 1075 of the Insurance Code is repealed.

SEC. 3. Section 7060 of the Insurance Code is amended to read:

7060. The provisions of subdivision (f) of Section 381 and the provisions of Sections 382, 383, 384, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 761, 762, 763, 764, 765, 766, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, and 993 shall not apply to county mutual fire insurers.

SEC. 4. Section 11517 of the Insurance Code is amended to read:

11517 The provisions of this code governing domestic incorporated insurers, their business, and their contracts shall, so far as applicable and not inconsistent herewith, govern corporations subject to this chapter and the business and contracts of such corporations, except that such corporations, their business and contracts shall not be subject to the following provisions of this code.

Article 2, Chapter 1, Part 2, Division 1
Article 7, Chapter 1, Part 2, Division 1
Article 10, Chapter 1, Part 2, Division 1
Article 11, Chapter 1, Part 2, Division 1
Article 13, Chapter 1, Part 2, Division 1

Chapter 4, Part 2, Division 2.
Part 4, Division 2.

CHAPTER 462

An act to amend Section 76420 of, and to add Section 76426 to, the Education Code, relating to community colleges, and declaring the urgency thereof, to take effect immediately

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 76420 of the Education Code is amended to read:

76420. The governing board of any community college district may appoint a supervisor of health, or supervisors of health, consisting of a physician, clinical psychologist, psychiatrist, nurse, oculist, dentist, optometrist, otologist, podiatrist, audiologist, dental hygienist, or any one or more of such persons. In case of the appointment of more than one supervisor of health the supervisors may, in the discretion of the board, all be chosen from any one of the classes designated

The board may also appoint such number of school audiometrists, physical therapists, and occupational therapists as it may deem necessary to work under the direction of the supervisor of health and may provide for the compensation of such employees. No money set aside for the payment of instructors' salaries or for library purposes shall be used for this purpose.

Notwithstanding any other provision of law, the governing board of any community college district may appoint or employ psychological interns, as defined by Section 76426, to augment and provide student health services.

Such interns shall be under the direction of a licensed clinical psychologist or psychiatrist, and such psychologist or psychiatrist shall work with the supervisor of health to coordinate services provided by psychological interns.

SEC. 2. Section 76426 is added to the Education Code, to read:

76426 (a) As used in this article "psychological intern" means a person enrolled in the doctoral program in clinical psychology or social psychology at an accredited college or university, or a person who has been awarded the doctorate in clinical psychology or social psychology, who provides services, as described in subdivision (c), under the direction of a licensed clinical psychologist or psychiatrist.

(b) A psychological intern shall not be required to hold a credential or certification document issued by the Board of Governors of the Community Colleges, the Commission for Teacher

Preparation and Licensing, or any other state agency.

(c) A psychological intern may provide short-term crisis intervention services, may make referrals to private and public programs and entities, and may perform other functions and duties that come within the meaning of supervised professional experience set forth in subdivision (c) of Section 2914 of the Business and Professions Code.

(d) Psychological interns shall augment existing student health services by supplementing, and not supplanting, the services provided by counselors employed by a community college district.

(e) The services provided by a psychological intern pursuant to this section shall constitute supervised professional experience within the meaning of subdivision (c) of Section 2914 of the Business and Professions Code.

SEC. 3. The provisions of this act permitting the governing board of any community college district to appoint or employ psychological interns, as defined in Section 2 of this act, do not constitute a change in, but are declaratory of existing law.

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:

There is and has been a compelling need to have psychological interns appointed or employed by the governing boards of community college districts to augment student health care services. The governing boards of several community college districts have recognized this need and, acting under the permissive authority of Section 72233 of the Education Code, have appointed or employed such interns. A restrictive interpretation of the Education Code has prevented other governing boards from so augmenting their student health care services.

In order to affirm the permissive authority of the code and to clarify the authorization given to governing boards of community college districts to appoint or employ interns so that such interns may be appointed or employed at the earliest time possible, it is necessary that this act take effect immediately.

CHAPTER 463

An act to amend Sections 9841 and 9844 of, to add Section 9844.5 to, and to repeal Chapter 14 (commencing with Section 22250) of Division 8 of, the Business and Professions Code, relating to electronic and appliance repair.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 9841 of the Business and Professions Code is amended to read:

9841. (a) The director may refuse to validate, or may invalidate temporarily or permanently the registration of a service dealer for any of the following acts or omissions done by himself or any employee, partner, officer, or member of the service dealer and related to the conduct of his business:

(1) Making or authorizing any statement or advertisement which is untrue or misleading, and which is known, or which by the exercise of reasonable care should be known, to be untrue or misleading.

(2) Making any false promises of a character likely to influence, persuade, or induce a customer to authorize the repair, service, or maintenance of the equipment covered by this chapter.

(3) Acting for more than one customer in a transaction without the knowledge or consent of all parties thereto.

(4) Any other conduct which constitutes fraud or dishonest dealing.

(5) Conduct constituting incompetence or negligence.

(6) Failure in any material respect to comply with the provisions of this chapter or regulations thereunder.

(7) Any willful departure from or disregard of accepted trade standards for good and workmanlike repair.

(8) Conviction of a crime which has a substantial relationship to the qualifications, functions and duties of a registrant under this chapter, in which event the record of the conviction shall be conclusive evidence thereof.

(b) The director may also refuse to validate, or may invalidate temporarily or permanently, the registration of a service dealer if the applicant or registrant, as the case may be, has committed acts or crimes constituting grounds for denial of licensure under Section 480.

(c) The director may also refuse to validate, or may invalidate temporarily or permanently, the registration of a service dealer if the applicant or registrant, as the case may be, will be or is holding the registration for the benefit of a former registrant whose registration has been revoked and who will still have some involvement in the applicant's or new registrant's business.

SEC 2 Section 9844 of the Business and Professions Code is amended to read:

9844. If a customer requests an estimate for repairs, the service dealer shall make such an estimate in writing. An estimate requested by a customer or volunteered by a service dealer shall include parts and labor, and the service dealer may not charge for work done or parts supplied in excess of the estimate without previous consent of the customer. The service dealer may charge a reasonable fee for making a written estimate.

SEC. 3 Section 9844 5 is added to the Business and Professions Code, to read

9844.5. No lien or other right to maintain possession of the equipment pending payment of charges for repair, including those arising from Chapter 6 (commencing with Section 3046) of Title 14, Part 4, Division 3 of the Civil Code, shall exist where the total charges levied for the repair of such equipment exceeds the higher of (1) any amount estimated in writing pursuant to Section 9844, or (2) a written revision of such estimate signed and dated by the owner of the equipment, or in lieu thereof an oral revision of the written estimate, authorized by the owner and fully documented by the service dealer.

SEC. 4. Chapter 14 (commencing with Section 22250) of Division 8 of the Business and Professions Code is repealed.

SEC. 5. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 464

An act to amend Sections 10471, 10474, and 10474 5 of the Business and Professions Code, relating to real estate.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1 Section 10471 of the Business and Professions Code is amended to read

10471. (a) When any aggrieved person obtains a final judgment in any court of competent jurisdiction against any person or persons licensed under this part, under grounds of fraud, misrepresentation, deceit, or conversion of trust funds arising directly out of any transaction when the judgment debtor was licensed and performed acts for which a license is required under this part, and which cause of action occurred on or after July 1, 1964, the aggrieved person may, upon the judgment becoming final, file a verified application in the court in which the judgment was entered for an order directing payment out of the separate account in the Real Estate Fund for education, research, and recovery purposes of the amount of actual and direct loss in such transaction up to the sum of ten thousand dollars ($10,000) of the amount unpaid upon the judgment, provided that nothing shall be construed to obligate such separate account for more than ten thousand dollars ($10,000) per transaction regardless

of the number of persons aggrieved or parcels of real estate involved in such transaction.

In the case of a small claims court judgment, the aggrieved person shall file the verified application in the justice or municipal court in which the judgment was entered in favor of the aggrieved person. Such court shall then make a determination as to whether the small claims court judgment was based on facts consituting grounds for recovery under this section and may enter an order directing payment of such small claims court judgment out of the separate account in the Real Estate Fund for education, research, and recovery purposes.

A copy of the verified application shall be served upon the commissioner and the judgment debtor and a certificate or affidavit of such service filed with the court.

(b) Notwithstanding subdivision (a), the liability of that portion of the separate account in the Real Estate Fund for education, research, and recovery purposes, for which the cause of action occurred on or after January 1, 1980, shall not exceed twenty thousand dollars ($20,000) per transaction, for any transaction which is a basis for the judgment or judgments, regardless of the number of persons aggrieved or the number of parcels of real estate involved, or the number of licensees who participated in the transaction.

SEC. 2 Section 10474 of the Business and Professions Code is amended to read:

10474. If the court finds after the hearing that the claim should be levied against the portion of the separate account in the Real Estate Fund for education, research, and recovery purposes allocated for the purpose of carrying out the provisions of this article, the court shall enter an order directed to the commissioner requiring payment from the separate account in the Real Estate Fund for education, research, and recovery purposes of whatever sum it shall find to be payable upon the claim pursuant to the provisions of and in accordance with the limitations contained in this article.

Notwithstanding any other provision of this article, the liability of that portion of the separate account in the Real Estate Fund for education, research, and recovery purposes allocated for the purposes of this article shall:

(a) Not exceed twenty thousand dollars ($20,000) for any one licensee for which the cause of action occurred on or after July 1, 1964, and prior to January 1, 1975.

(b) Not exceed forty thousand dollars ($40,000) for any one licensee for which the cause of action occurred on or after January 1, 1975, and prior to January 1, 1980.

(c) Not exceed one hundred thousand dollars ($100,000) for any one licensee for which the cause of action occurred on or after January 1, 1980

SEC 3 Section 10474 5 of the Business and Professions Code is amended to read

10474 5 If the amount of liability of the separate account in the

Real Estate Fund for education, research, and recovery purposes, whichever is applicable, as provided for in Section 10474 is insufficient to pay in full the valid claims of all aggrieved persons by whom claims have been filed against any one licensee, such amount shall be distributed among them in the ratio that their respective claims bear to the aggregate of such valid claims, or in such other manner as the court deems equitable. Distribution of such moneys shall be among the persons entitled to share therein, without regard to the order of priority in which their respective judgments may have been obtained or their claims have been filed. Upon petition of the separate account in the Real Estate Fund for education, research, and recovery purposes, the court may require all claimants and prospective claimants against one licensee to be joined in one action, to the end that the respective rights of all such claimants to the separate account in the Real Estate Fund for education, research, and recovery purposes may be equitably adjudicated and settled.

CHAPTER 465

An act to amend Sections 11158 and 14006 of the Welfare and Institutions Code, relating to public social services.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 11158 of the Welfare and Institutions Code is amended to read

11158 The Legislature recognizes that certain property and rights owned by a recipient, including a recipient of aid to families with dependent children, are of negligible value in enabling the recipient to meet his present needs, and cannot be classified as available resources of the recipient. It is the purpose of this section to designate such property and rights.

For the purposes of evaluating the personal property of a recipient, the value of the following items, in the aggregate, shall be whatever amount paid exceeds one thousand dollars ($1,000):

(a) Money or securities placed in an irrevocable trust for funeral, cremation, or interment expenses with any of the trustees mentioned in Section 7736 of the Business and Professions Code or Section 8775 of the Health and Safety Code.

(b) Life or burial insurance purchased specifically for funeral, cremation, or interment expense, which is placed in an irrevocable trust or which has no loan or surrender value available to the recipient

(c) Securities issued by a licensed cemetery authority which by their terms are convertible into payment for funeral, cremation, or

interment expenses.

For the purposes of evaluating the personal property of a recipient, interment plots as defined in Section 7022 of the Health and Safety Code shall be deemed to have no value.

SEC. 2. Section 14006 of the Welfare and Institutions Code is amended to read:

14006. For the purposes of Sections 14005.4 and 14005.7, the term "other resources" means the real or personal property, or any combination of both, held by a medically needy or medically indigent individual.

The amount of other resources is limited to not more than one thousand five hundred dollars ($1,500) for an aged, blind or disabled individual, or not more than three thousand dollars ($3,000) for an aged, blind or disabled individual and his spouse. For a medically needy family person or for a medically indigent person or family, this limit shall be established at not less than one thousand five hundred dollars ($1,500) and not more than three thousand dollars ($3,000), in accordance with family size. In addition, a medically needy or medically indigent person or family may retain other property in accordance with the provisions of Sections 11153.7, 11158, and 12152 of this code and any additional resources allowed under the provisions of Title XVI of the Social Security Act. The director, to meet the requirements of the Federal Social Security Act and to insure the highest percentage of federal financial participation in the program provided by this chapter, may decrease or increase the amounts set forth herein. If the holdings are in the form of real property, the value shall be computed on the basis of four times the assessed value less the unpaid amount of any encumbrance of record. If the holdings consist of money on deposit, the value shall be the actual amount thereof. If the holdings are in any other form of personal property or investment, except life insurance, the value shall be the conversion value as of the date of application or the anniversary date of such application. If the holdings are in the form of life insurance, the value shall be the cash value as of the policy anniversary nearest the date of such application.

The value of property holdings shall be determined as of the date of application and, if the person is found eligible, this determination shall establish the amount of such holdings to be considered during the ensuing 12 months except as provided in the following paragraph:

A new determination to govern during the succeeding 12 months shall be made on the first anniversary date of the application or such alternate date as may be established following the acquisition of additional holdings as provided in the following paragraph and on each succeeding anniversary date thereafter.

If any person shall by gift, inheritance, or other manner, acquire additional holdings during any such interval, other than from his own earnings, he shall immediately report such acquisition, and the anniversary date shall become the date of such acquisition.

In establishing standards for the determination of the reasonable portion of property valuation applicable to the costs of health care, the director shall provide for application of not less than 1 percent of the value of holdings in excess of the limitations and exemptions set forth in Section 11153.7.

SEC. 3. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, there shall be no appropriation made by this act pursuant to these sections because the duties, obligations, or responsibilities imposed on local government by this act can be accomplished with no additional cost to local government. It is recognized, however, that a local agency or school district may pursue any other remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 466

An act to amend Sections 22451, 22458.1, and 22480 of, and to add Section 22481 to, the Financial Code, relating to loans.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 22451 of the Financial Code is amended to read:

22451. Every licensee who lends any sum of money may contract for and receive charges at a rate not exceeding the sum of the following:

(a) 2½ percent per month on that part of the unpaid principal balance of any loan up to, including, but not in excess of two hundred twenty-five dollars ($225).

(b) 2 percent per month on that portion of the unpaid principal balance in excess of two hundred twenty-five dollars ($225) up to, including, but not in excess of nine hundred dollars ($900).

(c) 1½ percent per month on that part of the unpaid principal balance in excess of nine hundred dollars ($900) up to, including, but not in excess of one thousand six hundred fifty dollars ($1,650).

(d) 1 percent per month on any remainder of such unpaid balance in excess of one thousand six hundred fifty dollars ($1,650).

SEC. 2. Section 22458 1 of the Financial Code is amended to read:

22458.1. Credit life insurance on the life of a borrower and credit disability insurance shall not be deemed to be a collateral sale, purchase, or agreement within the terms of Section 22004, 22456 or 22457 when such insurance is provided in accordance with the provisions of the Insurance Code and this section.

(a) A licensee may provide insurance on the life of one or more

borrowers and credit disability insurance to provide indemnity for payments becoming due on the indebtedness, with his or her consent, the form to be approved by the Insurance Commissioner and in an amount not in excess of the amount of the indebtedness and may collect from the borrower an amount not in excess of that permitted by subdivision (d) of this section If the loan is prepaid in full by cash, a new loan, refinancing or otherwise (except by said insurance) before the final installment date the borrower shall receive a rebate of said amount computed in accordance with the formula approved by the Insurance Commissioner pursuant to Section 779.14 of the Insurance Code. When charges for the loan are precomputed in accordance with Section 22480, any permitted deferment charge may be computed on the combined total of the precomputed charge and the life or credit disability insurance charge. Only one such amount may be collected in connection with any loan contract irrespective of the number of borrowers, and only one borrower need be insured. Such amount may be deducted from the principal of the loan. If such life or disability insurance is provided, and if the insured borrower dies or becomes disabled during the term of the loan contract, the insurance shall be sufficient to pay the total amount due on the loan (excluding unearned charges) outstanding on the date of his death, or all amounts which become due on the loan thereafter during the period of such disability, as the case may be, without any exception, reservation or limitation, subject, however, to the provisions of Section 22458.2. Any such life or disability insurance as is provided shall be in force as soon as the loan is made.

(b) No licensee shall decline new or existing insurance which meets or exceeds the standards set forth in this section, nor prevent any borrower from obtaining such insurance coverage from other sources. A licensee shall not require credit life or disability insurance as a condition of making a loan

(c) If a borrower procures such insurance by or through a licensee, the statement required by Section 22473 shall disclose the cost thereof to the borrower, and the licensee shall deliver or cause to be delivered to the borrower a copy of the policy, certificate, or other evidence thereof, within a reasonable time. In the event a licensee provides credit disability insurance pursuant to this division, the licensee shall also deliver an understandable written statement to the borrower detailing the conditions when the borrower will be entitled to make a claim under the insurance policy and the procedure to be followed in making such claim. This statement shall be first approved by the commissioner.

(d) The amount charged to the borrower for such insurance shall not exceed in the case of credit life insurance the amount provided in (1) or (2) following, whichever is less, or, in the case of credit disability insurance, unless a regulation has been promulgated and established pursuant to subdivision (e) of this section, in which case the amount charged shall not exceed the amount prescribed by such

regulation, the amount provided in (1) following:

(1) The premium rate filed with the Insurance Commissioner for the coverage provided pursuant to Article 5.9 (commencing with Section 779.1) of Chapter 1, Part 2, Division 1 of the Insurance Code and which has not been disapproved by him, or

(2) Fifty cents ($0.50) per year per one hundred dollars ($100) of indebtedness (and in the same proportion for longer or shorter maturities and larger or smaller amounts) or such different maximum as shall have been fixed by the Insurance Commissioner by a valid and effective regulation adopted on or after December 31, 1961, and applicable to all licensees under the Personal Property Broker Law.

(e) Each two years beginning in 1961, the commissioner shall, not later than 90 days after the date when licensees are required to file annual reports pursuant to Section 22408 compile and send to the Insurance Commissioner the total dollar amount of all death and disability claims paid on insured borrowers together with data from which the amounts at risk may be calculated, the sum of the total charges collected by such licensees for such insurance and data as to the actual costs to such licensees for providing and servicing such insurance (excluding any sums paid to or received from insurance companies) for each of the 12 months during each of the preceding years being reported upon. The Insurance Commissioner shall study the data so furnished by the Commissioner of Corporations together with any trend factors established by other California credit life and disability insurance experience and shall promulgate and establish a general regulation fixing the maximum which may be charged for such insurance by licensees hereunder having due regard to the relation of the total amount of death and disability claims paid to the amounts at risk during the same period, and a reasonable margin for contingencies and cost and compensation to licensees for providing and servicing such insurance, plus the premium taxes payable on the probable premiums to be charged by insurers, plus the probable, but not unreasonable, markup to be added by insurers to the risk cost. Any such changed maximum rate of premium or identifiable charge shall not affect any insurance then in force on borrowers. Any regulation under this section shall be adopted after a hearing and in accordance with Chapter 4.5 (commencing with Section 11371) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 3. Section 22480 of the Financial Code is amended to read:

22480. This article applies only to loan contracts payable in substantially equal and consecutive monthly installments of principal and charges combined, the first of which is due not less than 15 days nor more than one month and 15 days from the date the loan is made. In lieu of computing charges and applying payments as provided in Section 22454, a licensee may precompute charges and apply payments as follows:

(a) The total charges which would be earned if the contract were repaid exactly according to its terms, at the monthly rate stated in

the contract, may be precomputed when the loan is made and added to the principal of the loan. For the purpose of computation a month shall be that period of time from any date in one month to the corresponding date in the next month and if there is no such corresponding date, then to the last day of such next month. The principal amount of the loan shall be its face value as referred to in Section 22455. Every payment may be applied to the combined total of principal and precomputed charges until the contract is fully paid. The acceptance of payment of charges on loans made under the provisions of this article shall not be deemed to constitute payment, deduction or receipt thereof in advance nor compounding under Section 22455. Such precomputed charges shall be subject to the following adjustments:

(1) The portion of the precomputed charge applicable to any particular monthly installment period shall bear the same ratio to the total precomputed charge, excluding any adjustment made for a first period of more than one month, as the balance scheduled to be outstanding during that monthly period bears to the sum of all monthly balances scheduled originally by the contract of loan.

(2) If the loan contract is paid in full by cash, a new loan, refinancing or otherwise, the borrower shall receive a rebate of that portion of the precomputed charge which rebate shall be the difference between the total precomputed charge and the charges at the contract rate computed in accordance with the provisions of Section 22454 or 22454.1. The tender, by the borrower or at his request, of an amount equal to the unpaid balance less the required rebate must be accepted by the licensee in full payment of the contract.

(3) If three or more, but not all, installments are prepaid in full at any one time all of the prior charges for the loan shall be recalculated and all subsequent charges for the remaining term of the loan shall be recalculated by applying each payment first to charges and the remainder to principal in accordance with the provisions of Section 22454 or 22454.1.

(4) If the payment date of all wholly unpaid installments on which no default charge has been collected is deferred one or more full months and the contract so provides, the licensee may charge and collect a deferment charge. Such deferment charge shall not exceed the portion of precomputed charge applicable, prior to deferment, to the first deferred monthly installment period multiplied by the number of months the maturity of the contract is deferred. Such number of months shall not exceed the number of full installments which are in default on the date of deferment or which may become due within 15 days of such date. When a deferment charge is made, no portion of the precomputed charge shall apply to the installment periods in which no installment payment is required by reason of the deferment. In computing any default charge or required rebate, the portion of the precomputed charge applicable to each deferred balance and installment period following the deferment period and

prior to the deferred maturity shall remain the same as that applicable to such balances and periods under the original contract of loan. Such charge may be collected at the time of deferment or at any time thereafter. Any payment received at the time of deferment may be applied first to the deferment charge and the remainder, if any, applied to the unpaid balance of the contract; provided, however, if such payment is sufficient to pay, in addition to the appropriate deferment charge, any installment which is in default and the applicable default charge, it shall be first so applied and any such installment shall not be deferred nor subject to the deferment charge.

(5) In the event of default of more than 10 days in the payment of one-half or more of any scheduled installment, the licensee may charge and collect a default charge not exceeding an amount equal to the portion of the precomputed charge applicable to the final installment period. Such charge may not be collected more than once for the same default and may be collected at the time of such default or at any time thereafter. If such default charge is deducted from any payment received after default occurs, and such deduction results in the default of a subsequent installment, no charge may be made for the resulting default.

(6) A borrower and licensee may agree that the first installment due date may be not more than 15 days more than one month and the amount of such installment may be increased by one-thirtieth of the portion of the precomputed charge applicable to a first installment of one month for each extra day.

(b) The statement to be given to the borrower as provided in subdivision (a) of Section 22473 and the contract shall disclose in addition to other required information the principal amount of the loan exclusive of charges and the basis for computing the refund of precomputed charges in case of prepayment in full or acceleration of maturity and for computing default and deferment charges. The delivery of a receipt for each payment showing the total amount of each payment is compliance with subdivision (d) of Section 22473.

(c) If the maturity of the contract when the charges are precomputed is accelerated for any reason, the licensee shall make the same refund or credit as would be required if the contract was paid in full on the date of acceleration and the unpaid balance shall be treated as the unpaid principal balance and thereafter the unpaid balance of the contract shall bear charges at the agreed rate of charge if the loan contract so provides.

SEC 4 Section 22481 is added to the Financial Code, to read:

22481. With respect to precomputed loans, licensees shall be subject only to, comply only with and derive authority only from Section 22480, notwithstanding any other provision of law which is not within this division.

SEC. 5. The amendments made to Sections 22451, 22458.1 and 22480 of the Financial Code by this act shall apply only to loan contracts entered into on or after January 1, 1980

CHAPTER 467

An act to amend Section 11409 5 of, and to repeal Section 11382.5 of, the Government Code, relating to the distribution of public records.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1 Section 11382.5 of the Government Code is repealed

SEC. 2 Section 11409.5 of the Government Code is amended to read·

11409 5 The department shall supply a complete set of the California Administrative Code, and of the California Administrative Register to the county clerk of any county or to the delegatee of the county clerk pursuant to Section 26803.5, provided the Director of General Services makes the following two determinations:

(a) The county clerk or the delegatee of the county clerk pursuant to Section 26803.5 is maintaining the code and register in complete and current condition in a place and at times convenient to the public.

(b) The California Administrative Code and California Administrative Register are not otherwise reasonably available to the public in the community where the county clerk or the delegatee of the county clerk pursuant to Section 26803.5 would normally maintain the code and register by distribution to libraries pursuant to Article 6 (commencing with Section 14900) of Chapter 7 of Part 5 5 of this division.

CHAPTER 468

An act to amend Section 1142.5 of the Labor Code, relating to telephone information service.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1 Section 1142.5 of the Labor Code is amended to read

1142.5. (a) The board shall maintain, at its principal office, a telephone line 24 hours a day, seven days a week, for the purpose of providing interested persons with information concerning their rights and responsibilities under this part, or for referring such

persons to the appropriate agency or entity with the capacity to render advice or help in dealing with any situation arising out of agricultural labor disputes.

In order to carry out its responsibilities pursuant to this subdivision, the board may contract with an answering service to receive telephone messages during periods of time that its principal office is normally not open for business. Such messages shall be transmitted to the board on the board's next business day, or at such earlier time as the board specifies, or to its designated representative at the earliest possible time.

(b) Whenever a petition for an election has been filed in a bargaining unit in which a majority of the employees are engaged in a strike, the necessary and appropriate services of the board in the region in which the election will be held shall be available to the parties involved 24 hours a day until the election is held.

CHAPTER 469

An act to add Section 21060 to the Vehicle Code, relating to vehicles

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 21060 is added to the Vehicle Code, to read:

21060. Between the hours of 1 a.m. and 5 a.m., Sections 21650, 21660, 22502, 22504, and subdivision (h) of Section 22500 do not apply to the operation of a streetsweeper vehicle or watering vehicle, operated by a local authority, while the vehicle is actually sweeping streets or watering landscaping or vegetation within a business or residence district. The exemption is not applicable unless the turn signal lamps at each side of the front and rear of the streetsweeper vehicle or watering vehicle are being flashed simultaneously.

This provision shall not apply when the vehicle is being driven to and from such work, nor does it relieve the driver of such a vehicle from the duty to drive with due regard for the safety of all persons using the highway or protect the driver from the consequences of an arbitrary exercise of the privilege granted.

CHAPTER 470

An act to amend Section 23425 of the Business and Professions Code, relating to alcoholic beverages and making an appropriation therefor.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1 Section 23425 of the Business and Professions Code is amended to read:

23425 For the purposes of this article "club" means:

(a) Any chapter, aerie, parlor, lodge, or other local unit of an American national fraternal organization which has as the owner, lessee, or occupant thereof operated an establishment for fraternal purposes. An American national fraternal organization as used in this subdivision shall actively operate in not less than 20 states of the Union and have not less than 175 local units in those 20 states, and shall have been in active continuous existence for not less than 20 years

(b) Any hall or building association of a local unit mentioned in subdivision (a), all of the capital stock of which is owned by the local unit or the members thereof, and which operates the clubroom facilities of the local unit.

CHAPTER 471

An act to amend Sections 23922, 44906, and 87466 of the Education Code, relating to certificated employees, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 23922 of the Education Code is amended to read:

23922. Notwithstanding any other provision of law, any member who has attained age 70 and desires to continue in employment beyond the age of normal retirement shall have the right to do so upon the certification by his or her employer pursuant to rules and regulations adopted by each respective retirement board or governing body that he or she is competent to do so and the filing of a notice from the member and his or her employer that the member is continuing in employment. Employer and member

contributions shall continue until retirement.

SEC. 2. Section 44906 of the Education Code is amended to read:

44906. Except in districts situated wholly or partly within the boundaries of a city or city and county where the charter of the city or city and county provides an age at which employees, including certificated employees of the districts, shall be retired, when a permanent or probationary employee reaches the age of 70 years, his or her permanent or probationary classification shall cease and thereafter employment shall be from year to year at the discretion of the governing board.

SEC. 3. Section 87466 of the Education Code is amended to read:

87466 Except in districts situated wholly or partly within the boundaries of a city or city and county where the charter of the city or city and county provides an age at which employees, including certificated employees of the districts, shall be retired, when a regular or contract employee reaches the age of 70 years, his or her regular or contract classification shall cease and thereafter employment shall be from year to year at the discretion of the governing board.

SEC. 4. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

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

In order that as many persons as possible may take advantage of the provisions of this act for the 1979–80 school year, and so permit the continued service of competent school employees, it is necessary that this act take effect immediately.

CHAPTER 472

An act to amend Section 2500 of the Business and Professions Code, and to amend Section 13401 of the Corporations Code, relating to professional corporations.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1 Section 2500 of the Business and Professions Code is amended to read·

2500. A medical corporation is a corporation which is registered

with the Division of Licensing or the Division of Allied Health Professions with reference to corporations rendering professional services as physicians and surgeons or as podiatrists or as physicians and surgeons and psychologists, or as physicians and surgeons and registered nurses and the Board of Osteopathic Examiners with reference to corporations rendering professional services as osteopathic physicians and surgeons, and has a currently effective certificate of registration from the Division of Licensing or the Division of Allied Health Professions pursuant to the Professional Corporation Act, as contained in Part 4 (commencing with Section 13400) of Division 3 of Title 1 of the Corporations Code, and this article. Subject to all applicable statutes, rules and regulations, such medical corporation is entitled to practice medicine or medicine and psychology or medicine and nursing. Any psychologist or registered nurse who is a shareholder in such corporation within the provisions of Section 13401 of the Corporations Code may practice individually the professional services for which he is licensed through and in the name of such corporation With respect to a medical corporation, the governmental agency referred to in the Professional Corporation Act is the Division of Licensing or the Division of Allied Health Professions with reference to corporations rendering professional services as physicians and surgeons or as podiatrists or as physicians and surgeons and psychologists or as physicians and surgeons and registered nurses and the Board of Osteopathic Examiners with reference to corporations rendering professional services as osteopathic physicians and surgeons.

SEC. 2. Section 13401 of the Corporations Code is amended to read·

13401. As used in this part:

(a) "Professional services" means any type of professional services which may be lawfully rendered only pursuant to a license, certification or registration authorized by the Business and Professions Code or the Chiropractic Act.

(b) "Professional corporation" means a corporation organized under the General Corporation Law which is engaged in rendering professional services in a single profession, except as otherwise authorized, pursuant to a certificate of registration issued by the governmental agency regulating such profession as herein provided and which in its practice or business designates itself as a professional or other corporation as may be required by statute.

(c) "Licensed person" means any natural person who is duly licensed under the provisions of the Business and Professions Code or the Chiropractic Act to render the same professional services as are or will be rendered by the professional corporation of which he is or intends to become, an officer, director, shareholder or employee, provided however, that notwithstanding any other provision of this chapter, any physician licensed under the Medical Practices Act may become an officer, director or shareholder in, and render his individual professional services through, a psychological

corporation as long as the sum of all shares not owned by psychologists in a psychological corporation does not exceed 49 percent of the total number of shares; and provided that the number of physicians owning shares in a psychological corporation shall not exceed the number of psychologists owning shares in that corporation; and provided further that, notwithstanding any other provisions of this chapter, any psychologist licensed under the Psychology Licensing Act or any registered nurse licensed under the Nursing Practice Act may become an officer, director or shareholder in, and render his individual professional services through, a medical corporation as long as the sum of all shares not owned by physicians and surgeons in a medical corporation does not exceed 49 percent of the total number of shares; and provided that the number of pyschologists or registered nurses or psychologists and registered nurses combined owning shares in a medical corporation shall not exceed the number of physicians owning shares in that corporation.

(d) "Disqualified person" means a licensed person who for any reason becomes legally disqualified (temporarily or permanently) to render the same professional services which the particular professional corporation of which he is an officer, director, shareholder or employee is or was rendering.

CHAPTER 473

An act to add Section 38952.5 to the Food and Agricultural Code, relating to nondairy products.

[Approved by Governor September 5, 1979. Filed with Secretary of State September 5, 1979.]

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

SECTION 1. Section 38952.5 is added to the Food and Agricultural Code, to read:

38952.5. Any product labeled as a "nondairy product" and containing one or more ingredients derived from milk shall clearly indicate upon such label, in a manner established by the director through regulation, which ingredients are milk derivatives.

SEC. 2. This act shall become effective July 1, 1980.

SEC. 3. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 474

An act to amend Section 86 of the Military and Veterans Code, relating to veterans.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979.]

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

SECTION 1. Section 86 of the Military and Veterans Code is amended to read:

86. Any person deeming himself a veteran and who applies for benefits may appeal any decision made by a division of the department to the California Veterans Board. Upon receipt of such an appeal, the board shall grant a hearing, if requested, and shall render its decision in writing to the appellant within 30 days of the receipt of the appeal or of the hearing if one is held. Except for judicial review, the board's decision is final and the board shall have the power to change or modify with good cause any decision which is adverse to the appellant. The board may delegate the holding of hearings to the legal officer. Hearings shall be held in the department office nearest to the appellant's home unless the appellant requests otherwise.

CHAPTER 475

An act to amend Sections 17409, 17410, and 17411 of the Financial Code, relating to escrow deposits.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 17409 of the Financial Code is amended to read:

17409. All moneys deposited in escrow to be delivered upon the close of the escrow or upon any other contingency, shall be deposited and maintained in a demand or checking account in a bank, except that such moneys may be deposited in an interest-bearing account in a bank or a state or federal savings and loan association and kept separate, distinct, and apart from funds belonging to the escrow agent. All such funds, when deposited, are to be designated as "trust funds," "escrow accounts," or under some other appropriate name indicating that the funds are not the funds of the escrow agent.

Upon request of the commissioner, a licensee shall furnish to the commissioner an authorization for examination of financial records

of any such trust funds or escrow accounts, maintained in a financial institution, in accordance with the procedures set forth in Section 7473 of the Government Code.

SEC. 2. Section 17410 of the Financial Code is amended to read.

17410 (a) Escrow or trust funds are not subject to execution or attachment in any claim against the licensee or person acting as escrow agent, and in no instance shall such escrow or trust funds be considered or treated as an asset of the licensee or person performing the functions of an escrow agent.

(b) Interest paid or payable on funds deposited in escrow by a licensee are not subject to execution or attachment in any claim against the licensee or person acting as escrow agent.

SEC 3. Section 17411 of the Financial Code is amended to read:

17411 No person shall knowingly keep or cause to be kept any funds or money in any bank or state or federal savings and loan association under the heading of "trust funds" or "escrow accounts" or any other name designating such funds or money as belonging to the clients of any escrow agency, except actual escrow or trust funds deposited with such agency.

CHAPTER 476

An act to amend Sections 72028 and 72030 of the Education Code, relating to elections.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1 Section 72028 of the Education Code is amended to read

72028 The first members of the governing board shall take office on the third Monday following their election. The term of office of subsequent members of the board shall begin on the last Friday in November following their election.

SEC 2 Section 72030 of the Education Code is amended to read:

72030. At the initial meeting of the governing board of a newly formed community college district it shall elect one of its members as chairman, and shall designate a secretary.

The majority of members of the first elected board of any newly formed community college district, the members of which majority received the highest number of votes, shall serve until the last Friday in November of the second succeeding odd-numbered year The terms of the other members shall expire on the last Friday in November of the first succeeding odd-numbered year. All such members shall continue in office until their successors are elected and qualified

CHAPTER 477

An act to add Article 16 (commencing with Section 69900) to Chapter 2 of Part 42 of the Education Code, relating to universities and colleges.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Article 16 (commencing with Section 69900) is added to Chapter 2 of Part 42 of the Education Code, to read:

Article 16. Dependents of Public Official

69900. A dependent of an elected public official of a public agency, who was intentionally killed while holding office on or after January 1, 1975, in retaliation for or to prevent the performance of official duties, is entitled to obtain a grant from the Student Aid Commission, if such dependent desires to continue his or her education beyond the secondary level in this state and is accepted for enrollment in any postsecondary educational institution in this state, accredited or accepted as a recognized candidate for accreditation by the Western Association of Schools and Colleges, to pay tuition and fees of the institution. No such award for the period of one academic year shall, however, exceed the amount established for the California Educational Opportunity Grant program pursuant to Article 3 (commencing with Section 69530) of this chapter.

69901. As used in this article:

(a) "Dependent of an elected public official" means the natural or adopted child of an elected public official.

(b) "Public agency" means the state or any city, county, district, or other local authority or public body of or within this state.

69902. The commission from time to time shall adopt such rules and regulations as it may determine, not in conflict with this chapter, are necessary or appropriate for effectuating the provisions of this article.

CHAPTER 478

An act to amend Section 1206 of, and to add Section 1201.5 to, the Health and Safety Code, relating to health, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 1201.5 is added to the Health and Safety Code, to read:

1201.5. "Nonprofit speech and hearing center" means a nonprofit agency which provides an integrated program of speech pathology and audiology services in an outpatient setting designed to improve the functioning of persons with communicative disorders. A nonprofit speech and hearing center provides diagnostic and therapeutic services for such individuals, together with related counseling, pursuant to policies and procedures governing all aspects of the program formulated with the aid of one or more physicians and surgeons, who shall additionally serve on separate committees which determine patient care policy and perform utilization review functions. A multidisciplinary panel, which includes one or more physicians and surgeons, shall serve as a consulting advisory body to the center. All patients of the center shall be referred by a physician and surgeon, or by a dentist or psychologist as appropriate. A center shall prepare, maintain, and revise, as necessary, a treatment plan for all active patients, and shall provide periodic progress reports to the physician and surgeon or other professional referring the patient. A center shall maintain a complete record of all services rendered with respect to each patient.

SEC. 2. Section 1206 of the Health and Safety Code is amended to read:

1206. The provisions of this chapter do not apply to the following:

(a) Except with respect to specialty clinics specified in paragraphs (2) and (4) of subdivision (b) of Section 1204, any place or establishment owned or leased and operated as a clinic or office by one or more licensed physicians and surgeons, by one or more licensed dentists, by one or more licensed podiatrists, or by one or more licensed chiropractors and used as an office for the practice of medicine and surgery, dentistry, podiatry, or chiropractic, as the case may be, by such persons, regardless of the name used publicly to identify such place or establishment.

(b) Any clinic directly conducted, maintained or operated by the United States or by any of its departments, officers, or agencies, and any primary care clinic specified in subdivision (a) of Section 1204 which is directly conducted, maintained, or operated by this state or by any of its political subdivisions or districts, or by any city. Nothing in this subdivision shall preclude the state department from adopting regulations which utilize clinic licensing standards as eligibility criteria for participation in programs funded wholly or partially under Title XVIII or XIX of the federal Social Security Act.

(c) Any clinic conducted, maintained or operated by a federally recognized Indian tribe or tribal organization, as defined in Section 450 or 1601 of Title 25 of the United States Code, and which is located on land recognized as tribal land by the federal government.

(d) Clinics conducted, operated, or maintained as outpatient

departments of hospitals.

(e) Any facility licensed as a health facility under the provisions of Chapter 2 (commencing with Section 1250) of this division.

(f) Any freestanding clinical or pathological laboratory licensed under the provisions of Chapter 3 (commencing with Section 1200) of Division 2 of the Business and Professions Code.

(g) A clinic operated by, or affiliated with, any institution of learning which teaches a recognized healing art and is approved by the state board or commission vested with responsibility for regulation of the practice of that healing art.

(h) A clinic that is operated on an intermittent basis by a local health department or by a community or free clinic. Such an intermittent or satellite clinic shall, however meet all requirements of law, including administrative regulations, pertaining to fire and life safety.

(i) The offices of physicians in group practice who provide a preponderance of their services to members of a comprehensive group practice prepayment health care service plan subject to Chapter 2 2 (commencing with Section 1340) of Division 2.

(j) Student health centers operated by public institutions of higher education

(k) Nonprofit speech and hearing centers, as defined in Section 1201.5 Any nonprofit speech and hearing clinic desiring an exemption under this subdivision shall make application therefor to the State Director of Health Services, who shall grant the exception to any facility meeting the criteria of Section 1201 5 Notwithstanding the licensure exemption contained in this subdivision, a nonprofit speech and hearing center shall be deemed to be an organized outpatient clinic for purposes of qualifying for reimbursement as a rehabilitation center under the Medi-Cal Act, Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions 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.

Chapter 1147 of the Statutes of 1978 revised the criteria for licensure of community clinics. Several nonprofit facilities which have been licensed as community clinics, and which provide valuable rehabilitative services for persons with speech and hearing disorders, will no longer be eligible for licensure as community clinics In order to avoid disruption in the services that these facilities provide to Medi-Cal patients, which will occur with the expiration of such facilities' licenses commencing in June of 1979, it is necessary that this act take immediate effect.

CHAPTER 479

An act to amend Section 65854.5 of the Government Code, relating to zoning.

[Approved by Governor September 5, 1979. Filed with Secretary of State September 5, 1979.]

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

SECTION 1. Section 65854.5 of the Government Code is amended to read:

65854.5. (a) In addition to the notice required by Section 65854, a county or city planning commission shall give notice of the hearing by mail or delivery to all persons, including businesses, corporations or other public or private entities, shown on the last equalized assessment roll as owning real property within 300 feet of the property which is the subject of the proposed zoning change.

In the event that the proposed zoning change has been requested by a person other than the property owner as such property owner is shown on the last equalized assessment roll, the city or county planning commission shall also give mailed notice to the owner of the property as shown on the last equalized assessment roll

(b) In the event that the number of owners to whom notice would be sent pursuant to subdivision (a) is greater than 1,000, a county or a city may, as an alternative to the notice required by subdivision (a), provide notice pursuant to this subdivision. Such notice shall be given at least 10 days prior to the hearing by either of the following procedures: (i) by placing a display advertisement of at least one-fourth page in a newspaper having general circulation within the area affected by the proposed ordinance or amendment; or (ii) by placing an insert with any generalized mailing sent by the county or city to property owners in the area affected by the proposed ordinance or amendment, such as billings for county or city services.

Such advertisement or mailing insert shall specify the type and magnitude of the changes proposed, the place where copies of the proposed changes may be obtained, the time, date and place of the hearing, and the right to appear and be heard.

Any display advertisement published pursuant to this subdivision satisfies the publication requirements of Section 65854.

(c) Failure to receive the notice required by this section shall not invalidate the ordinance or amendment.

(d) This section shall not apply to a proposed zoning ordinance or to an amendment to an existing zoning ordinance which does not affect the permitted uses of real property within a county or a city

CHAPTER 480

An act to add Chapter 5 (commencing with Section 5800) to Part 2 of Division 5 of the Welfare and Institutions Code, relating to mental health.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Chapter 5 (commencing with Section 5800) is added to Part 2 of Division 5 of the Welfare and Institutions Code, to read.

CHAPTER 5. RESPITE SERVICES PROJECT

5800. The Legislature recognizes the need for respite services for persons responsible for the care of mentally disordered individuals. The Legislature further recognizes that such services may prevent the unnecessary institutionalization of persons who could be cared for at home or in small family care homes.

5801. By July 1, 1980, the county mental health plan shall include a statement of need for respite services and a plan to provide such services, within the availability of funds and resources, whenever feasible

The respite plan shall include at least the following components.

(a) Twenty-four hour out-of-home care for periods of less than 30 days for persons whose care provider is absent from the home for business, vacation, illness, or family emergency purposes. Such care may be provided in any licensed health facility or community care facility. Out-of-home care shall be used for persons whose needs cannot be met by a substitute provider at home.

(b) Twenty-four hour in-home care for periods of less than 30 days, which care may be provided by licensed mental health professionals

(c) Companion service for periods of less than 24 hours to provide supervision while the care provider is away from the residence

5802. Respite service may be provided to operators of small group homes and to families who maintain a mentally disordered family member at home. For the purposes of this chapter, "respite" means temporary and intermittent care provided for short periods of time.

5803. The State Department of Mental Health by January 1, 1981, shall establish rates for respite services, utilizing both federal and state funds.

SEC 2 Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, there shall be no appropriation made by this act pursuant to these sections because the duties, obligations, or

responsibilities imposed on local agencies or school districts by this act are such that related costs are incurred as part of their normal operating procedures. It is recognized, however, that such agency may pursue any other remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 481

An act to amend Section 830.6 of the Government Code, relating to government tort liability.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 830.6 of the Government Code is amended to read:

830.6. Neither a public entity nor a public employee is liable under this chapter for an injury caused by the plan or design of a construction of, or an improvement to, public property where such plan or design has been approved in advance of the construction or improvement by the legislative body of the public entity or by some other body or employee exercising discretionary authority to give such approval or where such plan or design is prepared in conformity with standards previously so approved, if the trial or appellate court determines that there is any substantial evidence upon the basis of which (a) a reasonable public employee could have adopted the plan or design or the standards therefor or (b) a reasonable legislative body or other body or employee could have approved the plan or design or the standards therefor. Notwithstanding notice that constructed or improved public property may no longer be in conformity with a plan or design or a standard which reasonably could be approved by the legislative body or other body or employee, the immunity provided by this section shall continue for a reasonable period of time sufficient to permit the public entity to obtain funds for and carry out remedial work necessary to allow such public property to be in conformity with a plan or design approved by the legislative body of the public entity or other body or employee, or with a plan or design in conformity with a standard previously approved by such legislative body or other body or employee. In the event that the public entity is unable to remedy such public property because of practical impossibility or lack of sufficient funds, the immunity provided by this section shall remain so long as such public entity shall reasonably attempt to provide adequate warnings of the existence of the condition not conforming to the approved plan or design or to the approved standard.

However, where a person fails to heed such warning or occupies public property despite such warning, such failure or occupation shall not in itself constitute an assumption of the risk of the danger indicated by the warning.

CHAPTER 482

An act to amend Sections 6508, 6545, 6546, 6547, 6553, and 6571 of the Government Code, relating to joint exercise of powers.

[Approved by Governor September 5, 1979. Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 6508 of the Government Code is amended to read:

6508. The agency shall possess the common power specified in the agreement and may exercise it in the manner or according to the method provided in the agreement. If the agency is not one or more of the parties to the agreement but is a public entity, commission or board constituted pursuant to the agreement and such agency is authorized, in its own name, to do any or all of the following: to make and enter contracts, or to employ agents and employees, or to acquire, construct, manage, maintain or operate any building, works or improvements, or to acquire, hold or dispose of property or to incur debts, liabilities or obligations, said agency shall have the power to sue and be sued in its own name. Any authorization pursuant to the agreement for the acquisition by the agency of property for the purposes of a project for the generation or transmission of electrical energy shall not include the condemnation of property owned or otherwise subject to use or control by any public utility within the state.

The governing body of any agency having the power to sue or be sued in its own name, created by an agreement entered into after the amendment to this section at the 1969 Regular Session of the Legislature, between parties composed exclusively of parties which are cities, counties, or public districts of this state, irrespective of whether all such parties fall within the same category, may as provided in such agreement, and in any ratio provided in the agreement, be composed exclusively of officials elected to one or more of the governing bodies of the parties to such agreement. Any existing agreement composed of parties which are cities, counties or public districts which creates a governing board of any agency having the power to sue or be sued may, at the option of the parties to the agreement, be amended to provide that the governing body of the created agency shall be composed exclusively of officials elected to one or more of the governing boards of the parties to such

agreement in any ratio agreed to by the parties to the agreement. The governing body so created shall be empowered to delegate its functions to an advisory body or administrative entity for the purposes of program development, policy formulation, or program implementation, provided, however, that any annual budget of the agency to which the delegation is made must be approved by the governing body of the Joint Powers Agency.

In the event that such agency enters into further contracts, leases or other transactions with one or more of the parties to such agreement, an official elected to the governing body of such party may also act in the capacity of a member of the governing body of such agency.

SEC. 2. Section 6545 of the Government Code is amended to read:

6545. "Project" as used in this article means buildings, structures, improvements and all facilities appurtenant thereto or provided therefor together with land and offstreet parking facilities necessary therefor to be financed by revenue bonds issued pursuant to this article. In addition, with respect to a facility for the generation or transmission of electric energy, a project also means an ownership interest or a capacity right in such a facility, and such a facility may be situated in whole or in part within or without the state

SEC. 3. Section 6546 of the Government Code is amended to read:

6546. In addition to other powers, any agency, commission, or board provided for by a joint powers agreement pursuant to Article 1 (commencing with Section 6500), if such entity has the power to acquire, construct, maintain or operate any one or more of the following projects:

(a) An exhibition building or other place for holding fairs or exhibitions for the display of agricultural, livestock, industrial, or other products;

(b) A coliseum, a stadium, a sport arena or sports pavilion or other building for holding sport events, athletic contests, contests of skill, exhibitions, spectacles and other public meetings;

(c) Any other public buildings;

(d) In a county having a population in excess of 4,000,000, a regional public park or regional public recreation area and all facilities and improvements related thereto;

(e) A facility for the generation or transmission of electrical energy for public or private uses and all rights, properties and improvements necessary therefor, including fuel and water facilities and resources,

may issue revenue bonds pursuant to this article to pay the cost and expenses of acquiring or constructing a project for any or all of said purposes.

As used in this chapter, "transmission of electric energy" shall not include the final distribution of electric energy to the consumer

SEC. 4. Section 6547 of the Government Code is amended to

read·

6547. The power of the entity to issue revenue bonds is additional to the powers common to the parties to the joint powers agreement, but shall not be exercised until authorized by the parties to that agreement. In the case of a project for the generation or transmission of electric energy, such power shall include the power to issue notes for the purpose of financing studies, the acquisition of options, permits, and other preliminary costs to be incurred prior to the undertaking of the construction or acquisition of a project, and for the purpose of providing temporary financing of costs of construction or acquisition of a project. Such notes may be issued at public or private sale, and may be renewed from time to time, and the principal and interest with respect thereto may be made payable from the revenues of the entity unless paid from the proceeds of revenue bonds

Every local agency shall make any authorization, as permitted under the first sentence of this section, by ordinance. Except as provided herein, the ordinance shall describe in general terms the project, or projects, to be funded by the revenue bonds, the maximum amount of the bonds proposed to be issued, and the anticipated sources of revenue to redeem the bonds. In the case of a project for the generation or transmission of electric energy, the ordinance shall describe in general terms the project or the studies or other preliminary costs therefor to be funded by the revenue bonds or notes, the estimate of the maximum amount of bonds to be issued for such project or such studies or other preliminary costs, and the anticipated sources of revenue or other funds to pay the principal of and interest of such bonds or notes, provided that the statement of the estimated maximum amount of such bonds or notes shall not be deemed to prevent the authorization by such ordinance of the issuance of bonds or notes by the entity in amounts which may exceed such estimate without further authorization under such ordinance if and to the extent such additional bonds or notes shall be required to complete the financing of such project or such studies or other preliminary costs. Each such ordinance shall state that it is subject to the provisions for referendum prescribed by Section 3751.7 of the Elections Code.

A separate authorization shall be required for each separate bond issue proposed by the entity, except that, in the case of a project for the generation or transmission of electric energy, a single authorization shall be sufficient for bonds which may be issued in installments from time to time for a project or the costs of studies or other preliminary costs therefor which shall be identified in such authorization.

The requirement of an ordinance and the right to referendum thereon shall not apply to the issuance of revenue bonds if, prior to the effective date of the amendments to this section by the 1971 Legislature, one or more local or public agencies shall have taken formal action to implement any one or more projects to be acquired

or constructed pursuant to a joint powers agreement. Formal action to implement any one or more projects shall include, but not be limited to, any of the following:

(a) The incurring of liability for a substantial portion of an architectural or engineering contract or other contract relating to a project;

(b) The acquisition of land or improvements for the project;

(c) The making of a substantial contribution toward the project.

SEC. 5. Section 6553 of the Government Code is amended to read:

6553 The indenture authorizing the issuance of such bonds shall recite the objects and purposes for which the bonds are to be issued, which may include any or all of the purposes stated in this article and which shall comprise the project, the principal amount of the bonds, the maximum rate of interest to be payable thereon which shall not exceed 8 percent per annum, payable semiannually, except that interest for the first year may be made payable at the end of said year, the date or dates of issue of said bonds, the maturity date or dates thereof, and the fund or funds from which said bonds and the interest thereon and premiums upon the redemption of any thereof are to be payable, and such other provisions authorized by this article as the governing body of the entity deems necessary or desirable, provided that, in the case of a project for the generation or transmission of electric energy, such maximum rate of interest shall not be applicable to bonds issued to continue or complete financing of a project for which bonds shall have theretofore been issued. Said bonds shall be issued in negotiable form and shall be negotiable The recitals or regularity of proceedings in any revenue bond issued and sold under this article shall be conclusive evidence of compliance with the provisions of this article and of the validity of such bond. Said bonds may be issued and sold to the United States of America, or the State of California, or to any appropriate department or agency thereof, to provide a source for the payment of principal and interest on any loan made by the United States of America, or the State of California, or agency thereof, to any agency created by an agreement entered into pursuant to this chapter.

SEC. 6 Section 6571 of the Government Code is amended to read.

6571 The bonds shall be issued and sold as the governing body may determine and for not less than par and accrued interest to date of delivery, except that, in the case of a project for the generation or transmission of electric energy, the bonds may be sold at less than par if the governing body shall determine that such a sale will result in more favorable terms for the bonds The sale shall be conducted in compliance with Chapter 10 (commencing with Section 5800) of Division 6 of Title 1, unless, in the case of a project for the generation or transmission of electric energy, the governing body shall determine that a negotiated sale of the bonds is necessary, in which case the bonds shall be sold on such terms as shall be approved by

the governing body The proceeds from the sale (except premium and accrued interest, which shall be paid into the bond service or other fund designated or established for the payment of the principal and interest of the bonds) shall be paid into the construction fund or other fund designated by the indenture authorizing the issuance of the bonds and shall be applied exclusively to the objects and purposes set forth in such indenture, including all expenses incidental thereto or in connection therewith, and also including the payment of interest on said bonds during the period of study and construction of the project and for a period not to exceed twelve (12) months after completion of such construction.

CHAPTER 483

An act to amend Sections 52001, 52020, 52033, 56020, 56021, 56035, 56336.2, 56337, 56341.4, 56362.2, 56367, and 56506 of, to repeal Sections 41893, 41894, 41895, and 41896 of, and to amend the heading of Article 2 (commencing with Section 56020) of Chapter 1 of Part 30 of, the Education Code, and to repeal Section 11 of Chapter 472 of the Statutes of 1968, relating to special education.

[Approved by Governor September 5, 1979 Filed with Secretary of State September 5, 1979]

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

SECTION 1. Section 41893 of the Education Code is repealed.

SEC. 2 Section 41894 of the Education Code is repealed.

SEC. 3. Section 41895 of the Education Code is repealed

SEC 4. Section 41896 of the Education Code is repealed.

SEC. 5 Section 52001 of the Education Code is amended to read:

52001. As used in this chapter:

(a) "Other school personnel" means persons who work directly and on a regular basis with pupils, including administrative employees, as defined in subdivision (e) of Section 33150, pupil services employees, as defined in subdivision (c) of Section 33150, and classified employees.

(b) "Community member" means a person who is neither in the employment of the school district, nor the parent or guardian of a pupil attending the participating school.

(c) "School improvement plan" means a plan which meets the requirements of Section 52014 developed at an individual school and submitted to a local governing board for approval.

(d) "School improvement program" means a program developed pursuant to an approved school improvement plan

(e) "District master plan" means a plan which meets the requirements of subdivision (b) of Section 52034.

(f) "Planning grant" means allowances as described in Section

52049 to develop a school improvement plan.

(g) "Implementation grant" means allowances as described in Section 52049 to implement school improvement plans.

(h) "Participating schools" means schools which participate in the school improvement program pursuant to this chapter.

(i) "Elementary school" means any school maintaining two or more of grades 1 to 6, inclusive.

(j) "Secondary school" means any school that is not an elementary school.

(k) "Parity" means equal numbers.

SEC. 6. Section 52020 of the Education Code is amended to read:

52020. Following approval of the school improvement plan by the governing board: (a) the school principal shall be responsible for the ongoing administration of the planned program; (b) certificated personnel shall design and implement instructional techniques consistent with objectives established by the school site council pursuant to subdivisions (a) and (b) of Section 52015.

SEC. 7. Section 52033 of the Education Code is amended to read:

52033. Any district governing board, on behalf of a school site council, may request the State Board of Education to grant a waiver of any provision of this code (except Sections 41000 to 41360, inclusive; Sections 41420 to 41423, inclusive; Sections 41600 to 41866, inclusive; Sections 41920 to 42911, inclusive; Article 3 (commencing with Section 44930) of Chapter 4 of Part 25 of Division 3 of this title, Part 26 (commencing with Section 46000) and Chapter 6 (commencing with Section 48900) and Chapter 6.5 (commencing with Section 49060) of Part 27 of this division); or Title 5 of the California Administrative Code (except Title 5 regulations adopted pursuant to Article 3 (commencing with Section 44930) of Chapter 4 of Part 25 of Division 3 of this title), if such waiver is necessary or beneficial to the successful implementation of a school improvement plan. The State Board of Education may grant any such request when the facts indicate the failure to do so would hinder the implementation or maintenance of a successful school improvement program. Such action shall be taken not later than the second regular meeting of the State Board of Education following receipt of a waiver request or the request for a waiver shall be deemed approved In the event the request for a waiver is denied, the reasons for the denial shall be communicated without delay to the applicant district and school. The district governing board may request a single waiver of a provision of this code on behalf of more than one school in the district. Such waiver shall apply only to the applicant school or schools.

The State Board of Education shall include in its annual report to the Governor and Legislature the nature and disposition of waivers requested pursuant to this section.

SEC. 8. The heading of Article 2 (commencing with Section 56020) of Chapter 1 of Part 30 of the Education Code is amended to read:

Article 2 Innovative Education and Training Programs

SEC. 9 Section 56020 of the Education Code is amended to read:

56020. It is the intent of the Legislature, in enacting this section, to encourage school districts and county superintendents of schools to design, implement, and evaluate innovative education and training programs which meet the individualized education program needs of exceptional pupils enrolled in the public schools of this state Therefore, the Superintendent of Public Instruction is hereby granted broad administrative discretion to approve exemplary innovative education and training programs to operate at variance with Sections 46143, 46511, Sections 56600 to 56617, inclusive, Sections 56700 to 56725, inclusive, Sections 56800 to 56831, inclusive, Section 56833, Chapter 8 (commencing with Section 52200) of Part 28, Article 9 (commencing with Section 56160) of Chapter 1 and Chapter 3 (commencing with Section 56500) of Part 30 of this division.

Such variance may include the guarantee of full apportionment for approved programs which vary from maximum class size or duration or both and other provisions relating to deriving apportionment per average daily attendance when in the opinion of the Superintendent of Public Instruction the quality and innovativeness of the program warrants.

Enrollment in innovative education and training programs for exceptional pupils shall be limited to any combinations of children enrolled in programs for exceptional pupils as specified in this section, at the time of application for approval to operate the innovative education and training program. In any event, no more than 5 percent of the statewide enrollment of exceptional pupils in each of the programs included in this section may be enrolled in innovative education and training programs in a given fiscal year.

The State Board of Education shall adopt rules and regulations relating to the application for, operation of, and evaluation of, exemplary innovative education and training programs for exceptional pupils

SEC 10. Section 56021 of the Education Code is amended to read.

56021. In no event shall a child be placed in an innovative education and training program established pursuant to this article without the prior informed consent of a parent or guardian of the child

SEC 11. Section 56035 of the Education Code is amended to read·

56035 If the pupil is enrolled in the private school with the approval of the local school district and the private school prior to agreement to a contract, the local school district shall issue a warrant, upon submission of an attendance report and claim, for an amount equal to the number of creditable days of attendance at the per diem rate agreed upon prior to the enrollment of the pupil. This provision shall be allowed for 90 calendar days during which time the contract shall be consummated If after 60 calendar days, the contract has not

been finalized as prescribed by subdivision (a) of Section 56034, either party may appeal to the county superintendent or the Superintendent of Public Instruction, if the boundaries of the local school district are coterminous with the boundaries of a city and county, to negotiate a contract. Within 30 calendar days of receipt of this appeal, the county superintendent or the Superintendent of Public Instruction, as the case may be, shall develop a contract which shall be binding upon both parties. The costs for such a service shall be reimbursed to the county superintendent by the local school district

SEC. 12. Section 56336.2 of the Education Code is amended to read:

56336.2. Each local comprehensive plan shall provide for at least two levels of teams for review and decisions on eligibility, individualized education program and placement. These two levels shall be a school site level, called the school appraisal team, and a regional level, called the education assessment service team.

(a) School appraisal team. The minimum membership of the school appraisal team for purposes of review and decisions on eligibility, individualized education program and placement for any pupil shall be: (1) the school principal or his or her administrative or supervisory designee; (2) the special education teacher or teachers or specialist or specialists most appropriate to the needs of the pupil; and (3) the parent, at the option of the parent, or a representative selected by the parent, or both. If neither the parent nor a representative agrees to attend, a pupil services worker of the district or special education services region who is not supervised primarily by the school principal shall serve as a child advocate. The child advocate shall not serve as a surrogate for the parent, as defined by provisions of the United States Code and regulations promulgated pursuant thereto, and shall not provide the written consent required of the parent of a pupil prior to the assessment or placement of such pupil in any class or program specified in this chapter.

In addition to the required minimum membership, the following shall participate as indicated: (1) a regular teacher of the pupil whenever the pupil may be transferred into a regular class from a special class or center, nonpublic school, or special school, and services by the regular teacher may be included as part of the pupil's individualized education program; (2) the special education specialist, school psychologist, school nurse, school social worker, counselor, or other pupil services worker who has conducted an assessment of the pupil, whenever the results or recommendations based on such an assessment are significant to the development of the pupil's individualized education program and placement; (3) the pupil, whenever the pupil is capable of benefiting from the discussion; and (4) any other person whose competence is needed due to the nature and extent of the pupil's disability.

The school appraisal team shall determine the content of the individualized education program and make placement

recommendations for the resource specialist program and designated instruction and services provided in the school. The school appraisal team may, under regulations adopted by the board, also determine the content of the individualized education program and make placement recommendations for pupils from that school who require instruction at home or in a hospital for a short-term physical disability.

(b) Educational assessment service. The educational assessment service shall consist of professional specialists representing health services, psychology, social work, speech, language, hearing, and special education, who shall conduct assessments as appropriate and participate in the development of the individualized education program and make recommendations for placement of pupils referred to the education assessment service.

The minimum membership of an educational assessment service team for purposes of review and decisions on eligibility, individualized education program, and placement for any pupil shall be: (1) a program specialist or special education administrator appropriate to the needs of the pupil; (2) the special education teacher or teachers or specialist or specialists most appropriate to the needs of the pupil; (3) professional member or members of the educational assessment service who has personally assessed the pupil, whenever the results or recommendations based on such an assessment are significant to the development of the pupil's individualized education program and placement; and (4) the parent, at the option of the parent, or a representative selected by the parent, or both. If neither the parent nor a representative agrees to attend, a pupil services worker of the district or special education services region shall serve as a child advocate. The child advocate shall not serve as a surrogate for the parent, as defined by provisions of the United States Code and regulations promulgated pursuant thereto, and shall not provide the written consent required of the parent of a pupil prior to the assessment or placement of such pupil in any class or program specified in this chapter.

In addition to the required minimum membership of the team, the following shall participate as indicated: (1) the regular teacher of the pupil whenever the pupil may be transferred into a regular class from a special class or center, nonpublic school, or special school, and services by the regular teacher may be included as part of the pupil's individual education program; (2) the teacher who referred the pupil whenever such teacher has special knowledge of the pupil which is necessary to the development of an individualized education program for the pupil; (3) the pupil whenever the pupil is capable of benefiting from the discussion; (4) a representative of the nonpublic school whenever the pupil is receiving nonpublic school services; and (5) any other person whose competence is needed due to the nature and extent of the pupil's disability.

For each pupil whose individualized education program is being determined by an educational assessment service team, a

psychological and health assessment of that pupil shall have been conducted.

The educational assessment service team shall determine the content of the individualized education program and make placement recommendations for pupils who attend special classes or centers and for any pupil who will attend a school or program other than the pupil's normal school of attendance, except for pupils at home or in a hospital for a short-term physical disability, and for any pupil who requires a more intensive study.

SEC. 13. Section 56337 of the Education Code is amended to read:

56337 (a) Whenever an assessment is to be conducted by a school appraisal team or an educational assessment service, the parent of the pupil shall be given written notice of the intended assessment and be given at least 10 schooldays in which to arrive at a decision. This written notice shall be in ordinary and concise language and in the primary language of the pupil's home and shall fully explain the procedure and objective of the assessment and the facts which make an assessment necessary or desirable. The written notice sha!l state that no educational placement will result from the assessment without the consent of the pupil's parent.

Whenever an assessment is to be conducted by a school appraisal team or an educational assessment service, the written consent of the parent of the pupil shall be obtained. If the written parental consent to such assessment is received by a school appraisal team or an educational assessment service prior to the expiration of the 10-schoolday period during which the parent shall arrive at a decision, the assessment may begin immediately upon receipt of such consent

The assessment of any pupil referred to a school appraisal team or an educational assessment service shall be completed within 35 schooldays from the date of receipt of written parental consent for such assessment, except that when both assessments are required the total time shall not exceed 50 schooldays Those persons assessing the pupil shall maintain a complete and specific written record of diagnostic procedures employed, the conclusions reached, the suggested course of education or treatment best suited to the pupil's needs, its anticipated duration, and the specific objectives to be attained. Subdivision (i) of Section 56301 shall apply to the assessment of all pupils. Such assessment shall remain confidential and be used only for the administration of the special education programs, including, but not limited to, assuring that each special education program is meeting the objectives for the children assigned to it.

(b) Admission of a pupil to a special education program under this chapter shall be made only on the basis of an individual assessment according to standards established by the board and upon an individual recommendation of either a school appraisal team or an educational assessment service Pupils admitted to special education programs prior to the implementation of this chapter on the basis of

procedures and criteria in effect at the time of such admission shall be admitted to programs under this chapter on the same basis as pupils recommended by a school appraisal team or an educational assessment service.

(c) The parent of the pupil shall be notified in writing in ordinary and concise language and in the primary language of the pupil's home, of the findings of the assessment, the recommended educational decision, and the reasons therefor. The notice shall state that:

(1) A conference with the parent and his or her representative will be scheduled upon request.

(2) If the parent disagrees with the recommended educational decision, he or she has the right to procure, at public expense, an independent educational assessment of the child from qualified specialists, as defined by rules and regulations of the board, which assessment will become a part of the pupil's record. However, if a fair hearing panel formed pursuant to Section 56341.3 determines that the recommended educational assessment and decision obtained by the local educational agency is appropriate, the parent still has the right to an independent educational assessment, but not at public expense.

(3) The parent has the right to have the recommended educational decision reviewed.

(d) The psychological assessment of pupils under procedures required by subdivision (i) of Section 56301 shall be conducted by a credentialed school psychologist who is adequately trained and prepared to assess cultural and ethnic factors.

(e) Whenever a pupil transfers into a school district from a school district not operating programs under the same local comprehensive plan in which his or her last enrollment was in a special education program, the administrator of a local program under this chapter may place the pupil in a comparable program for a period not to exceed 30 days. Such an interim placement may be made without the complete documentation specified in subdivision (a). Before the expiration of the 30-day period such interim placement shall be reviewed by the school appraisal team or the educational assessment service and a final recommendation shall be made by the team or service in accordance with the requirements of this chapter. The team or service may utilize information, records, and reports from the admission proceedings of the school district or county program from which the pupil transferred

SEC. 14. Section 56341.4 of the Education Code is amended to read:

56341.4. Either party who disagrees with the determination of the fair hearing panel may file a petition, in writing, within 30 calendar days following the decision to request a review of the decision of the fair hearing panel before the Superintendent of Public Instruction

The review shall be conducted by the superintendent or his or her

designee or designees in accordance with regulations of the State Board of Education.

Within 30 calendar days after the petition for review has been filed, the superintendent or his or her designee or designees shall render a written, reasoned decision, which shall be the final administrative determination. Within 30 calendar days following the filing of such petition, a copy of the written decision shall be transmitted to the parent and the responsible local agency to inform them of the effective date of that determination and to notify either party of the right to appeal to a court of competent jurisdiction Upon the request of either party, the superintendent may extend the 30-day time limit

SEC. 15 Section 56362 2 of the Education Code is amended to read.

56362 2. (a) A sum of four hundred thousand dollars ($400,000) is annually appropriated from the General Fund to the Department of Education for the purpose of contracting or making grants for conducting research in the education of individuals with exceptional needs and gifted pupils. It is the intent of the Legislature that these funds be used to provide grants and contracts to individuals, organizations, agencies or institutions of higher education, other than the Department of Education, possessing personnel, facilities and the competencies necessary for successful completion of such studies. Each fiscal year the amount set forth in this subdivision shall be adjusted for inflation. The adjustment factor shall be jointly determined by the Department of Education and the Department of Finance.

(b) The Department of Education shall submit to the State Board of Education, by January 15 of each year, an annual program plan for research in the education of individuals with exceptional needs and gifted pupils. The plan shall contain a description of the procedures for the development, review, selection, monitoring and dissemination of such studies. The State Board of Education shall incorporate the following criteria in reviewing the annual plan:

(1) The plan accounts for coordination of all state and federal resources available to the Department of Education for research and program development in special education;

(2) The proposed priorities represent significant statewide problems in the education of individuals with exceptional needs and gifted pupils;

(3) Studies may be authorized for up to a three-year period subject to annual review and approval by the State Board of Education; and

(4) Studies funded through this section shall be coordinated with, but separate from, those activities defined within Section 56351.

(c) The Superintendent of Public Instruction may employ such personnel as may be required for the effective administration and dissemination of the research program activities The superintendent shall use funds allocated in subdivision (a) for this

purpose, provided such funds do not exceed 10 percent of the total amount apportioned.

(d) On the fifth legislative day of each year, the Department of Education shall report to the Joint Legislative Budget Committee on the research conducted pursuant to subdivision (a) of this section. The report shall contain the results of the research studies conducted, expenditure of funds, and recommendations for program changes for individuals with exceptional needs and gifted pupils.

SEC. 16. Section 56367 of the Education Code is amended to read:

56367. It is the intent of the Legislature that the role of the nonpublic, nonsectarian schools shall be maintained and continued as an alternative special education service available to special education services regions and parents.

(a) The contract for nonpublic school services, pursuant to paragraph (4) of subdivision (a) of Section 56332, shall be developed in accordance with the following provisions:

(1) The contract shall specify the administrative and financial agreements between the nonpublic school and the responsible local agency to provide the services included in the pupil's individualized educational program The contract may allow for partial or full-time attendance at the nonpublic school.

(2) The contract shall be negotiated for the length of time for which nonpublic school services are specified in the pupil's individualized educational program

Changes in educational services or placement provided under contract may only be made on the basis of revisions to the pupil's individualized educational program

At any time during the term of the contract the parent, nonpublic school, or responsible local agency may request a review of the pupil's individualized educational program by the educational assessment service. Changes in the administrative or financial agreements of the contract which do not alter the educational services or placement may be made at any time during the term of the contract as mutually agreed by the nonpublic school and the responsible local agency.

(3) The contract may be terminated for cause. Such cause shall not be the availability of a public class initiated during the period of the contract unless the parent agrees to the transfer of the pupil to a public school program. To terminate the contract either party shall give 20 days' notice

(b) If the pupil is enrolled in the nonpublic school with the approval of the responsible local agency prior to agreement to a contract, the responsible local agency shall issue a warrant, upon submission of an attendance report and claim, for an amount equal to the number of creditable days of attendance at the per diem rate agreed upon prior to the enrollment of the pupil. This provision shall be allowed for 90 calendar days during which time the contract shall be consummated. If after 60 calendar days the contract has not been finalized as prescribed in paragraph (1) of subdivision (a) of this

section, either party may appeal to the county superintendent of schools, if the county superintendent is not participating in the local comprehensive plan involved in the private school contract, or the Superintendent of Public Instruction, if the county superintendent is participating in the local comprehensive plan involved in the contract, to negotiate the contract. Within 30 calendar days of receipt of this appeal, the county superintendent or the Superintendent of Public Instruction, or his or her designee, shall develop a contract which shall be binding upon both parties.

(c) No contract for nonpublic school services shall be authorized under this chapter unless the private school has been certified as meeting those standards relating to the required special education services and facilities for individuals with exceptional needs. The certification shall result in the private school receiving approval to educate pupils under this chapter for a period no longer than five years from the date of such approval. The procedures, methods, and areas of certification shall be established by rules and regulations issued by the State Board of Education. The private school shall be charged a reasonable sum for this certification. In addition to those standards adopted by the State Board of Education, the private school shall meet all applicable standards relating to fire, health, sanitation, and building safety.

SEC. 17. Section 56506 of the Education Code is amended to read:

56506. No pupil shall be placed in a special education class for the mentally retarded if he scores higher than two standard deviations below the norm, considering the standard error of measurement, on an individual intelligence test selected from a list approved by the State Board of Education except as provided in Section 56508.

No pupil shall be placed in a special education program for the mentally retarded when he is being tested in a language other than English if he scores higher than two standard deviations below the norm, considering the standard error of measurement, on the nonverbal intelligence test or on the nonverbal portion of an individual intelligence test which includes both verbal and nonverbal portions except as provided in Section 56508.

No pupil may be placed in a special education program for the mentally retarded unless a complete psychological examination by a credentialed school psychologist investigating such factors as developmental history, cultural background, and school achievement substantiates the retarded intellectual development indicated by the individual test scores. This examination shall include use of adaptive behavior scales. The State Board of Education shall adopt guidelines pertaining to the selection and use by school districts of adaptive behavior scales and instruments. If the language spoken in the home is other than English, such interviews shall be conducted in the language of the home.

In the case of a pupil whose primary home language is other than English, the psychological evaluation shall be conducted in the pupil's primary home language It shall be administered by a

credentialed school psychologist fluent in the language of the pupil In the event such a person is not available, an interpreter qualified in the primary home language of the pupil shall be provided to assure effective communication between the pupil and the school psychologist administering the evaluation The district shall provide the interpreter with in-service training in the application of evaluation techniques and procedures, such training to be given under the direction of a school psychologist according to guidelines established by the State Board of Education.

After a pupil has been screened and referred, written permission for the individual psychological evaluation shall be secured in a conference with a school official and the parent or guardian or his authorized representative. After the individual psychological evaluation is completed, the psychologist shall confer with the parent or guardian or his authorized representative regarding the recommendation to the admission committee. Following the admission committee meeting, a committee member shall meet with the parent or guardian or his authorized representative to discuss the committee conclusion and to obtain written permission for placement.

No pupil shall be placed in a special education class for the mentally retarded without the written consent of the parent or guardian of the child after a complete explanation of the special education program. Permission documents for individual psychological evaluation, and placements, shall be written in English and in the language of the parent or guardian. Conferences and notices to inform the parent or guardian of the nature of the placement process, the committee conclusion, and the special education program shall be in the home language of the parent or guardian.

SEC. 18. Section 11 of Chapter 472 of the Statutes of 1968 is repealed.

SEC. 19. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because the Legislature finds and declares that this act makes only technical changes to existing law not requiring reimbursement. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 484

An act to amend Section 901 of the Penal Code, relating to grand juries.

[Became law without Governor's signature September 6, 1979 Filed with Secretary of State September 6, 1979]

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

SECTION 1. Section 901 of the Penal Code is amended to read:

901. The persons whose names are so returned shall be known as regular jurors, and shall serve for one year and until other persons are selected and returned; provided, that the presiding judge of the superior court shall name four regular jurors not previously so named, who served on the previous grand jury and who so consent, to serve for a second year.

CHAPTER 485

An act to amend Section 1062 of the Government Code, relating to state officers.

[Became law without Governor's signature September 6, 1979. Filed with Secretary of State September 6, 1979.]

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

SECTION 1. Section 1062 of the Government Code is amended to read:

1062. No state or municipal officer shall absent himself from the state for more than 60 days, unless either:

(a) Upon business of the state, or the municipality,

(b) With the consent of the Legislature, or the governing body of the municipality.

The prohibition of this section shall not apply to the Governor, Lieutenant Governor, Secretary of State, Attorney General, Controller, Treasurer, Superintendent of Public Instruction, a Member of the State Board of Equalization, a Member of the State Personnel Board, or a Member of the Legislature; provided, no such person shall reside outside the state.

In the case of illness or other urgent necessity, and upon a proper showing thereof the time limited for absence from the state shall be extended by:

(a) The Governor in the case of state officers.

(b) The city council or other governing body of the municipality in the case of municipal officers.

CHAPTER 486

An act to add Chapter 23 (commencing with Section 7800) to Division 7 of Title 1 of the Government Code, relating to documents.

[Became law without Governor's signature September 6, 1979. Filed with Secretary of State September 6, 1979.]

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

SECTION 1. Chapter 23 (commencing with Section 7800) is added to Division 7 of Title 1 of the Government Code, to read:

CHAPTER 23. DOCUMENTS AND WRITTEN REPORTS

7800. (a) Any document or written report prepared for or under the direction of a state or local agency, which is prepared in whole or in part by nonemployees of such agency, shall contain the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of such document or written report; provided, however, that the total cost for work performed by nonemployees of the agency exceeds five thousand dollars ($5,000). The contract and subcontract numbers and dollar amounts shall be contained in a separate section of such document or written report.

(b) When multiple documents or written reports are the subject or product of the contract, the disclosure section may also contain a statement indicating that the total contract amount represents compensation for multiple documents or written reports.

SEC. 2. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections 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. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 487

An act to amend, repeal, and add Section 23039 of, and to add and repeal Section 24045.7 of, the Business and Professions Code, relating to alcoholic beverages, and making an appropriation therefor.

[Became law without Governor's signature September 6, 1979. Filed with Secretary of State September 6, 1979.]

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

SECTION 1. Section 23039 of the Business and Professions Code is amended to read:

23039. (a) "Public premises" means:

(1) Premises licensed with any type of license other than an on-sale beer license, and maintained and operated for the selling or serving of alcoholic beverages to the public for consumption on the premises, and in which food shall not be sold or served to the public as in a bona fide public eating place, but upon which premises food products may be sold or served incidentally to the sale or service of alcoholic beverages, in accordance with rules prescribed by the department.

(2) Premises licensed with an on-sale beer license, in which food shall not be sold or served to the public as in a bona fide public eating place, and in which sandwiches, salads, desserts, and similar short orders shall not be sold and served, in accordance with rules prescribed by the department

(b) "Public premises" does not include railroad dining or club cars, passenger ships, airplanes, or bona fide clubs after such clubs have been lawfully operated for not less than one year; nor does it include historic units of the state park system, premises being operated under a temporary on-sale beer license other than permitted pursuant to Section 24045.5, or on-sale beer licensed stadia, auditoria, fairgrounds, or racetracks; nor does it include nonprofit theater companies licensed pursuant to Section 24045.7.

This section shall remain in effect only until January 1, 1985, and as of that date is repealed.

SEC. 2. Section 23039 is added to the Business and Professions Code, to read·

23039. (a) "Public premises" means.

(1) Premises licensed with any type of license other than an on-sale beer license, and maintained and operated for the selling or serving of alcoholic beverages to the public for consumption on the premises, and in which food shall not be sold or served to the public as in a bona fide public eating place, but upon which premises food products may be sold or served incidentally to the sale or service of alcoholic beverages, in accordance with rules prescribed by the department.

(2) Premises licensed with an on-sale beer license, in which food shall not be sold or served to the public as in a bona fide public eating place, and in which sandwiches, salads, desserts, and similar short orders shall not be sold and served, in accordance with rules prescribed by the department.

(b) "Public premises" does not include railroad dining or club cars, passenger ships, airplanes, or bona fide clubs after such clubs have been lawfully operated for not less than one year, nor does it include historic units of the state park system, premises being operated under a temporary on-sale beer license other than

permitted pursuant to Section 24045.5, or on-sale beer licensed stadia, auditoria, fairgrounds, or racetracks.

This section shall become operative on January 1, 1985.

SEC. 3. Section 24045.7 is added to the Business and Professions Code, to read:

24045.7. The department may issue a special on-sale general license to any nonprofit theater company which has been in existence for at least 10 years and which is exempt from the payment of income taxes under the provisions of Section 23701d of the Revenue and Taxation Code and Section 501(c)(3) of the Internal Revenue Code of 1954 of the United States.

Theater companies holding a license under this section may, subject to Section 25631, sell and serve alcoholic beverages to ticketholders only during, and one hour prior to and one hour after, a bona fide theater performance of the company.

An applicant for such a license shall accompany the application with an original issuance fee of one thousand dollars ($1,000) and shall pay an annual renewal fee as provided in subdivision (30) of Section 23320.

This section shall remain in effect only until January 1, 1985, and as of such date is repealed.

CHAPTER 488

An act to add and repeal Section 2153.3 of, and to repeal Section 2155 of, the Business and Professions Code, relating to healing arts.

[Approved by Governor September 7, 1979. Filed with Secretary of State September 7, 1979.]

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

SECTION 1. Section 2153.3 is added to the Business and Professions Code, to read:

2153.3. On and after January 1, 1980, the Division of Allied Health Professions shall include in the report to the Legislature required by Section 2153 1, a description of all the complaints received, disciplinary actions taken, and prosecutions brought by the division which involve the practice of acupuncture by licensed acupuncturists.

This section shall remain operative only until February 1, 1985, and as of such date is repealed.

SEC. 2. Section 2155 of the Business and Professions Code is repealed.

CHAPTER 489

An act to amend Sections 16120 1 and 16150 of the Welfare and Institutions Code, relating to adoption.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 16120 1 of the Welfare and Institutions Code is amended to read:

16120.1. From any funds appropriated therefor, the state shall reimburse private adoption agencies licensed pursuant to Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code for costs of aid to adoption programs for hard-to-place children, less the amount of any fees received by such agencies from adoptive parents. Such agencies shall be reimbursed for placement of hard-to-place children in an amount not to exceed two thousand dollars ($2,000) per placement.

SEC. 2. Section 16150 of the Welfare and Institutions Code, as added by Chapter 363 of the Statutes of 1975, is amended to read:

16150 From any funds appropriated therefor, the state shall reimburse private adoption agencies licensed pursuant to Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code for the placing for adoption of a child who meets all of the following criteria:

(a) The child is a hard-to-place child, as defined in Section 16116; and

(b) The child has been relinquished or freed from parental control to a California public agency, and

(c) The child has been placed with adoptive parents who are not eligible for fee reduction or other subsidy under an aid for adoption program for hard-to-place children as permitted by Section 16120.

The amount of the reimbursement for each placement shall be equal to the actual cost to the private adoption agency of the placement, less the amount of the private adoption agency's fee applicable to the adoptive parents, provided that the amount of such reimbursement shall not exceed one thousand five hundred dollars ($1,500) for any single placement

No private adoption agency shall be reimbursed for the costs incurred in placing a hard-to-place child under both this section and Section 16120.1.

CHAPTER 490

An act to add Section 1205.5 to the Health and Safety Code, relating to health, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 1205.5 is added to the Health and Safety Code, to read:

1205.5. A clinic which has been verified by the Licensing and Certification Division of the State Department of Health Services and the Office of Statewide Health Planning and Development as having (1) provided chronic dialysis and (2) been licensed as an outpatient clinic, before September 26, 1978, shall not be required to have a certificate of need pursuant to Part 1 5 (commencing with Section 437) of Division 1 in order to obtain licensure as a chronic dialysis clinic. A clinic which has been verified by the Licensing and Certification Division of the State Department of Health Services and the Office of Statewide Health Planning and Development as having (1) provided surgical services, (2) been licensed as an outpatient clinic and (3) been eligible to receive Medi-Cal reimbursement as an outpatient clinic in connection with such surgical services, before September 26, 1978, shall not be required to have a certificate of need pursuant to Part 1.5 (commencing with Section 437) of Division 1 in order to obtain licensure as a surgical clinic.

Nothing in this section shall, however, be construed to exempt a clinic subject to this section from the requirement for a certificate of need with respect to projects specified in subdivision (c), (d), or (e) of Section 437 10, or with respect to changes of licensure category occurring subsequent to initial licensure as a specialty clinic pursuant to this section

A clinic which has been verified by the Licensing and Certification Division of the State Department of Health Services and the Office of Statewide Health Planning and Development as having (1) provided surgical services, (2) been licensed as an outpatient clinic and (3) been eligible to receive Medi-Cal reimbursement as an outpatient clinic in connection with such surgical services, before September 26, 1978, and which meets the requirements for licensure as a surgical clinic, need not operate on an open-staff basis in order to be licensed as a surgical clinic.

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

Unless immediate legislative action is taken, uncertainties resulting from the implementation of Chapter 1147 of the Statutes of 1978 may require outpatient clinics providing necessary surgical and kidney dialysis services to suspend their current services with attendant great medical and financial hardship to patients and the clinics.

CHAPTER 491

An act to add Section 22017 to the Government Code, relating to public employees.

[Approved by Governor September 7, 1979. Filed with Secretary of State September 7, 1979.]

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

SECTION 1. Section 22017 is added to the Government Code, to read:

22017. Notwithstanding any other provision of law, the state and any public agency may establish a separate object of appropriation or a subobject of appropriation within salaries and employee benefits for the payment of compensation to employees who are on approved leaves of absence on account of sickness. The amount of compensation to be paid to employees under this object or subobject shall be that established by statute, salary ordinance or statement, except that no compensation shall be paid when an employee is on authorized leave without pay even though such leave may be on account of sickness.

CHAPTER 492

An act to amend Section 17500 of the Business and Professions Code, relating to untrue advertising.

[Approved by Governor September 7, 1979. Filed with Secretary of State September 7, 1979.]

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

SECTION 1. Section 17500 of the Business and Professions Code is amended to read:

17500. It is unlawful for any person, firm, corporation or association, or any employee thereof with intent directly or indirectly to dispose of real or personal property or to perform services, professional or otherwise, or anything of any nature whatsoever or to induce the public to enter into any obligation

relating thereto, to make or disseminate or cause to be made or disseminated before the public in this state, or to make or disseminate or cause to be made or disseminated from this state before the public in any state, in any newspaper or other publication, or any advertising device, or by public outcry or proclamation, or in any other manner or means whatever, any statement, concerning such real or personal property or services, professional or otherwise, or concerning any circumstance or matter of fact connected with the proposed performance or disposition thereof, which is untrue or misleading, and which is known, or which by the exercise of reasonable care should be known, to be untrue or misleading, or for any such person, firm, or corporation to so make or disseminate or cause to be so made or disseminated any such statement as part of a plan or scheme with the intent not to sell such personal property or services, professional or otherwise, so advertised at the price stated therein, or as so advertised. Any violation of the provisions of this section is a misdemeanor punishable by imprisonment in the county jail not exceeding six months, or by a fine not exceeding two thousand five hundred dollars ($2,500), or by both.

SEC 2 Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, there shall be no appropriation made by this act pursuant to these sections 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 agencies and school districts which, in the aggregate, do not result in significant identifiable cost changes. Paragraph (2) of subdivision (c) of Section 2253.2 of that code precludes the State Board of Control from considering claims for costs incurred by the creation of a new crime or infraction or by changes in the penalty for a crime or infraction, but the Department of Finance shall make the report required by Section 2246 of that code on costs mandated by this act.

CHAPTER 493

An act to amend Section 798.55 of the Civil Code, relating to mobilehomes

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 798 55 of the Civil Code is amended to read.

798.55 (a) The Legislature finds and declares that, because of the high cost of moving mobilehomes, the potential for damage resulting therefrom, the requirements relating to the installation of mobilehomes, and the cost of landscaping or lot preparation, it is

necessary that the owners of mobilehomes occupied within mobilehome parks be provided with the unique protection from actual or constructive eviction afforded by the provisions of this chapter.

(b) The management shall not terminate or refuse to renew a tenancy, except for a reason specified in this article and upon the giving of written notice to the tenant in the manner prescribed by Section 1162 of the Code of Civil Procedure, to remove the mobilehome from the park within a period of not less than 60 days, which period shall be specified in the notice.

SEC. 2. The amendment of this section made at the 1979–80 Regular Session of the Legislature does not constitute a change in, but is declaratory of, existing law.

CHAPTER 494

An act to add Sections 1638.5 and 10010.2 to the Elections Code, relating to elections.

[Approved by Governor September 7, 1979. Filed with Secretary of State September 7, 1979.]

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

SECTION 1. Section 1638.5 is added to the Elections Code, to read:

1638.5. When designating polling places, the clerk may undertake necessary measures in his locating of polling places to insure that polling places meet the requirements specified by the State Architect for accessibility by the physically handicapped.

SEC. 2. Section 10010.2 is added to the Elections Code, to read:

10010.2. The notice of the polling place which is sent to each voter as provided in Section 10010 shall inform the voter as to whether the polling place is accessible to the physically handicapped. In addition, such notice shall inform the voter of his rights under Section 14234, if applicable.

SEC. 3. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, there shall be no appropriation made by this act pursuant to these sections 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. It is recognized, however, that a local agency or school district may pursue any other remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 495

An act to amend Section 1170.3 of the Penal Code, relating to criminal sentencing.

[Approved by Governor September 7, 1979. Filed with Secretary of State September 7, 1979.]

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

SECTION 1. Section 1170.3 of the Penal Code is amended to read:

1170.3. The Judicial Council shall seek to promote uniformity in sentencing under Section 1170, by:

(a) The adoption of rules providing criteria for the consideration of the trial judge at the time of sentencing regarding the court's decision to:

(1) Grant or deny probation.

(2) Impose the lower or upper prison term.

(3) Impose concurrent or consecutive sentences.

(4) Consider an additional sentence for prior prison terms.

(5) Impose an additional sentence for being armed with a deadly weapon, using a firearm, an excessive taking or damage, or the infliction of great bodily injury.

(b) The adoption of rules standardizing the minimum content and the sequential presentation of material in probation officer reports submitted to the court.

CHAPTER 496

An act to add Section 51218 to the Education Code, relating to schools.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 51218 is added to the Education Code, to read:

51218. Separate standards of proficiency shall be established for reading comprehension, writing, computation skills, and any other skill area or areas which a school district governing board designates. A separate assessment shall be made of the pupil's proficiency in each skill area, and a separate score shall be given to the pupil's proficiency in each skill area.

CHAPTER 497

An act to amend Sections 55403, 55682, 56109, and 56302 of, to add Section 55601 4 to, to add Article 10.5 (commencing with Section 55701) to Chapter 6 of Division 20 of, to repeal Section 56303 of, and to repeal Article 8.5 (commencing with Section 56315) of Chapter 7 of Division 20 of, the Food and Agriculture Code, relating to agriculture.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 55403 of the Food and Agricultural Code is amended to read:

55403 "Farm product" includes every agricultural, horticultural, viticultural, or vegetable product of the soil, honey and beeswax, oilseeds, poultry, poultry product, livestock product, and livestock for immediate slaughter. It does not include timber or any timber product or milk or any milk product.

SEC. 2. Section 55601.4 is added to the Food and Agricultural Code, to read.

55601.4. Notwithstanding the provisions of Section 55601, every processor who purchases livestock for slaughter shall make full payment of such livestock, by the transfer of collected funds to the seller's account, within two business days from the delivery of such livestock to the processor.

For purposes of this section, "business day" means any day which is a business day under the provisions of Section 9 of the Civil Code.

SEC. 2.5. Section 55682 of the Food and Agricultural Code is amended to read:

55682. Notwithstanding any other provisions of this code, except for Article 10 5 (commencing with Section 55701), a producer shall not have a lien on any farm product or any manufactured or processed product which is derived from any farm product that is hypothecated or pledged, within the period of financing which is specified in the statement that is filed with the director as provided in this article, to any lender that, at the time of the hypothecation or pledging, advances new value to the processor, and that, at least 15 days prior to the time of the making of any loan or the advancing of any moneys to secure the repayment of which such processor hypothecates or pledges any farm product or any manufactured or processed product which is derived from the farm product, has filed a statement in writing with the director, which is signed by the lender and the processor and contains all of the following:

(a) A designation of the name of the lender and the processor, and the chief place of business of each within this state.

(b) A statement that the lender is engaged, or expects to be

engaged, in financing the processor on the hypothecation or pledging of farm products or the manufactured or processed products which are derived from farm products, and the times within which the financing shall take place.

SEC. 3. Article 10.5 (commencing with Section 55701) is added to Chapter 6 of Division 20 of the Food and Agricultural Code, to read:

Article 10.5. Liens on Livestock Sold or Delivered to Meatpackers

55701. As used in this article, the following definitions shall apply:

(a) "Livestock" means any cattle, sheep, swine, goat, or any horse, mule, or other equine, whether living or dead.

(b) "Meatpacker" means an establishment where livestock are either slaughtered, the carcasses thereof are prepared, or meat is processed and where state or federal inspection is maintained.

55702. (a) Except as otherwise provided in this section, any person who sells or furnishes livestock to a meatpacker, shall have a lien, not dependent upon possession, on such livestock and upon the identifiable proceeds and products thereof, for the unpaid part of the purchase price, or for the unpaid value of the livestock at the time of the transfer of possession if no purchase price has been agreed upon. The lien shall commence on the date of the transfer of possession of the livestock to the meatpacker and shall have priority over all other liens upon, and security interests in, the livestock and the identifiable proceeds and products thereof, without regard to the time of attachment or perfection of such other liens or security interests and shall remain a lien upon the livestock and the identifiable proceeds and products thereof notwithstanding sale, exchange, or other disposition thereof.

(b) Notwithstanding the provisions of subdivision (a), a buyer in the ordinary course of business, as that term is defined in subdivision (9) of Section 1201 of the Commercial Code, shall take free of such lien even though such buyer knows of the existence of such lien.

(c) Notwithstanding the provisions of subdivision (a), such lien shall cease to be of any force or effect after the expiration of 21 days from the date of delivery of the livestock unless a notice of lien is filed pursuant to subdivision (e), in which case the lien shall remain effective as long as such notice shall remain effective.

(d) No person shall have a lien pursuant to subdivision (a) to the extent that such person shall have made the livestock available to the meatpacker on credit terms.

(e) Any person selling or delivering livestock who claims a lien under this article shall file a statement with the Secretary of State and a copy thereof with the director both, within 21 days after delivery of the livestock to the meatpacker. The statement shall be in writing, verified by the oath of the person filing, and shall contain all of the following:

(1) The name and address of the person filing

(2) A statement of the amount demanded by the person filing the statement after deducting all credits and offsets.

(3) The name and address of the meatpacker who received the livestock

(4) A description of the livestock delivered to the meatpacker and the date of delivery.

(5) A statement that the amount claimed is a true and bona fide existing debt as of the date of the statement.

(6) A statement that the amount claimed is a true and bona fide existing debt as of the date on which payment was due for the livestock.

(f) Every statement which is filed shall be accompanied by the fees required by Chapter 4 (commencing with Section 9401) of Division 9 of the Commerical Code in the case of a financing statement not on the standard form and shall remain effective for a period of five years from the date of filing.

55703. Except as provided in this section, any lien created under Section 55702 shall continue in force for a period of five years from the date of filing of the notice of lien. The lien shall cease at the expiration of five years unless the claimant thereof, or his assignee, or successor in interest, brings suit to foreclose the lien, in which case the lien continues in force until such lien foreclosure suit is finally determined and closed. If such foreclosure proceeding is not prosecuted to trial within two years after the commencement thereof, the court may in its discretion dismiss the foreclosure suit.

The plaintiff in any such lien foreclosure suit may have the property upon which such lien subsists attached, as provided in the Code of Civil Procedure.

Any number of persons claiming liens under this article may join in the same action and when separate actions are commenced, the court may consolidate them. Whenever the sale of the property subject to any lien or liens provided for in this article, under the judgment or decree of foreclosure of such lien or liens, results in a deficiency of proceeds, the proceeds shall be divided pro rata among the lien claimants whose liens are established, regardless of the order in which the liens were created or the order in which the suits to foreclose same were commenced, and the judgment or decree for the deficiency may be docketed against the party personally liable therefor and his sureties, in the same manner and with the same effect as in actions for the foreclosure of security interests.

Nothing contained in this article shall be construed to impair or affect the right of any person to whom any debt may be due for livestock sold or delivered to maintain a personal action to recover such debt against the person liable therefor, or his sureties, either in connection with a suit to foreclose the lien or in a separate action. Any person bringing such personal action may take out a separate attachment therefor, notwithstanding his lien or the amount of his debt In the affidavit to procure an attachment pursuant to such personal action, such person shall state that the attachment is made

pursuant to this section, and the judgment, if any, obtained by the plaintiff in such personal action shall not be construed to impair or merge any lien held by such person under this article Any money collected on such personal judgment shall be credited on the amount of such lien in any action brought to enforce the lien.

55704. Any rights or remedies granted to a person who sells livestock pursuant to this article, are in addition to any other rights or remedies provided by law for such seller.

SEC. 3.5 Section 56109 of the Food and Agricultural Code is amended to read·

56109. "Farm product" includes every agricultural, horticultural, viticultural, and vegetable product of the soil, poultry and poultry products, livestock products and livestock not for immediate slaughter, bees and apiary products, hay, dried beans, honey, and cut flowers. It does not, however, include any timber or timber product, or any milk product which is subject to the licensing and bonding provisions of Chapter 2 (commencing with Section 61801), Part 3, Division 21 of this code.

SEC. 4. Section 56302 of the Food and Agricultural Code is amended to read

56302 Every dealer shall pay for any farm product which is delivered to him at the time and in the manner which is specified in the contract with the producer. If no time is set by such contract, or at the time of the delivery, he shall pay for the farm product within 30 days from the delivery or taking possession of such farm product.

SEC 5 Section 56303 of the Food and Agricultural Code is repealed.

SEC. 6. Article 8.5 (commencing with Section 56315) of Chapter 7 of Division 20 of the Food and Agricultural Code is repealed

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CHAPTER 498

An act to amend Section 16058, relating to school building aid, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979.]

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

SECTION 1. Section 16058 of the Education Code is amended to read:

16058. No apportionment to a school district shall become final unless (a) the total amount of outstanding bonds of the district exceeds ninety-five percent (95%) of the basic bond requirement of the district on the date the conditional apportionment is made, or (b) if the total amount of the bonds of the district outstanding and unpaid is within twenty-five thousand dollars ($25,000) of the basic

bond requirement of the district on the date the conditional apportionment is made, or (b) if the total amount of the bonds of the district outstanding and unpaid is within twenty-five thousand dollars ($25,000) of the basic bond requirement of the district, as of the date on which the conditional apportionment is made, or (c) the district has issued and sold pursuant to this section, and as a condition to the initial conditional apportionment, an amount of bonds equal to the total cost of the project for which the apportionment was made, including necessary contingencies. At the time the board makes a conditional apportionment pursuant to Section 16024, it shall determine the total amount of bonds which shall be issued and sold by such district, the proceeds of which shall be applied toward the cost of the project for which the apportionment is sought The amount so determined by the board shall be not less than the minimum amount required for such apportionment to become final under this section. Any apportionment made by the board pursuant to Section 16024 shall be conditioned upon the approval and sale of such bonds by the district. The amount of any apportionment for a construction project made as a consequence of applying district bond proceeds toward the reduction of prior apportionments pursuant to this section instead of applying the district bond proceeds toward the cost of such construction project, shall be excluded in determining the amount chargeable against the apportionments authorized by the electorate of the district to be accepted, expended and repaid. It is hereby declared that this provision, added by the amendment to this section enacted at the 1958 First Extraordinary Session of the Legislature, is not intended as a change in the law, but rather as a declaration of existing law

Any provision of this code to the contrary notwithstanding, whenever the electors of a district, subsequent to any requirement by the board for the sale of bonds in connection with an apportionment, authorize the issuance of bonds for any purpose for which an apportionment could lawfully be made, such authorization shall, in addition to the purposes specified, be deemed to constitute the consent of the electors to apply the proceeds of the bonds so required to be sold by the board toward the reduction of any apportionment previously made district, subsequent to any requirement by the board for the sale of bonds in connection with an apportionment, authorize the issuance of bonds for any purpose for which an apportionment could lawfully be made, such authorization shall, in addition to the purposes specified, be deemed to constitute the consent of the electors to apply the proceeds of the bonds so required to be sold by the board toward the reduction of any apportionment previously made to such district Any bond funds used to reduce any apportionment pursuant to this section shall be transferred to the State School Building Aid Fund and shall be available for reapportionment by the board The amount so determined by the board shall be not less than the minimum amount required for such apportionment to become final under this section

Any apportionment made by the board pursuant to Section 16024 shall be conditioned upon the approval and sale of such bonds by the district

No apportionment to a school district under this chapter shall become final, nor any agreement authorized by Section 16042 be entered into unless at an election called by the governing board of the district, two-thirds of the qualified electors of the district voting thereat have authorized the governing board to accept, expend and repay as provided in this chapter and apportionment under the provisions thereof or, with respect to said agreement, to obligate the district in an amount equal to or in excess of the maximum amount which the district could be obligated bonds, except that the ballot shall contain substantially the following words:

"Shall the governing board of the district be authorized (1) to accept and expend an apportionment from the State of California under and subject to the provisions of Chapter 8 (commencing with Section 16000) of Part 10 of Division 1 of Title 1 of the Education Code, which amount is subject to repayment as provided by said chapter, or (2) to enter into an agreement or agreements with the state pursuant to Section 16042 of the Education Code, which will at the time of such agreement or agreements (or at the time of any subsequent act of the governing board, or for which it is responsible, contemplated or permitted thereby) commit the district to a total expenditure in connection with all such agreements of not more than _____dollars ($_____), or both. Yes_____ No_____ "

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

New arbitrage regulations of the Internal Revenue Service disqualify from income tax exemption school bonds, the proceeds of which are used to refund other bonds, such as state bonds which are the basis of state loan funds. School building projects currently under construction which utilize state loan funds are in immediate need of additional moneys to meet existing contract commitments. In order to avoid the refunding problem and to make school bonds marketable so that contract commitments can be met as soon as possible, and, so the school loan program can continue, it is necessary that this act take effect immediately

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CHAPTER 499

An act to amend Section 42400 of the Health and Safety Code, relating to air pollution

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

The people of the State of California do enact as follows

SECTION 1. Section 42400 of the Health and Safety Code is amended to read:

42400. (a) Any person who violates any provision of this part, or any order, rule, or regulation of the state board or of a district adopted pursuant to this part, is guilty of a misdemeanor.

(b) Every day during any portion of which such violation occurs constitutes a separate offense.

(c) If a violation under subdivision (a) of this section with regard to the failure to operate a vapor recovery system on a gasoline cargo tank is directly caused by the actions of an employee under the supervision of, or of any independent contractor working for, any person subject to this part, the employee or independent contractor, as the case may be, causing the violation is guilty of a misdemeanor. Such liability shall not extend to the person employing the employee or retaining the independent contractor, unless that person is separately guilty of any action violating any provision of this part.

CHAPTER 500

An act to amend Section 1242.7 of the Business and Professions Code, relating to clinical laboratories.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 1242.7 of the Business and Professions Code is amended to read:

1242.7. The department shall by regulation authorize unlicensed personnel who are employed as hemodialysis technicians in licensed clinics or hospitals, as defined respectively in Sections 1204 and 1250 of the Health and Safety Code, to perform venipuncture and arterial puncture for the purpose of providing dialysis treatment for a patient as defined by regulations of the department. The department shall establish the minimum training required for such persons.

CHAPTER 501

An act making an appropriation to pay the settlement of a claim, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. The sum of seventy thousand dollars ($70,000) is hereby appropriated from the General Fund to the State Department of Justice to pay the settlement of the claims of Sharlene Vann and Renee Vann in the case entitled Vann v. State of California, brought in the Superior Court of the State of California for the County of Los Angeles for the death of Ray Vann in Metropolitan State Hospital.

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 pay the settlement arising out of an action brought by the above specified persons, and ending a hardship to such persons as quickly as possible, it is necessary for this act to take effect immediately.

CHAPTER 502

An act making an appropriation to obtain payment of a judgment, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. The sum of fifty-one thousand one hundred forty-five dollars and seventy-five cents ($51,145 75) is hereby appropriated from the General Fund to the State Controller for allocation and disbursement as required in Section 1510 of the Probate Code for satisfaction of judgment in the case of Schramm, et al. v. State of California, et al., Sonoma County, Superior Court, No. 78516.

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:

This case involved the drowning of a Napa State Hospital patient who was the mother of a 16-year old son The boy is in urgent need of the judgment payment for his general support. In particular, he is in need of the funds for current educational expenses

CHAPTER 503

An act to add Section 13336.5 to the Government Code, relating to budgets, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1 Section 13336.5 is added to the Government Code, to read:

13336.5. (a) The department, on or before January 31st, after the budget is submitted, shall submit a plan, and annually report, to the Legislature on the methods and procedures used in establishing budget priorities as follows:

(1) The bases used in establishing budget targets and the process used in ascertaining which programs and levels of service are to be continued within the base, including an analysis performed to substantiate maintaining such programs and levels of service within the base.

(2) The process used in identifying low priority programs and analysis provided where programs are proposed for elimination or adjustment

(3) The process used in developing proposals for new programs or improved levels of service, including analyses provided to substantiate the need for program changes.

The plan shall include a schedule of implementation for some state agencies, including at least four of the agencies and departments listed in Section 12016, commencing with the budget for the 1982–83 fiscal year and for all other state agencies on or before the 1984–85 fiscal year

(b) The department shall deliver a report to the chairman of each fiscal committee and the Joint Legislative Budget Committee on or before December 1, 1979, of the plan for the establishing of budget priorities developed pursuant to this section, and shall provide status reports on any changes contemplated in the plan on or before July 1, 1980, December 1, 1980, and July 1, 1981.

(c) The report, with respect to the plan and the analysis which substantiates the need for program changes, shall be submitted to the chairmen of the fiscal committees of the Legislature and to the Legislative Analyst The background data used in formulating the analysis shall also be made available upon request The Legislative Analyst shall utilize such information in the analysis of the budget bill and shall include an evaluation of the implementation of this section by department

(d) It is the intent of the Legislature, in enacting this section, to increase governmental efficiency at the state level by eliminating

ineffective and low priority programs, to increase program effectiveness evaluation of all programs and evaluation of alternatives, and to generally review efficiency, effectiveness, and prioritization of programs.

It is further the intent of the Legislature that the department coordinate the implementation of budget priorities review with the implementation of the improvements in the state's accounting and budgeting system required by this article.

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 that this act may take effect at the earliest opportunity and a report made to the Legislature no later than December 1, 1979, it is necessary that this act take effect immediately.

CHAPTER 504

An act to amend Sections 12301 and 12304 of, and to add Sections 12301.1 and 12304.1 to, the Welfare and Institutions Code, relating to in-home supportive services.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979.]

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

SECTION 1. Section 12301 of the Welfare and Institutions Code is amended to read:

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. The Legislature further intends that necessary in-home supportive services shall be provided in a uniform manner in every county based on individual need consistent with the provisions of this chapter, in the absence of alternative in-home supportive services of equivalent quality provided by an able and willing individual or local agency at no cost to the recipient, except as required under Section 12304.5.

SEC. 2. The amendment made by Section 1 of this act at the 1979–80 Regular Session of the Legislature does not constitute a change in, but is declaratory of, the existing law.

SEC. 3. Section 12301.1 is added to the Welfare and Institutions Code, to read

12301.1. The department shall adopt regulations establishing a uniform range of services available to all eligible recipients based upon individual needs

SEC. 4. Section 12304 of the Welfare and Institutions Code is

amended to read:

12304. (a) Any aged, blind, or disabled individual who is eligible for assistance under this chapter or Chapter 4 (commencing with Section 12500) who is in need, as determined by the county welfare department, of at least 20 hours per week of the services specified in subdivision (e), shall be eligible to receive services under this article, the total cost of which does not exceed four hundred fifty dollars ($450) per month, plus adjustments reflecting cost-of-living changes subsequent to January 1, 1974, as determined under Section 12201. Increases in the maximum amount payable under this section shall not be construed to mean automatic increases in the amounts payable under this article.

(b) An individual who is eligible for services subject to the maximum amount specified in subdivision (a) and who is capable of handling his or her own financial and legal affairs shall be given the option of hiring and paying his own provider of in-home supportive services. For this purpose such individual shall be entitled to receive a monthly cash payment in advance not to exceed the maximum amount specified in subdivision (a), which is in addition to his grant, if any Such an individual who is not capable of handling his own financial and legal affairs shall be entitled to receive such cash payment through his guardian, conservator or protective payee.

(c) In no event shall the maximum total cost for services and advance cash payment for one individual recipient under subdivisions (a) and (b) exceed the maximum of four hundred fifty dollars ($450) per month, as adjusted pursuant to subdivision (a).

(d) The county welfare department shall inform in writing any individual who is potentially eligible for services under this section of his or her right to such services.

(e) For purposes of this section, a recipient who is eligible for services subject to the maximum amount specified in subdivision (a) and who has the option of hiring and paying his or her own provider 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;

(4) Moving into and out of bed;

(5) Routine bed bath; or

(6) Ambulation;

(7) Or for any other function of daily living as determined by the director.

This determination of need must be supported by a medical report when requested and at the expense of the State Department of Social Services.

(f) The county welfare department shall review the provisions of services under this section at least every six months

(g) Funding for the in-home supportive services under this section 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.

SEC. 5 Section 12304.1 is added to the Welfare and Institutions Code, to read·

12304.1. In the selection of attendants to perform services pursuant to this article, preference shall be given to any qualified individual provider who is chosen by any recipient of the services listed in subparagraphs (1) to (7), inclusive, under subdivision (e) of Section 12304, including any person in subdivision (b) of Section 12304 who does not exercise the options stated in subdivision (b) of Section 12304.

With respect to counties which provide services pursuant to subsection (e) of Section 12304 to persons who receive fewer than 20 hours per week of such services exclusively through an agency contract, this section shall not become operative for those persons receiving such services pursuant to the agency contract, until the existing contract terminates.

CHAPTER 505

An act to amend Section 25402 of the Public Resources Code, relating to energy standards.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 25402 of the Public Resources Code is amended to read·

25402. The commission shall, after one or more public hearings, do all of the following, in order to reduce the wasteful, uneconomic, inefficient, or unnecessary consumption of energy

(a) Prescribe, by regulation, lighting, insulation climate control system, and other building design and construction standards which increase the efficiency in the use of energy for new residential and new nonresidential buildings. Such standards shall be cost effective, when taken in their entirety, and when amortized over the economic life of the structure when compared with historic practice. The commission shall periodically update the standards and adopt such revisions as in its judgment it deems necessary. In prescribing standards for insulation, the commission shall take into consideration the standards developed pursuant to Chapter 11 (commencing with Section 19870) of Part 3 of Division 13 of the Health and Safety Code, which standards shall only be operative until the date one year after the date that the commission adopts regulations for energy insulation

for residential buildings pursuant to this subdivision. Six months after the commission adopts regulations pursuant to this subdivision, no city, county, city and county, or state agency shall issue a permit for any building unless the building satisfies the standards prescribed by the commission pursuant to this subdivision or subdivision (b) of this section which are in effect on the date an application for a building permit is filed

(b) Prescribe by regulation, energy conservation design standards for new residential and new nonresidential buildings. Such standards shall be performance standards and shall be promulgated in terms of energy consumption per gross square foot of floor space, but may also include devices, systems, and techniques required to conserve energy The standards shall be cost effective when taken in their entirety, and when amortized over the economic life of the structure when compared with historic practices. The commission shall periodically review the standards and adopt such revisions as in its judgment it deems necessary. A building that satisfies the standards prescribed pursuant to this subdivision need not comply with the standards prescribed pursuant to subdivision (a) of this section.

(c) By regulation, prescribe standards for minimum levels of operating efficiency, based on a reasonable use pattern, for all appliances whose use, as determined by the commission, requires a significant amount of energy on a statewide basis. Such minimum levels of operating efficiency shall be based on feasible and attainable efficiencies or feasible improved efficiencies which will reduce the electrical energy consumption growth rate. Such standards shall become effective no sooner than one year after the date of adoption or revision. No new appliance manufactured on or after the effective date of such standards may be sold or offered for sale in the state, unless it is certified by the manufacturer thereof to be in compliance with such standards. One year after the effective date of such standards, no new appliance, regardless of the date of manufacture, may be sold or offered for sale in the state, unless it is certified by the manufacturer thereof to be in compliance with such standards. Such standards shall be drawn so that they do not result in any added total costs to the consumer over the designed life of the appliances concerned

(d) Recommend minimum standards of efficiency for the operation of any new facility at a particular site which are technically and economically feasible. No site and related facility shall be certified pursuant to Chapter 6 (commencing with Section 25500) of this division, unless the applicant certifies that standards recommended by the commission have been considered, which certification shall include a statement specifying the extent to which conformance with the recommended standards will be achieved.

Whenever the provisions of this section and the provisions of Chapter 11 5 (commencing with Section 19878) of Part 3 of Division 13 of the Health and Safety Code are in conflict, the commission shall be governed by the provisions of such chapter of the Health and

Safety Code to the extent of such conflict.

SEC. 2. Section 25402 of the Public Resources Code is amended to read:

25402 The commission shall, after one or more public hearings, do all of the following, in order to reduce the wasteful, uneconomic, inefficient, or unnecessary consumption of energy:

(a) Prescribe, by regulation, lighting, insulation climate control system, and other building design and construction standards which increase the efficiency in the use of energy for new residential and new nonresidential buildings. Such standards shall be cost effective, when taken in their entirety, and when amortized over the economic life of the structure when compared with historic practice. The commission shall periodically update the standards and adopt such revisions as in its judgment it deems necessary. In prescribing standards for insulation, the commission shall take into consideration the standards developed pursuant to Chapter 11 (commencing with Section 19870) of Part 3 of Division 13 of the Health and Safety Code, which standards shall only be operative until the date one year after the date that the commission adopts regulations for energy insulation for residential buildings pursuant to this subdivision. Six months after the commission adopts regulations pursuant to this subdivision, no city, county, city and county, or state agency shall issue a permit for any building unless the building satisfies the standards prescribed by the commission pursuant to this subdivision or subdivision (b) of this section which are in effect on the date an application for a building permit is filed

(b) Prescribe by regulation, energy conservation design standards for new residential and new nonresidential buildings. Such standards shall be performance standards and shall be promulgated in terms of energy consumption per gross square foot of floor space, but may also include devices, systems, and techniques required to conserve energy The standards shall be cost effective when taken in their entirety, and when amortized over the economic life of the structure when compared with historic practices The commission shall periodically review the standards and adopt such revisions as in its judgment it deems necessary. A building that satisfies the standards prescribed pursuant to this subdivision need not comply with the standards prescribed pursuant to subdivision (a) of this section. The commission shall comply with the provisions of this subdivision before January 1, 1981

(c) By regulation, prescribe standards for minimum levels of operating efficiency, based on a reasonable use pattern, for all appliances whose use, as determined by the commission, requires a significant amount of energy on a statewide basis Such minimum levels of operating efficiency shall be based on feasible and attainable efficiencies or feasible improved efficiencies which will reduce the electrical energy consumption growth rate Such standards shall become effective no sooner than one year after the date of adoption or revision No new appliance manufactured on or after the effective

date of such standards may be sold or offered for sale in the state, unless it is certified by the manufacturer thereof to be in compliance with such standards. One year after the effective date of such standards, no new appliance, regardless of the date of manufacture, may be sold or offered for sale in the state, unless it is certified by the manufacturer thereof to be in compliance with such standards. Such standards shall be drawn so that they do not result in any added total costs to the consumer over the designed life of the appliances concerned.

(d) Recommend minimum standards of efficiency for the operation of any new facility at a particular site which are technically and economically feasible. No site and related facility shall be certified pursuant to Chapter 6 (commencing with Section 25500) of this division, unless the applicant certifies that standards recommended by the commission have been considered, which certification shall include a statement specifying the extent to which conformance with the recommended standards will be achieved.

Whenever the provisions of this section and the provisions of Chapter 11.5 (commencing with Section 19878) of Part 3 of Division 13 of the Health and Safety Code are in conflict, the commission shall be governed by the provisions of such chapter of the Health and Safety Code to the extent of such conflict.

SEC. 3. It is the intent of the Legislature, if this bill and Senate Bill 205 are both chaptered and become effective January 1, 1980, both bills amend Section 25402 of the Public Resources Code, and this bill is chaptered after Senate Bill 205, that the amendments to Section 25402 proposed by both bills be given effect and incorporated in Section 25402 in the form set forth in Section 2 of this act. Therefore, Section 2 of this act shall become operative only if this bill and Senate Bill 205 are both chaptered and become effective January 1, 1980, both amend Section 25402, and this bill is chaptered after Senate Bill 205, in which case Section 1 of this act shall not become operative.

CHAPTER 506

An act to amend and repeal Sections 978.5 and 1279.5 of the Unemployment Insurance Code, relating to unemployment insurance.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 978.5 of the Unemployment Insurance Code is amended to read:

978 5 (a) Any employer who has elected under Section 1279.5 to

participate in the shared work unemployment insurance benefit program, who has a negative reserve account balance on any June 30th, and whose reserve account has been charged for benefits paid under Section 1279.5 during the 12-month period ending upon such June 30th shall pay into the Unemployment Fund, in addition to all other contributions required by this division, contributions for the calendar year next succeeding such June 30th at the rate prescribed by this section based upon the ratio of the employer's net balance of reserve to the employer's average base payroll. If as of any June 30th an employer's net balance of reserve equals or exceeds that percentage of his or her average base payroll which appears on any line in column 1 of the following table but is less than that percentage which appears on the same line in column 2 of that table, his or her rate shall be the figure appearing on that same line in column 3:

	Reserve balance		*Contribution rate*
Line	*Col. 1*	*Col. 2*	*Col. 3*
1	− 100.0%	No limitation	3.0%
2	− 80.0%	− 100.0%	2.5%
3	− 60.0%	− 80.0%	2.0%
4	− 40.0%	− 60.0%	1.5%
5	− 20.0%	− 40.0%	1.0%
6 More than	0.0%	− 20.0%	0.5%

(b) Contributions paid pursuant to this section shall be excluded from "contributions paid on his own behalf" as defined by Section 906, but shall be included as employer contributions under Sections 1110 and 1110.1 and for all other purposes under this division.

(c) This section shall remain in effect only until December 31, 1984, and as of that date is repealed.

SEC. 2. Section 1279.5 of the Unemployment Insurance Code is amended to read:

1279 5. (a) Notwithstanding Section 1252 or 1252.2 or any other provision of this part, for the purposes of this section an individual is "unemployed" in any week if the individual works less than his or her normal hours or number of days in a week for the individual's regular employer, and the director finds that the regular employer has reduced or restricted the individual's hours or days of work, or has rehired an individual previously laid off and reduced that individual's hours or days of work from those previously worked, as the result of a plan by the regular employer to reduce employment and stabilize the work force by a program of sharing the work remaining after a reduction in total hours of work and a corresponding reduction in wages, among not less than 10 percent of the employer's regular permanent work force involved in the

affected work unit or units.

(b) Except as otherwise provided in this section, each individual eligible under this chapter who is "unemployed" in any week shall be paid with respect to that week a weekly shared work unemployment compensation benefit amount equal to the percentage of reduction of the individual's wages resulting from reduced hours or days of work, rounded to the nearest 10 percent, multiplied by the individual's weekly benefit amount, except that this provision shall apply only if the percentage of reduction is 10 percent or more

(c) No individual shall be paid any benefits under this section in excess of 20 weeks of benefits during a period of 52 consecutive weeks, beginning with the first week of benefits paid under this section. No individual who receives any benefits under this section during any benefit year shall receive any benefits pursuant to Section 1252 or 1252.2 as a partially unemployed individual with respect to any week during such benefit year while in employment status with the regular employer who initiated the program of sharing work under this section. No benefits under this section shall be payable during any individual's extended duration period or extended benefit period

(d) Any amount payable under this section shall be reduced by the amount of any and all compensation payable for personal services whether performed as an employee or an independent contractor or as a juror or as a witness, except compensation payable by the regular employer not in excess of compensation payable for reduced hours of work assigned an individual by the regular employer under a shared work plan.

(e) The benefit payment under this section, if not a multiple of one dollar ($1), shall be increased to the next higher multiple of one dollar ($1)

(f) Section 1279 shall not apply to any individual eligible for any payment under this section

(g) Except as otherwise provided by or inconsistent with this section, all provisions of this division and authorized regulations apply to benefits under this section Authorized regulations may, to the extent permitted by federal law, make such distinctions and requirements as may be necessary in the procedures and provisions applicable to unemployed individuals to carry out the purposes of this section.

(h) Employees shall not be eligible to receive any benefits under this section unless their employer agrees, in writing, and their bargaining agent pursuant to any applicable collective bargaining agreement agrees, in writing, to voluntarily participate in the shared work unemployment insurance benefit program created by this section

(i) This section shall remain in effect only until December 31, 1981, and as of that date is repealed The Legislative Analyst shall issue an interim report to the Legislature on or before January 1,

1980, on the use and operation of this program, including the number and types of employers utilizing this program, the tax rates, if any, of such employers, and the number of employees affected The Legislative Analyst shall issue a final report to the Legislature on or before January 1, 1981, on the use and the operation of this program which shall include his or her recommendation concerning the extension of this section beyond December 31, 1981.

CHAPTER 507

An act to amend Section 5154 of the Elections Code, relating to district elections

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1 Section 5154 of the Elections Code is amended to read:

5154. (a) If the initiative petition is signed by voters not less in number than 10 percent of the voters in the district where the total number of registered voters is less than 500,000, or not less in number than 5 percent of the voters in the district where the total number of registered voters is 500,000 or more, and the ordinance petitioned for is not required to be, or for any reason is not submitted to the voters at a special election, and is not passed without change by the district board, the ordinance, without alteration, shall be submitted by the board to the voters at the next statewide election consolidated with the next regular election

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CHAPTER 508

An act to amend Section 8901 of the Government Code, relating to compensation of legislators, and making an appropriation therefor

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1 This act is intended to provide orderly and reasonable cost-of-living adjustments of the annual compensation of Members of the Legislature by making such adjustments subject to the considerations and limitations presently provided in the determination of cost-of-living adjustments of the compensation of

other state officers and employees.

SEC. 2 Section 8901 of the Government Code is amended to read

8901 Commencing at noon on January 2, 1967, each Member of the Legislature shall receive as compensation for his services sixteen thousand dollars ($16,000) per year, during the term for which he was elected, payable in equal monthly amounts.

Commencing at noon on January 4, 1971, the annual compensation provided by this section shall be increased to nineteen thousand two hundred dollars ($19,200)

Commencing at noon on December 2, 1974, the annual compensation provided by this section shall be increased to twenty-one thousand one hundred twenty dollars ($21,120).

Commencing at noon on December 6, 1976, the annual compensation provided by this section shall be increased to twenty-three thousand two hundred thirty-two dollars ($23,232).

Commencing at noon on December 4, 1978, the annual compensation provided by this section shall be increased to twenty-five thousand five hundred fifty-five dollars ($25,555).

Commencing at noon on December 1, 1980, the annual compensation provided by this section shall be increased by the amount which is produced by multiplying the then current compensation by the percentage of the general cost-of-living salary increase provided for state employees during the 1979–80 and 1980–81 fiscal years.

Commencing at noon on December 1, 1981, the annual compensation provided by this section shall be increased by the amount which is produced by multiplying the then current compensation by the percentage of the general cost-of-living salary increase provided for state employees during that fiscal year. The increases on December 1, 1980, and December 1, 1981, when combined, shall not exceed 10 percent more than the annual compensation paid on December 4, 1978.

CHAPTER 509

An act to add Section 50028 to the Government Code, relating to coin-operated viewers.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1 Section 50028 is added to the Government Code, to read.

50028. (a) The legislative body of any county, city, or city and county, whether general law or chartered, may adopt, by ordinance,

such rules and regulations as it deems necessary, which require any coin-operated viewing machine to have permanently attached thereto a tally counter which will count each coin, and accumulate such count or the accumulated amount of money, deposited in such coin-operated viewing machine. Such tally counter shall be resistant to tampering, and shall not be capable of being reset to a lower number, and shall display the count in such a manner that the accumulated total is readily visible near the coin insertion slot or opening. For the purposes of this section, "coin-operated viewing machine" means any projector, machine, television, or other device which displays for viewing motion pictures, projection slides, filmstrips, photographic pictures, video tapes, or drawings, and which is operated by the viewer, or for the viewer, by means of inserting a coin into the device, an attachment thereto, an enclosure surrounding such device, or any other device electrically or mechanically connected thereto. For the purposes of this section, "coin" means any physical object, including, but not limited to, a piece of metal issued by the federal government as money. "Coin-operated viewing machine" does not include an electronic video game of skill wherein the image is created, generated, or synthesized electronically, or coin-operated television receivers which display commercial or public service broadcasts.

(b) Notwithstanding any other provision of law, any county ordinance adopted pursuant to this section shall be enforceable within the incorporated, as well as the unincorporated, area of the county, whether general law or chartered, unless a city ordinance in direct conflict with such county ordinance has been adopted, in which case such county ordinance shall be enforceable in the area of the county outside of such city.

(c) (1) Any person who violates the provisions of the ordinance adopted pursuant to this section shall be subject to a civil penalty not to exceed ten thousand dollars ($10,000) for each such machine and each day in which such violation occurs.

(2) In determining the amount of such penalty, the court shall take into consideration all relevant circumstances, including but not limited to, the frequency of inspection, the cash flow through such machine, the amount of revenue derived by other such machines in the vicinity, prior revenues generated, the nature and persistence of the violation, and prior violations by the same person or establishment.

(d) No peace officer, as defined in Section 830 of the Penal Code, shall check such tally counters, provided, however, that an ordinance adopted pursuant to this section may provide for checking of such tally counters by a person or persons employed by the adopting county, city, or city and county, other than a peace officer, on a predetermined schedule.

(e) The provisions of this section shall not be construed to limit, or otherwise affect, any other power of a county, city, or city and county to license, tax, or regulate business or commercial enterprises

or property within their jurisdiction, but shall be in addition to such powers

SEC 2 The Legislature finds and declares that there are many private business facilities in this state which provide coin-operated viewing machines which display motion and other pictures in private enclosures, that there is insufficient recordkeeping and tallying capability on such machines to prevent "skimming" by removing coins without reporting such income to the detriment of the taxing authority of state and local government The Legislature further finds and declares that such machines are not uniformly distributed in this state, and that the problem is, therefore, one which may best be adopted and enforced at the local level of government.

CHAPTER 510

An act to amend and renumber the heading of Article 4 (commencing with Section 19170) of, and to add Article 4 (commencing with Section 19160) to, Chapter 2 of Part 3 of Division 13 of the Health and Safety Code, relating to building standards

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1 The heading of Article 4 (commencing with Section 19170) of Chapter 2 of Part 3 of Division 13 of the Health and Safety Code is amended and renumbered to read·

Article 5 Violations

SEC 2 Article 4 (commencing with Section 19160) is added to Chapter 2 of Part 3 of Division 13 of the Health and Safety Code, to read.

Article 4 Earthquake Hazardous Building Reconstruction

19160 The Legislature finds and declares that.

(a) Because of the generally acknowledged fact that California will experience moderate to severe earthquakes in the foreseeable future, increased efforts to reduce earthquake hazards should be encouraged and supported

(b) Tens of thousands of buildings subject to severe earthquake hazards continue to be a serious danger to the life and safety of hundreds of thousands of Californians who live and work in them in the event of an earthquake

(c) Improvement of safety to life is the primary goal of building reconstruction to reduce earthquake hazards.

(d) In order to make building reconstruction economically feasible for, and to provide improvement of the safety of life in, seismically hazardous buildings, building standards enacted by local

government for building reconstruction may differ from building standards which govern new building construction

19161 Each city, city and county, or county, may assess the earthquake hazard in its jurisdiction and identify buildings subject to its jurisdiction as being hazardous to life in the event of an earthquake if such buildings were constructed prior to the adoption of local building codes requiring earthquake resistant design of buildings, are constructed of unreinforced masonry bearing wall construction, and exhibit any of the following characteristics

(1) Exterior parapets or ornamentation that may fall,

(2) Exterior walls that are not anchored to the floors or roof;

(3) Lacks an effective system to resist seismic forces.

Structural evaluations made pursuant to this section shall be made by an architect as defined in Section 5500 of the Business and Professions Code, or a civil or structural engineer registered pursuant to the provisions of Chapter 7 (commencing with Section 6700) of Division 3 of the Business and Professions Code, or a building inspector of the enforcing agency, as described in Section 17960, supervised by such an architect or civil or structural engineer

19162 Notwithstanding the provisions of Section 19100 or 19150 or any other provision of law, the governing body of any city, city and county, or county may, by ordinance, establish building reconstruction standards applicable to the reconstruction of any buildings identified by the city, city and county, or county as being hazardous to life in the event of an earthquake, pursuant to Section 19161 Such building reconstruction standards may be applied uniformly throughout the city, city and county, or county, or may be applied in specific areas designated by the city, city and county, or county

19163 Any local ordinance adopted pursuant to Section 19162 shall require that

(a) Any reconstruction of any building identified as being hazardous to life in the event of an earthquake shall provide for the reasonable adequacy of

(1) Unreinforced masonry walls to resist normal and inplane seismic forces,

(2) The anchorage and stability of exterior parapets and ornamentation,

(3) The anchorage of unreinforced masonry walls to the floors and roof,

(4) Floor and roof diaphragms,

(5) The development of a complete bracing system to resist earthquake forces

(b) Reconstruction of any building or portions of any building shall be designed to resist and withstand the seismic forces from any direction as set forth in the building reconstruction standards using the allowable working stresses adopted pursuant to this article

(c) The governing board of any city, city and county, or county may establish, by ordinance, standards and procedures to fulfill the intent of paragraph (2) of subdivision (a) without regard to the remainder of the requirements specified above

19163.5. Except as otherwise provided in Chapter 1 (commencing with Section 15000) of Division 12.5, an ordinance adopted by a city, city and county, or county pursuant to Section 19163, may establish higher standards for the reconstruction of those structures or buildings which are needed for emergency purposes after an earthquake in order to preserve the peace, health, and safety of the general public, including but not limited to, hospitals and other medical facilities having surgery or emergency treatment areas, fire and police stations, government disaster operations centers, and public utility and communication buildings deemed vital in emergencies

19164. Any city, city and county, or county may assign allowable working stresses to existing materials based on substantiating research data or engineering judgment Such allowable working stresses shall be limited by a safety factor which is reasonably commensurate with the importance of the element in which the material is used. In the event the local jurisdiction does not have the ability to assign such allowable working stresses, it may employ as a consultant the office of the State Architect. Allowable working stresses prepared by the office of the State Architect for any city, city and county, or county shall be subject to approval by the Seismic Safety Commission.

19165. Any city, city and county, or county adopting an ordinance establishing seismically hazardous building reconstruction standards applicable to the reconstruction of buildings identified as being hazardous to life in the event of an earthquake, shall file for informational purposes with the Department of Housing and Community Development a copy of such standards and all subsequent amendments.

19166. Any building identified as being a seismic hazard to life and reconstructed in compliance with building reconstruction standards adopted pursuant to this article and properly maintained, shall not, within a period of 15 years, be identified as a seismic hazard to life pursuant to any local building standards adopted after the date of the building reconstruction unless such building no longer meets the seismically hazardous building reconstruction standards under which it was reconstructed.

19167. Any city, city and county, or county, and its employees, are not liable for any injury or property damage resulting from the effect of an earthquake upon a building reconstructed pursuant to seismic building reconstruction standards adopted pursuant to Sections 19162 and 19164

19168 Nothing in this article shall apply to those buildings and structures governed by the provisions of Chapter 1 (commencing with Section 15000) of Division 12.5 of this code or Article 3 (commencing with Section 39140) of Chapter 2 of Part 23 of the Education Code or Article 7 (commencing with Section 81130) of Chapter 1 of Part 49 of the Education Code or any state-owned buildings or structures located in any city, city and county, or county

19169 The Seismic Safety Commission shall review and assess the effectiveness of building reconstruction standards adopted pursuant

to this article and shall recommend any necessary changes to the Legislature on or before June 30, 1985.

SEC. 2. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because the duties, obligations, or responsibilities imposed on local agencies or school districts by this act are such that related costs are incurred as part of their normal operating procedures. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 511

An act to amend Sections 21216, 21657, 21660, 21661, and 21662.5 of, to add Sections 21015.5, 21015.6, and 21669.6 to, and to repeal Sections 21015.5, 21243.5, 21662.6, and 21691 of, the Public Utilities Code, relating to aviation.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 21015.5 of the Public Utilities Code is repealed.

SEC. 2. Section 21015.5 is added to the Public Utilities Code, to read:

21015.5. "Temporary helicopter landing site" means an area used, or intended for use, for the landing and takeoff of helicopters for a limited period of time not to exceed 180 consecutive days commencing with the day of the first helicopter landing.

SEC. 3. Section 21015.6 is added to the Public Utilities Code, to read:

21015.6. "Temporary seaplane landing site" means an area of water used, or intended for use, for the landing and takeoff of seaplanes for a limited period of time not to exceed 180 consecutive days commencing with the day of the first seaplane landing.

SEC. 3.5. Section 21216 of the Public Utilities Code is amended to read:

21216. Any person or entity injured or aggrieved by any procedure or action of the department with respect to aeronautics may appeal to the California Transportation Commission for relief, and the decision of the commission as to such matter shall, after hearing thereon, be conclusive, subject to such review as may be otherwise provided by law. This section shall not apply to any procedure or action for which a hearing pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code is specified in this part as the means for reviewing or finalizing the procedure or action.

SEC. 4. Section 21243.5 of the Public Utilities Code is repealed.

SEC. 5. Section 21657 of the Public Utilities Code is amended to read·

21657. The department may refuse issuance of a permit under Section 21656 if it determines that the erection of or addition to a structure would obstruct the airspace overlying the state so as to create an unsafe condition for the flight of aircraft.

Any person denied a permit shall, upon request, be granted a hearing by the department to determine whether a permit shall be issued. The hearing shall be held pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC 6. Section 21660 of the Public Utilities Code is amended to read

21660. The department may refuse issuance of a permit under Section 21659 if it determines that the construction of the structure or growth of the natural growth would constitute a hazard to air navigation or create an unsafe condition for air navigation.

Any person denied a permit shall, upon request, be granted a hearing by the department to determine whether a permit shall be issued. The hearing shall be held pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 7. Section 21661 of the Public Utilities Code is amended to read:

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

SEC. 8. Section 21662.5 of the Public Utilities Code is amended to read:

21662.5. Notwithstanding Section 21006 or Section 21661 or any other provision of law to the contrary, no helicopter may land or depart in any area within 1,000 feet, measured by air line, of the boundary of any public or private school maintaining kindergarten classes or any classes in grades 1 through 12, without approval of the department, unless the landing or departure takes place at a permitted permanent heliport.

Before the department grants or denies approval of the landing or departure of a helicopter pursuant to this section, all schools within the specified area shall be notified of the application and shall have 15 days after the notice in which to demand a public hearing. The public hearing shall be held at a location in the immediate vicinity of the landing or departure site. The department shall not grant approval pursuant to this section unless it has first found that helicopter operations at the proposed site can be conducted in a safe manner.

This section shall not prevent the governing body of any city or county from enacting ordinances or regulations imposing restrictions equal to or greater than those imposed by this section.

SEC. 9 Section 21662.6 of the Public Utilities Code is repealed

SEC 10 Section 21669.6 is added to the Public Utilities Code, to read·

21669.6. Hearings under this article required by the provisions of Sections 21665, 21666, 21668, 21668.2, and 21669, or regulations adopted pursuant to such provisions, shall be conducted pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC 11. Section 21691 of the Public Utilities Code is repealed.

SEC. 12. Notwithstanding the Budget Act of 1979, ten thousand dollars ($10,000) appropriated in Item 163 for parachute jump and heliport permit activities shall not be expended and shall revert to the Aeronautics Account.

CHAPTER 512

An act to amend Section 221 of the Public Utilities Code, relating to propane.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 221 of the Public Utilities Code is amended to read.

221. "Gas plant" includes all real estate, fixtures, and personal property, owned, controlled, operated, or managed in connection with or to facilitate the production, generation, transmission, delivery, underground storage, or furnishing of gas, natural or manufactured, except propane, for light, heat, or power.

SEC. 2 The Public Utilities Commission shall notify the Legislature whenever there is a substantial change in federal regulation of propane including, but not limited to, rate deregulation

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CHAPTER 513

An act to add Section 340.2 to the Code of Civil Procedure, relating to limitations of actions.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1 Section 340 2 is added to the Code of Civil Procedure, to read

340.2. (a) In any civil action for injury or illness based upon exposure to asbestos, the time for the commencement of the action shall be the later of the following:

(1) Within one year after the date the plaintiff first suffered disability.

(2) Within one year after the date the plaintiff either knew, or through the exercise of reasonable diligence should have known, that such disability was caused or contributed to by such exposure.

(b) "Disability" as used in subdivision (a) means the loss of time from work as a result of such exposure which precludes the performance of the employee's regular occupation.

(c) In an action for the wrongful death of any plaintiff's decedent, based upon exposure to asbestos, the time for commencement of an action shall be the later of the following:

(1) Within one year from the date of the death of the plaintiff's decedent.

(2) Within one year from the date the plaintiff first knew, or through the exercise of reasonable diligence should have known, that the death was caused or contributed to by such exposure.

SEC. 2 The provisions of this act shall apply to those causes of action which accrued prior to the change in the law made by this act and have not otherwise been extinguished by operation of law.

CHAPTER 514

An act to amend Sections 25886 and 25888 of, and to repeal Section 25887 of, the Health and Safety Code, relating to glazed ceramic tableware

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 25886 of the Health and Safety Code is amended to read:

25886. (a) It shall be unlawful to sell in this state any glazed ceramic tableware which releases lead in excess of 7 parts per million or cadmium in excess of 0.5 parts per million.

(b) The provisions of this section regarding the selling of any glazed ceramic tableware include, but are not limited to, all of the following:

(1) The manufacture, production, processing, and packing of any glazed ceramic tableware.

(2) The exhibition, offer, possession, or holding of any glazed ceramic tableware for sale, giving, or supplying in the conduct of any establishment.

(3) The sale, giving, or supplying of any glazed ceramic tableware in the conduct of any establishment

SEC. 2. Section 25887 of the Health and Safety Code is repealed.

SEC. 3. Section 25888 of the Health and Safety Code is amended to read:

25888. Glazed ceramic ware which is in violation of Section 25886, and is intended for ornamental or decorative use, but which could reasonably be mistaken for an eating or cooking utensil or a utensil for the serving or storing of food or drink, may be manufactured or imported for sale in this state if each such article carries a fired-in precautionary label, as follows:

UNSAFE FOR FOOD

CHAPTER 515

An act to amend Section 41704 of the Health and Safety Code, relating to air pollution.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1 Section 41704 of the Health and Safety Code is amended to read:

41704. Section 41701 shall not apply to:

(a) Fires set pursuant to Section 41801.

(b) Agricultural burning for which a permit has been granted pursuant to Article 3 (commencing with Section 41850).

(c) Fires set or permitted by any public officer in the performance of his official duty for the improvement of watershed, range, or pasture.

(d) Use of any aircraft to distribute seed, fertilizer, insecticides, or other agricultural aids over lands devoted to the growing of crops or raising of fowl or animals

(e) Open outdoor fires used only for cooking of food for human beings or for recreational purposes

(f) The use of orchard and citrus grove heaters which are in compliance with the requirements set forth in Section 41860.

(g) Agricultural operations necessary for the growing of crops or raising of fowl or animals.

(h) The use of other equipment in agricultural operations necessary for the growing of crops or raising of fowl or animals.

(i) Fugitive dust emissions from rock crushing facilities within the Southeast Desert Air Basin, where such facilities were in existence prior to January 1, 1970, at a location where the population density is less than 10 persons per square mile in each square mile within a seven-mile radius of the facilities; provided, however, that under no circumstances shall such emissions cause a measurable degradation

of the ambient air quality or create a nuisance. This subdivision shall not apply to any such rock crushing facilities which (1) process in excess of 100 tons of rock in any 24-hour period, averaged over any period of 30 consecutive days, (2) have 25 or more employees, (3) fail to operate and maintain in good working order any emission control equipment installed prior to the effective date of this act, or (4) undergo a change of ownership after January 1, 1977.

(j) Emissions from vessels using steam boilers during emergency boiler shutdowns for safety reasons, safety and operational tests required by governmental agencies, and where maneuvering is required to avoid hazards.

(k) Emissions from vessels using steam boilers during cold boiler light-off operations and while drying wet or green refractory to the extent that such emissions, excluding uncombined water vapor, are not as dark or darker in shade than that designated as Number 2 on the Ringelmann chart or of an opacity equal to, or greater than, 40 percent for periods aggregating more than 15 minutes in any one hour. This subdivision shall remain in effect only until January 1, 1984, and shall be of no force and effect on and after such date.

(*l*) The use of visible emission generating equipment in training sessions conducted by governmental agencies necessary for certifying persons to evaluate visible emissions for compliance with Section 41701 or applicable district rules and regulations. Any local or regional authority rule or regulation relating to visible emissions shall not be applicable to such equipment.

(m) Smoke emissions from teepee burners operating in compliance with Section 4438 of the Public Resources Code during the disposal of forestry and agricultural residues or forestry and agricultural residues with supplementary fossil fuels when such emissions result from the startup or shutdown of the combustion process or from the malfunction of emission control equipment. This subdivision shall not apply to emissions which exceed a period or periods of time aggregating more than 30 minutes in any 24-hour period This subdivision shall not apply to emissions which result from the failure to operate and maintain in good working order any emission control equipment.

CHAPTER 516

An act to amend Sections 828, 864, 1609.5, 4831, and 38601 of, to amend and renumber Sections 2279 and 2280 of, to add Section 11551 to, and to repeal Sections 210, 210.5, 11551, and 11552 of, the Revenue and Taxation Code, and to repeal Section 2 of Chapter 1236 of the Statutes of 1974, relating to taxation.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 210 of the Revenue and Taxation Code is repealed.

SEC. 2 Section 210.5 of the Revenue and Taxation Code is repealed

SEC. 3. Section 828 of the Revenue and Taxation Code is amended to read

828 Any person with knowledge or records pertinent to the appraisal of state-assessed property shall make them available to the board on request. The person shall make available at his principal place of business, principal location, or principal address in California, or at a place mutually agreeable to the board and the person, a true copy of business records relevant to the amount, cost, and value of all property that he owns, claims, possesses, or controls within the state.

SEC. 4. Section 864 of the Revenue and Taxation Code is amended to read:

864. Property which is found to have escaped assessment may either be added to the roll for the fiscal year in which it is discovered or included with the assessments for the succeeding fiscal year. To the assessment which has escaped assessment, there shall be added, in lieu of interest, one-half of 1 percent of the assessed value for each month from December 10 of the year in which the assessment should have been enrolled to the date the additional assessment is added to the board roll; provided, however, that no such addition shall be made where the escape was due to an error, other than an erroneous opinion of value, on the part of the board. Such property shall be taxed at the rates applicable to assessments on the roll to which it is added.

SEC. 5. Section 1609.5 of the Revenue and Taxation Code is amended to read.

1609 5. Whenever an employee of the board is desired as a witness before a county board in a hearing on an application for reduction, a subpoena requiring his attendance may be served by delivering a copy either to the employee personally or to the executive secretary of the board at his office in Sacramento.

The employee shall attend as a witness as required by the subpoena, regardless of the distance to be traveled, provided the subpoena is accompanied by fees payable to the State Board of Equalization in the amount of two hundred dollars ($200) per day for each day that such employee is required to remain in attendance pursuant to such subpoena Such fees are to be paid by the party requesting the subpoena

The employee shall receive the salary or other compensation to which he is normally entitled during the time he travels to and from the place where the hearing is conducted and while he is required to remain at such place pursuant to such subpoena. He shall also receive usual and customary travel expenses and per diem. If the

actual expenses should later prove to be less than the amount paid by the party, the excess shall be refunded by the board.

In the event the employee is subpoenaed at the request of the applicant and the county board grants a reduction in the assessment, the county board may reimburse the applicant in whole or in part for the actual witness fees paid pursuant to this section.

Any person who pays or offers to pay any money or other form of consideration for the services of any employee of the board required to appear as a witness, other than the compensation provided in this section, is guilty of a misdemeanor, and any employee who receives any such payment is guilty of a misdemeanor.

SEC. 6. Section 2279 of the Revenue and Taxation Code, as amended by Chapter 224 of the Statutes of 1975, is amended and renumbered to read:

2279.1. A local agency may levy, or have levied on its behalf, a rate in addition to the maximum property tax rate established pursuant to this chapter for interest and redemption charges on amounts borrowed pursuant to Section 54902.1 of the Government Code.

SEC. 7. Section 2280 of the Revenue and Taxation Code, as added by Chapter 30 of the Statutes of 1977, is amended and renumbered to read:

2280.01. (a) A local agency may levy, or have levied on its behalf, a rate in addition to the maximum property tax rate established pursuant to this chapter for purposes authorized by this section.

(b) In the event that a local agency desires to levy a property tax rate for a specified purpose, it shall submit a proposal to levy such a tax to the qualified voters thereof for approval. The proposal shall specify the maximum rate to be levied.

(c) An election held pursuant to this section shall be called, held and conducted in the same manner as required by Article 6 (commencing with Section 2285).

(d) In the event that the qualified voters of a local agency approve an additional property tax rate as provided in this section, such tax rate may be levied for the purpose specified in the ballot proposition.

(e) Once the purpose for which the additional property tax rate was authorized has been accomplished, the additional rate shall terminate.

(f) The proposal may specify a date on which the special property tax rate shall terminate.

SEC. 8. Section 4831 of the Revenue and Taxation Code is amended to read:

4831. (a) Any error of the assessor resulting in the entry of incorrect values on the roll may be corrected under this article. The correction may be made at any time after the roll is delivered to the auditor but shall be made within four years after the making of the assessment which is being corrected. This section does not apply to the following:

(1) Errors involving the exercise of value judgments; or

(2) Escape assessments caused by the assessee's failure to report the information required by Article 2 (commencing with Section 441) of Chapter 3 of Part 2.

If any such error is discovered as the result of an audit of a taxpayer's books and records, such error may be corrected at any time prior to the expiration of six months after the completion of the audit.

(b) Taxes which are not 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 their legal counsel. These taxes 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.

(c) Any liens created pursuant to this section prior to the effective date of Chapter 1190 of the Statutes of 1973 (January 1, 1974), shall have the force, effect and priority of a judgment lien, and shall continue for 10 years from the time of recording of the certificate authorized under this section unless sooner released or otherwise discharged.

SEC. 9. Section 11551 of the Revenue and Taxation Code is repealed.

SEC. 10. Section 11551 is added to the Revenue and Taxation Code, to read:

11551. If the board determines that any amount, penalty, or interest has been paid more than once or has been erroneously or illegally collected or computed, the board shall set forth that fact in the records of the board and shall certify to the State Board of Control the amount collected in excess of the amount legally due and the person from whom it was collected or by whom paid. If approved by the State Board of Control, the excess amount collected or paid shall be credited by the board on any amounts then due and payable from the person from whom the excess amount was collected or by whom it was paid under this part, and the balance shall be refunded to the person, or his successors, administrators, or executors.

In the case, however, of a determination by the board that an amount not exceeding five thousand dollars ($5,000) was not required to be paid under this part, the board without obtaining approval of the State Board of Control may credit the amount on any amounts then due and payable under this part from the person by whom the amount was paid and may refund the balance to the person or his successors, administrators, or executors.

SEC. 11 Section 11552 of the Revenue and Taxation Code is repealed.

SEC. 12 Section 38601 of the Revenue and Taxation Code is amended to read

38601 If the board determines that any amount, penalty, or

interest has been paid more than once or has been erroneously or illegally collected or computed, the board shall set forth that fact in the records of the board and shall certify to the State Board of Control the amount collected in excess of the amount legally due and the person from whom it was collected or by whom paid. If approved by the State Board of Control the excess amount collected or paid shall be credited by the board on any amounts then due and payable from the person from whom the excess amount was collected or by whom it was paid under this part, and the balance shall be refunded to the person, or his successors, administrators, or executors.

In the case, however, of a determination by the board that an amount not exceeding five thousand dollars ($5,000) was not required to be paid under this part, the board without obtaining approval of the State Board of Control may credit the amount on any amounts then due and payable under this part from the person by whom the amount was paid and may refund the balance to the person or his successors, administrators, or executors.

SEC. 12 5. Section 2 of Chapter 1236 of the Statutes of 1974 is repealed.

SEC 13 Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by the act pursuant to these sections because the Legislature finds and declares that there are no new duties, obligations, or responsibilities imposed on local government by this act that require reimbursement. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 517

An act to amend Section 14829 of the Health and Safety Code, and to amend Sections 2416 and 9104 of the Vehicle Code, relating to volunteer fire companies, and declaring the urgency thereof, to take effect immediately

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1 Section 14829 of the Health and Safety Code is amended to read·

14829. An engine company may consist of not more than 65 certificate members; a hook-and-ladder company of not more than 65 certificate members, a hose company of not more than 25 certificate members; and a rescue squad company of not more than 25 certificate members

SEC 2 Section 2416 of the Vehicle Code is amended to read:

2416. (a) The Commissioner of the California Highway Patrol may issue authorized emergency vehicle permits only for the following vehicles, and then only upon a finding in each case that the vehicle is used in responding to emergency calls for fire or law enforcement or for the immediate preservation of life or property or for the apprehension of law violators:

(1) Any vehicle maintained in whole or in part by the state, a county or a city and privately owned and operated by a constable, deputy constable, or person who is a member of, and who receives salary from, and is regularly employed by, a police department or sheriff's department, provided the state, county or city does not furnish to such person a publicly owned authorized emergency vehicle

(2) An emergency repair vehicle of a utility or public utility.

(3) Firefighting equipment designed and operated exclusively as such.

(4) Any vehicle operated by the chief, assistant chief, or one other uniformed person designated by the chief of a fire department organized as provided in the Health and Safety Code or the Government Code or pursuant to special act of the Legislature.

(5) Any vehicle of an air pollution control district used to enforce provisions of law relating to air pollution from motor vehicles.

(6) Any vehicle operated by the chief of any fire department established on any base of the armed forces of the United States.

(7) Publicly owned vehicles used for law enforcement work by deputized county fish and game wardens or uniformed employees who are designated park rangers by local agencies and who are peace officers under the provisions of Section 830.3 or 830.12 of the Penal Code.

(8) Any vehicle owned and operated by any fire company organized pursuant to Part 4 (commencing with Section 14825) of the Health and Safety Code.

(b) Privately owned ambulances may be operated as emergency vehicles only under a license issued in accordance with the provisions of Chapter 2.5 (commencing with Section 2500) of this division.

(c) The commissioner may adopt and enforce regulations to implement this section.

(d) Violation of any regulation adopted by the commissioner pursuant to this section is a misdemeanor.

SEC 3 Section 9104 of the Vehicle Code is amended to read:

9104 The fees specified in this code except fees for duplicate plates, certificates, or cards need not be paid for any vehicle of a type subject to registration under this code owned by a public fire department organized as a nonprofit corporation and used exclusively for firefighting or rescue purposes or exclusively as an ambulance, nor for any vehicle owned by a voluntary fire department organized under the laws of this state and used exclusively for firefighting or rescue purposes or exclusively as an

ambulance.

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:

Rescue vehicles of volunteer fire companies are currently unable to use warning lights and sirens when responding to emergency calls because they are not authorized emergency vehicles. In order that these rescue vehicles can receive permits to act as emergency vehicles, it is necessary that this act take effect immediately.

CHAPTER 518

An act to amend Sections 469, 533, 534, and 1605 of the Revenue and Taxation Code, relating to taxation.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 469 of the Revenue and Taxation Code is amended to read:

469. In any case in which locally assessable trade fixtures and business tangible personal property owned, claimed, possessed or controlled by a taxpayer engaged in a profession, trade, or business has a full value of two hundred thousand dollars ($200,000) or more, the assessor shall audit the books and records of such profession, trade, or business at least once each four years. If the board determines the value of property pursuant to Chapter 2 (commencing with Section 1815) of Part 3 of this division, such determination may be deemed an audit by the assessor for purposes of this section.

Equalization of the property by a county board of equalization or assessment appeals board pursuant to Chapter 1 (commencing with Section 1601) of Part 3 of this division shall not preclude a subsequent audit and shall not preclude the assessor from levying an escape assessment in appropriate instances, but shall preclude an escape assessment being levied on that portion of any such assessment which was the subject of any such equalization hearing.

If the result of an audit for any year discloses property subject to an escape assessment, then the original assessment of all property of the assessee at the location of the profession, trade, or business for that year shall be subject to review, equalization and adjustment by the county board of equalization or assessment appeals board pursuant to Chapter 1 (commencing with Section 1601) of Part 3 of this division, except in those instances when such property had previously been equalized for the year in question.

If the audit for any particular tax year discloses that the property of the taxpayer was incorrectly valued or misclassified for any cause, to the extent that this error caused the property to be assessed at a higher value than the assessor would have entered on the roll had such incorrect valuation or misclassification not occurred, then the assessor shall notify the taxpayer of the amount of the excess valuation or misclassification, and the fact that a claim for cancellation or refund may be filed with the county as provided by Sections 4986 and 5096.

SEC. 2. Section 533 of the Revenue and Taxation Code is amended to read:

533. Assessments made pursuant to Article 3 (commencing with Section 501) of this chapter or pursuant to this article shall be entered on the roll prepared or being prepared in the assessment year when it is so discovered and, if this is not the roll for the assessment year in which it escaped assessment, the entry shall be followed with "Escaped assessment for year 19__ pursuant to Sections _____ of the Revenue and Taxation Code."

If the assessments are made as a result of an audit which discloses that property assessed to the party audited has been incorrectly assessed either for a past tax year for which taxes have been paid and a claim for refund is not barred by Section 5097 or for any tax year for which the taxes are unpaid, the tax refunds resulting from the incorrect assessments shall be an offset against proposed tax liabilities, including accumulated penalties and interest, resulting from escaped assessments for any tax year covered by the audit. If such tax refunds exceed any proposed tax liabilities, including accumulated penalties and interest, the party audited shall be notified by the tax collector of the amount of the excess and of the fact that a claim for cancellation or refund may be filed with the county as provided by Section 4986 or 5096. In the event that the assessment caused an excess payment of taxes and therefore resulted in an overpayment by the state for property tax relief as provided by Section 219, then subsequent subventions for property tax relief shall be reduced by the amount of such overpayment.

SEC. 3. Section 534 of the Revenue and Taxation Code is amended to read·

534. Assessments made pursuant to Article 3 (commencing with Section 501) of this chapter or pursuant to this article shall be treated like, and taxed at the same rate applicable to, property regularly assessed on the roll on which it is entered, unless the assessment relates to a prior year and then the tax rate of the prior year shall be applied

No such assessment shall be effective for any purpose, including its review, equalization and adjustment by the Board of Equalization, until the assessee has been notified thereof personally or by United States mail at his address as contained in the official records of the county assessor. Receipt of the assessee of a tax bill based on such assessment shall suffice as such notice

SEC. 4. Section 1605 of the Revenue and Taxation Code is amended to read:

1605. (a) An assessment made outside of the regular assessment period is not effective for any purpose, including its review, equalization and adjustment by the county board, until the assessee has been notified thereof personally or by United States mail at his address as contained in the official records of the county assessor. Receipt by the assessee of a tax bill based on said assessment shall suffice as such notice.

(b) Upon application for reduction pursuant to subdivision (a) of Section 1603, such assessment shall be subject to review, equalization and adjustment by the county board. The application must be filed with the clerk no later than 60 days after the date on which the assessee was notified.

(c) In counties where assessment appeals boards have not been created and are not in existence, at any regular meeting, the board of supervisors, on the request of the assessor or any taxpayer, shall sit as the county board to equalize any assessments made by the assessor outside the regular assessment period for such assessments Notwithstanding any other provision of law to the contrary, in any county in which assessment appeals boards have been created and are in existence, the time for equalization of assessments made outside the regular assessment period for such assessments, including assessments made pursuant to Sections 501, 503, 504, 531, and 531.1, shall be prescribed by rules adopted by the board of supervisors.

(d) If an audit of the books and records of any profession, trade, or business pursuant to Section 469 of this code discloses property subject to an escaped assessment for any year, then the original assessment of all property of the assessee at the location of the profession, trade, or business for that year shall be subject to review, equalization and adjustment by the county board of equalization or assessment appeals board pursuant to Chapter 1 (commencing with Section 1601) of Part 3 of this division, except in those instances when such property had previously been equalized for the year in question by the county board of equalization or assessment appeals board The application must be filed with the clerk no later than 60 days after the date on which the assessee was notified. Receipt by the assessee of a tax bill based upon said assessment shall suffice as such notice.

SEC. 5 Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to those sections because the Legislature finds and declares that there are no new duties, obligations, or responsibilities imposed on local government by this act that require reimbursement. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code

CHAPTER 519

An act to amend Section 35550 of the Vehicle Code, relating to vehicles

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1 Section 35550 of the Vehicle Code is amended to read·

35550. (a) The gross weight imposed upon the highway by the wheels on any one axle of a vehicle shall not exceed 20,000 pounds and the gross weight upon any one wheel, or wheels, supporting one end of an axle, and resting upon the roadway, shall not exceed 10,500 pounds, except that the gross weight imposed upon the highway by the wheels on any front steering axle of a motor vehicle shall not exceed 12,500 pounds

(b) The gross weight limit provided for weight bearing upon any one wheel, or wheels, supporting one end of an axle shall not apply to vehicles the loads of which consist of livestock

(c) The following vehicles are exempt from the front axle weight limits specified in this section·

(1) Trucks transporting vehicles.

(2) Trucks transporting livestock

(3) Dump trucks.

(4) Cranes.

(5) Buses

(6) Transit mix concrete or cement trucks, and trucks that mix concrete or cement at, or adjacent to, a jobsite

(7) Motor vehicles that are not commercial vehicles

(8) Vehicles operated by any public utility furnishing electricity, gas, water, or telephone service

(9) Trucks or truck tractors with a front axle at least four feet to the rear of the foremost part of the truck or truck tractor, not including the front bumper

(10) Trucks transporting garbage, rubbish, or refuse

(11) Trucks equipped with a fifth wheel when towing a semitrailer

(12) Tank trucks which have a cargo capacity of at least 1,500 gallons

(13) Trucks transporting bulk grains or bulk livestock feed

CHAPTER 520

An act to amend Sections 22001, 22806, 23100, 23200, 23203, 23615, 23800, 23804, 23805, 23807, 23810, 23901, 23902, 24200 1, 24600, and 24602 of, and to add Section 23009 to, the Education Code, relating to the State Teachers' Retirement System

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 22001 of the Education Code is amended to read.

22001 In order to provide a financially sound plan for the retirement, with adequate retirement allowances, of teachers in the public schools of this state, teachers in schools supported by this state, and other persons employed in connection with the schools, the State Teachers' Retirement System is established The system is a unit of the State and Consumer Services Agency

SEC 2 Section 22806 of the Education Code is amended to read:

22806 Accumulated contributions credited to the account of a member whose date of birth is changed in the records of the system after December 31, 1979, shall be adjusted to the proper amount based on the correct birth date by

(a) A refund of the excess contributions plus credited interest from the end of the school year in which contributions were overpaid because of the incorrect birth date, or

(b) Payment by the member of the contributions due the system plus regular interest from the end of the school year in which the contributions were underpaid to the date of payment

SEC 3 Section 23009 is added to the Education Code, to read

23009 If the board determines that contributions are due the system from a retirant, disabilitant, or a person who has died and the person is unable to pay the amount due, the board may withhold all or part of subsequent payments due the retirant, disabilitant, or survivor, until the amounts so withheld equal the contributions due plus regular interest to the date of payment. Total contributions plus regular interest due shall be recovered by the system within 18 months

SEC 4 Section 23100 of the Education Code is amended to read·

23100 Upon the termination of a member's employment by any cause other than death or retirement there shall be paid to the member, or if no other benefits are payable under this part upon the death of a member, there shall be paid to the beneficiary nominated by the deceased member

(a) The retirement contributions made after June 30, 1935, plus credited interest through the date of payment

(b) The annuity deposit contributions plus credited interest

through the date of payment.

SEC. 5. Section 23200 of the Education Code is amended to read:

23200. If a person, whose accumulated retirement contributions have been refunded, again becomes a member of the system he may elect to redeposit such contributions with regular interest from the date of refund to the date of payment. If the member elects to redeposit, the member shall repay all accumulated contributions which were previously refunded. Such redeposit shall also include the amount deducted for administration expense under the provisions of Section 23103.

For time prior to July 1, 1944, regular interest shall be at 2½ percent compounded annually.

SEC. 6 Section 23203 of the Education Code is amended to read:

23203. Any person whose contributions were refunded to him and who has received, or will qualify for the receipt of a retirement allowance from the Public Employees' Retirement System, or the University of California Retirement System, or the Legislators' Retirement System, or the San Francisco City and County Employees' Retirement System may elect to redeposit the accumulated contributions refunded to him, with regular interest from the date of refund to the date of payment, without being employed in a position requiring membership in this system.

A person who elects to redeposit as provided herein shall not receive credit for service which might otherwise be creditable under the provisions of Section 22718.

SEC. 7 Section 23615 of the Education Code is amended to read:

23615 Those members who took a refund of their accumulated contributions from the former Los Angeles Unified School District Retirement System or the former Los Angeles Community College District Retirement System or the San Francisco City and County Employees' Retirement System, prior to July 1, 1972, and who also took a refund of their Permanent Fund contributions from the State Teachers' Retirement System, and who redeposited their contributions in the local system but did not redeposit their Permanent Fund contributions in the State Teachers' Retirement System, shall redeposit the contributions required to bring the account into full balance with regular interest from the date of refund to the date of payment. The redeposit may be made immediately upon notification by the system and shall be made prior to retirement. Such redeposit shall be made in a lump sum or by installment payments as specified by the chief executive officer

SEC. 8 Section 23800 of the Education Code is amended to read

23800. (a) Except as otherwise provided in Section 23804, 24202, or 24203 payment pursuant to subdivision (b) of this section shall be made upon receipt of proof of a member's death which occurred

(1) Before the effective date of his retirement and within four months after the termination of the member's employment in a position requiring membership in this system, or

(2) While the member was physically or mentally disabled for

performance of his duty, if such disability had been continuous from such termination

(b) There shall be paid to the beneficiary·

(1) The accumulated retirement contributions made after June 30, 1935.

(2) The accumulated annuity deposit contributions

(3) The sum of two thousand dollars ($2,000), provided the member had one or more years of credited service, at least one year of which had been performed subsequent to the most recent refund of accumulated retirement contributions

SEC 9 Section 23804 of the Education Code is amended to read·

23804. If on the date of death the member had met the following conditions

(a) Death occurred after June 30, 1972, and

(b) Had one or more years of credited service, at least one year of which had been performed subsequent to the most recent refund of accumulated retirement contributions, and

(c) If there had been a break in service of more than one year, one-half year of credited service had been performed after the end of last break, and

(d) The provisions of Sections 23800 and 23801 have been met, or

(e) Lacking the above, was a disabilitant receiving a disability allowance based upon projected salary which began to accrue after June 30, 1972, a family allowance shall be paid subject to the provisions of this chapter and Section 24203 as follows

(1) To the surviving spouse, having financial responsibility for at least one dependent child who qualifies under Section 22112 there shall be paid an amount, in monthly installments, equal to 40 percent of the deceased's final compensation, plus 10 percent of such final compensation for each child, up to a maximum of 90 percent of such final compensation. If there are children who are not in the care of the surviving spouse, the amount of the allowance in excess of 40 percent of the final compensation shall be divided equally among all children and is payable to the trustee of the estate of such children under age 18 or their guardian if no trustee is designated or to the children age 18 and over, or

(2) If there is no surviving spouse or the surviving spouse subsequently dies or remarries and there are children who qualify under Section 22112, there shall be paid to the trustee of the estate of surviving children under 18 as designated by the member, or the guardian of such children under age 18 if no trustee is designated, or to the child if over age 18, an amount payable in monthly installments equal to 10 percent of the deceased's final compensation, up to a maximum of 50 percent of such final compensation. If there are more than five such children, they shall share equally in the maximum of 50 percent, or

(3) If there is no allowance being paid under paragraph (1) or (2) the unremarried spouse age 60 or over shall receive a monthly payment equal to the amount which would have been payable to

such spouse based on projected service and projected salary, had the member continued service to age 60 and at that time elected option number 3 The allowance payable under this paragraph shall be increased by application of the benefit improvement factor for time which elapses between the date the member would have reached age 60 and the date the allowances commence to accrue under this paragraph For the calculation of the benefit, it shall be considered that the member died on the June 30 following the actual date of death and the spouse reached age 60 on the June 30 prior to attainment of that age, but the allowance shall not begin to accrue until the spouse attains age 60

(4) If there is no surviving spouse or children entitled to allowances under paragraph (1), (2), or (3) at the time of the member's death, the dependent parent, age 60, or upon attainment of that age, shall receive an allowance based on projected service and projected earned salary equal to the amount which would have been paid if the member had retired at age 60 and elected option number 3 If there are two parents who qualify under this paragraph, the total benefit will be computed on the assumption that the youngest parent is the beneficiary, and the total shall be divided equally for so long as there are two such qualifying parents Otherwise, the total amount shall be payable to the one who qualifies

The benefits payable under paragraphs (1) and (2) because of the death of a disabilitant shall be based on projected salary

Allowances payable under this section are in lieu of the death benefit payable under paragraph (1) of subdivision (b) of Section 23800 irrespective of the beneficiary designated to receive that benefit, except that if there are no children who qualify for an allowance under Section 22112, a spouse or the dependent parent or parents may elect, prior to the receipt of the first payment under paragraph (3) or (4), to receive the accumulated contributions in a lump sum subject to a reduction for any payments made from the account for any prior qualified persons

SEC 9.5 Section 23804 of the Education Code is amended to read

23804 If on the date of death the member has met the following conditions

(a) Death occurred after June 30, 1972, and

(b) Had one or more years of credited service, and

(c) If the member had a refund of accumulated retirement contributions, at least one year of credited service had been performed subsequent to the most recent refund of accumulated retirement contributions, and

(d) If the member had been reinstated to membership under the provisions of Section 23913, at least one year of credited service had been performed subsequent to the date of reinstatement, and

(e) If there had been a break in service of more than one year, one-half year of credited service had been performed after the end of last break, and

(f) The provisions of Sections 23800 and 23801 have been met, or

(g) Lacking the above, was a disabilitant receiving a disability allowance based upon projected salary which began to accrue after June 30, 1972; a family allowance shall be paid subject to the provisions of this chapter and Section 24203 as follows:

(1) To the surviving spouse, having financial responsibility for at least one dependent child who qualifies under Section 22112 there shall be paid an amount, in monthly installments, equal to 40 percent of the deceased's final compensation, plus 10 percent of such final compensation for each child, up to a maximum of 90 percent of such final compensation If there are children who are not in the care of the surviving spouse, the amount of the allowance in excess of 40 percent of the final compensation shall be divided equally among all children and is payable to the trustee of the estate of such children under age 18 or their guardian if no trustee is designated or to the children age 18 and over, or

(2) If there is no surviving spouse or the surviving spouse subsequently dies or remarries and there are children who qualify under Section 22112, there shall be paid to the trustee of the estate of surviving children under 18 as designated by the member, or the guardian of such children under age 18 if no trustee is designated, or to the child if over age 18, an amount payable in monthly installments equal to 10 percent of the deceased's final compensation, up to a maximum of 50 percent of such final compensation If there are more than five such children, they shall share equally in the maximum of 50 percent, or

(3) If there is no allowance being paid under paragraphs (1) or (2) the unremarried spouse age 60 or over shall receive a monthly payment equal to the amount which would have been payable to such spouse based on projected service and projected salary, had the member continued service to age 60 and at that time elected option number 3 The allowance payable under this paragraph shall be increased by application of the benefit improvement factor for time which elapses between the date the member would have reached age 60 and the date the allowances commence to accrue under this paragraph For the calculation of the benefit, it shall be considered that the member died on the June 30 following the actual date of death and the spouse reached age 60 on the June 30 prior to attainment of that age, but the allowance shall not begin to accrue until the spouse attains age 60

(4) If there is no surviving spouse or children entitled to allowances under paragraph (1), (2), or (3) at the time of the member's death, the dependent parent, age 60, or upon attainment of that age, shall receive an allowance based on projected service and projected earned salary equal to the amount which would have been paid if the member had retired at age 60 and elected option number 3 If there are two parents who qualify under this paragraph, the total benefit will be computed on the assumption that the youngest parent is the beneficiary, and the total shall be divided equally for so long

as there are two such qualifying parents Otherwise, the total amount shall be payable to the one who qualifies

The benefits payable under paragraphs (1) and (2) because of the death of a disabilitant shall be based on projected salary.

Allowances payable under this section are in lieu of the death benefit payable under paragraph (1) of subdivision (b) of Section 23800 irrespective of the beneficiary designated to receive that benefit, except that if there are no children who qualify for an allowance under Section 22112, a spouse or the dependent parent or parents may elect, prior to the receipt of the first payment under paragraph (3) or (4), to receive the accumulated contributions in a lump sum subject to a reduction for any payments made from the account for any prior qualified persons

SEC 10 Section 23805 of the Education Code is amended to read

23805 If the person or persons to whom a family allowance is payable marries, dies or no longer qualifies for the allowance, the allowance shall be terminated on the day of such event except as provided in Section 24600

SEC 11 Section 23807 of the Education Code is amended to read

23807 Upon termination of family allowances under Section 23804 and prior to such allowances totaling the amount payable under paragraph (1) of subdivision (b) of Section 23800, the balance shall be paid in a lump sum to the survivor who is the highest on the following list

(1) Nominated beneficiary

(2) Spouse

(3) Children, qualified under paragraph (1) or (2) of subdivision (e) of Section 23804

(4) Parent

(5) Estate of the last person who received a family allowance

Lump-sum payments provided under this section shall include credited interest on the unpaid balance calculated from the date benefits were last paid to the date the lump-sum payment is made

SEC 12 Section 23810 of the Education Code is amended to read

23810 Lump-sum payments provided under Section 23804 shall include credited interest on the unpaid balance calculated from (1) the date of death to the date of payment if no benefits were paid under that section, (2) the date benefits, or rights to benefits, terminated to the date of payment if benefits were paid under paragraph (1) or (2) of subdivision (e) of that section, (3) the date of death to the date benefits commenced under that section, if benefits were paid under paragraph (4) of subdivision (e) of that section

SEC 13 Section 23901 of the Education Code is amended to read

23901 Any member who comes within any of the following descriptions may be retired for service at his option upon written application therefor to the board.

(a) Who has attained age 55 years or more and who has at least five years of credited California service, at least one year of which has

been performed subsequent to the most recent refund of accumulated retirement contributions, if five of the final six years of credited service have been in this state.

(b) Who is credited with service which is not used as a basis for benefits under any other public retirement system, provided he has attained age 55 and retires concurrently under the Public Employees' Retirement System, or under the University of California Retirement System, or under a local system.

In the calculation of allowances of members who qualify for retirement under subdivision (b) of this section, and who are not qualified for retirement under subdivision (a) of this section, there shall be excluded any service performed in other states of the United States, its territories and possessions or in the Dominion of Canada.

Application for retirement under subdivision (b) may be made at any time, and such applicants are not subject to the provisions of Section 23907

SEC. 14. Section 23902 of the Education Code is amended to read:

23902 A member may apply for a disability allowance if he has five or more years of credited service, at least one year of which has been performed subsequent to the most recent refund of accumulated retirement contributions, and provided that:

(a) At least four years were credited for actual service performed in a position requiring membership in the system. Credit received because of Worker's Compensation payments will be counted toward the four-year requirement.

(b) The last five years of credited service have been served in this state, and

(c) The member has not attained age 60 years, or has unused sick leave with sufficient days to have him receive salary on account of such sick leave to age 60 years.

SEC 14 5 Section 23902 of the Education Code is amended to read:

23902 A member may apply for a disability allowance if he has five or more years of credited service provided that:

(a) At least four years were credited for actual service performed in a position requiring membership in the system. Credit received because of workers' compensation payments will be counted toward the four-year requirement.

(b) The last five years of credited service have been served in this state, and

(c) At least one year was credited for service performed subsequent to the date on which the member was reinstated to membership under the provisions of Section 23913; and

(d) At least one year was credited for service performed subsequent to the most recent refund of accumulated retirement contributions; and

(e) The member has not attained age 60 years, or has unused sick leave with sufficient days to have him receive salary on account of such sick leave to age 60 years

SEC 15. Section 24200 1 of the Education Code is amended to read

24200 1 A retirant may cancel the option elected as provided in Section 24200 if the option beneficiary is the retirant's spouse or former spouse in the event a final decree of dissolution of marriage or a judgment of nullity has been entered or an order of separate maintenance has been made on or after January 1, 1978, by a court of competent jurisdiction. A retirant may make such cancellation before or after the first retirement allowance check

The retirant must notify the board in writing, and notification shall not be sooner than the effective date of the judgment or order and shall include a certified copy of the final decree of dissolution or judgment of nullity, or an order of separate maintenance, and any property settlement agreement

Upon notification to the board, the retirant may elect (1) to receive the unmodified retirement benefit from the date of receipt of notification, or; (2) a new joint and survivor option under Section 24200, naming a new option beneficiary The reduction of the retirement allowance under the new option elected shall be based on the ages of the retirant and the nominated option beneficiary at the date the election was received; provided, that a retirant may not elect a joint and survivor option that would result in any additional liability to the fund Such election shall be consistent with the final judgment or property settlement agreement.

SEC 16 Section 24600 of the Education Code is amended to read

24600 (a) The retirement or disability allowance begins to accrue on the effective date of the retirement or disability

(b) On death of the retirant, a person receiving a disability allowance or a person who is reinstated to membership, the allowance ceases on the day in which the death or reinstatement occurs.

(c) Family benefits begin to accrue on the day of the month following the day the death of the member occurs and cease on the day of the event which terminates eligibility

(d) Option benefits begin to accrue on the day of the month following the day the retirant died and cease on the day in which the death of the beneficiary occurs

(e) Family allowances payable on account of a full-time student begin to accrue on the day of the month following the day the death of the member occurs. Disability allowances payable on account of a full-time student begin to accrue on the effective date of the disability allowance The allowances payable on account of a full-time student shall terminate on the first day of the month following the end of the school quarter or semester which was in progress in the month of attainment of age 22 However, any adjustments to a family or disability allowance on account of a full-time student's periods of nonattendance shall be made as follows. the allowance shall cease on the beginning of the month in which the nonattendance was initiated and again accrues on the beginning of

a subsequent month in which reattendance occurs.

SEC. 17. Section 24602 of the Education Code is amended to read:

24602. Persons entitled to receive allowances under this system may authorize deductions to be made from such allowances, in accordance with procedures established by the board.

The board shall determine the additional cost involved in making deductions under this section, and may require the public agency, association, insurance carrier, or unit thereof to pay the amount of such additional cost to the board for deposit in the retirement fund.

SEC. 18. It is the intent of the Legislature, if this bill and Assembly Bill 1302 are both chaptered and become effective January 1, 1980, both bills amend Sections 25804 and 23902 of the Education Code, and this bill is chaptered after Assembly Bill 1302, that the amendments to Sections 23804 and 23902 proposed by both bills be given effect and incorporated in Sections 23804 and 23902 in the form set forth in Sections 9 5 and 14.5 of this act. Therefore, Sections 9.5 and 14 5 of this act shall become operative only if this bill and Assembly Bill 1302 are both chaptered and become effective January 1, 1980, both amend Sections 23804 and 23902, and this bill is chaptered after Assembly Bill 1302, in which case Sections 9 and 14 of this act shall not become operative.

CHAPTER 521

An act to amend Sections 1030 and 1032 of the Unemployment Insurance Code, relating to unemployment insurance.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. 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 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 or her work, or whether the claimant was a student employed on a temporary basis and whose employment began within, and ended with his or her leaving to return to school at the close of, his or her vacation period, or whether the claimant left such employer's employ to accompany his or her spouse to or join her or him at a place from which it is impractical to commute to such employment, to which a transfer of the claimant by the employer is not available, and at which the spouse has secured employment The period during

which the employer may submit such facts may be extended by the director 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 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 or her work, or whether the claimant was a student employed on a temporary basis and whose employment began within, and ended with his or her leaving to return to school at the close of, his or her vacation period, or whether the claimant left such employer's employ to accompany his or her spouse to or join her or him at a place from which it is impractical to commute to such employment, to which a transfer of the claimant by the employer is not available, and at which the spouse has secured employment. The period during which the employer may submit such facts may be extended by the director for good cause.

(c) The department 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. The employer may appeal from a ruling or reconsidered ruling to a referee within 20 days after mailing or personal service of notice of the ruling or reconsidered ruling. The 20-day period may be extended for good cause, which shall include, but not be limited to, mistake, inadvertence, surprise, or excusable neglect The director shall be an interested party to any appeal. The department may for good cause reconsider any ruling or reconsidered ruling within either five days after the date an appeal to a referee is filed or, if no appeal is filed, within 20 days after mailing or personal service of notice of the ruling or reconsidered ruling, except that any ruling or reconsidered ruling which relates to a determination which is reconsidered pursuant to subdivision (a) of Section 1332 may also be reconsidered by the department within the time provided for reconsideration of such determination. 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 or her employment without good cause.

SEC 2 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 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 or her work, or whether the claimant was a student employed on a temporary basis and whose employment began within, and ended with his or her leaving to return to school at the close of, his or her vacation period, or whether the claimant left such employer's employ to accompany his or her spouse to or join her or him at a place from which it is impractical to commute to such employment, to which a transfer of the claimant by the employer is not available, and at which the spouse has secured employment The period during which the employer may submit such facts may be extended by the director 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 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 or her work, or whether the claimant was a student employed on a temporary basis and whose employment began within, and ended with his or her leaving to return to school at the close of, his or her vacation period, or whether the claimant left such employer's employ to accompany his or her spouse to or join her or him at a place from which it is impractical to commute to such employment, to which a transfer of the claimant by the employer is not available, and at which the spouse has secured employment. The period during which the employer may submit such facts may be extended by the director for good cause

(c) The department 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 The employer may appeal from a ruling or reconsidered ruling to a referee within 20 days after mailing or personal service of notice of the ruling or reconsidered ruling The 20-day period may be extended for good cause, which shall include, but not be limited to, mistake, inadvertence, surprise, or excusable neglect The director shall be an interested party to any appeal The department may for good cause reconsider any ruling or reconsidered ruling within either five days after the date an appeal to a referee is filed or, if no appeal is filed, within 20 days after mailing or personal service of notice of the ruling or reconsidered ruling, except that any ruling or reconsidered ruling which relates to a determination which is reconsidered pursuant to subdivision (a) of Section 1332 may also be reconsidered by the department within the time provided for reconsideration of such determination.

(d) 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.

(e) 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 or her employment without good cause

SEC. 3. Section 1032 of the Unemployment Insurance Code is amended to read:

1032. If it is ruled under Section 1030 or 1328 that the claimant left the employer's employ voluntarily and without good cause or was discharged by reason of misconduct connected with his or her work, or that he or she was a student employed on a temporary basis and whose employment began within, and ended with his or her leaving to return to school at the close of, his or her vacation period, or that he or she left the employer's employ to accompany his or her spouse to or join her or him at a place from which it is impractical to commute to such employment, to which a transfer of the claimant by the employer is not available, and at which the spouse has secured employment, benefits paid to the claimant subsequent to the termination of employment due to such voluntary leaving or discharge, or due to the termination of the temporary employment of a student whose employment began within, and ended with his or her leaving to return to school at the close of, his or her vacation period, or due to the termination of employment caused by such leaving to accompany or join a spouse, which are based upon wages earned from such employer prior to the date of such termination of employment, shall not be charged to the account of such employer unless he or she failed to furnish the information specified in Section 1030 within the time limit prescribed in that section or unless such ruling is reversed by a reconsidered ruling

SEC. 4. It is the intent of the Legislature, if this bill and Senate Bill 1044 are both chaptered and become effective January 1, 1980, both bills amend Section 1030 of the Unemployment Insurance Code, and this bill is chaptered after Senate Bill 1044, that the amendments to Section 1030 proposed by both bills be given effect and incorporated in Section 1030 in the form set forth in Section 2 of this act. Therefore, Section 2 of this act shall become operative only if this bill and Senate Bill 1044 are both chaptered and become effective January 1, 1980, both amend Section 1030, and this bill is chaptered after Senate Bill 1044, in which case Section 1 of this act shall not become operative

CHAPTER 522

An act to amend Sections 4826 and 4905 of, and to repeal Section 4809 4 of, the Business and Professions Code, relating to veterinary medicine

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 4809 4 of the Business and Professions Code is repealed

SEC 2 Section 4826 of the Business and Professions Code is amended to read

4826 Any person practices veterinary medicine, surgery, and dentistry, and the various branches thereof, when he does any one of the following

(a) Represents himself as engaged in the practice of veterinary medicine, veterinary surgery, or veterinary dentistry in any of its branches

(b) Diagnoses or prescribes a drug, medicine, appliance or application or treatment of whatever nature for the prevention, cure or relief of a wound, fracture, or bodily injury or disease of animals

(c) Administers a drug, medicine, appliance or application or treatment of whatever nature for the prevention, cure or relief of a wound, fracture, or bodily injury or disease of animals, except where such drug, medicine, appliance or application or treatment is administered at the direction of and under the direct supervision of a licensed veterinarian subject to the provisions of Article 2.5 (commencing with Section 4832) of this chapter However, no person, other than a licensed veterinarian, may induce anesthesia unless authorized by regulation of the board

(d) Performs a surgical or dental operation upon an animal.

(e) Performs any manual procedure for the diagnosis of pregnancy, sterility, or infertility upon livestock

(f) Uses any words, letters or titles in such connection or under such circumstances as to induce the belief that the person using them is engaged in the practice of veterinary medicine, veterinary surgery or veterinary dentistry Such use shall be prima facie evidence of the intention to represent himself as engaged in the practice of veterinary medicine, veterinary surgery or veterinary dentistry

SEC 3 Section 4905 of the Business and Professions Code is amended to read

4905 The following fees shall be collected by the board and the same shall be credited to the Board of Examiners in Veterinary Medicine Contingent Fund.

(a) The fee for filing an application for examination shall be fixed by the board in such amount as it determines is reasonably necessary

to provide sufficient funds to carry out the purpose of this chapter, but not to exceed ninety dollars ($90) for the practical examination, and at not more than ninety dollars ($90) for the written examination.

(b) The initial license fee is an amount equal to the renewal fee in effect on the last regular renewal date before the date on which the license is issued, except that, if the license is issued less than one year before the date on which it will expire, then the fee is an amount equal to 50 percent of the renewal fee in effect on the last regular renewal date before the date on which the license is issued The board may, by appropriate regulation, provide for the waiver or refund of the initial license fee where the license is issued less than 45 days before the date on which it will expire.

(c) The renewal fee shall be fixed by the board for each biennial renewal period in such amount as it determines is reasonably necessary to provide sufficient funds to carry out the purpose of this chapter, but not to exceed one hundred dollars ($100).

(d) The delinquency fee shall not exceed twenty-five dollars ($25).

(e) The fee for issuance of a duplicate license is ten dollars ($10).

(f) The board may make a charge for records, transcripts, and other official documents pertaining to the affairs of the board.

(g) The fee for failure to report a change in the place of practice is fifteen dollars ($15).

(h) The initial and annual renewal fees for registration of veterinary premises shall be set by the board in an amount not to exceed fifty dollars ($50) annually

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CHAPTER 523

An act to amend Sections 62, 64, and 65 of, and to add Sections 69 and 70 to, the Civil Code, relating to emancipated minors, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1 Section 62 of the Civil Code is amended to read:

62 Any person under the age of 18 years who comes within the following description is an emancipated minor:

(a) Who has entered into a valid marriage, whether or not such marriage was terminated by dissolution, or

(b) Who is on active duty with any of the armed forces of the United States of America, or

(c) Who has received a declaration of emancipation pursuant to Section 64

SEC. 2. Section 64 of the Civil Code is amended to read:

64. (a) A minor may petition the superior court of the county in which he or she resides or is temporarily domiciled, for a declaration of emancipation. The petition shall be verified and shall set forth with specificity all of the following facts

(1) That he or she is at least 14 years of age.

(2) That he or she willingly lives separate and apart from his or her parents or legal guardian with the consent or acquiescence of his or her parents or legal guardian.

(3) That he or she is managing his or her own financial affairs.

(4) That the source of his or her income is not derived from any activity declared to be a crime by the laws of the State of California or the laws of the United States.

(b) Before the petition is heard, such notice as the court deems reasonable must be given to the minor's parents, guardian, or other person entitled to the custody of the minor, or proof made to the court that their addresses are unknown, or that for other reasons such notice cannot be given. When a minor is a ward or dependent child of the court, notice shall be given to the probation department.

(c) The court shall sustain the petition if it finds that the minor is a person described by subdivision (a) and that emancipation would not be contrary to his or her best interests.

(d) If the petition is sustained, the court shall forthwith issue a declaration of emancipation, which shall be filed by the county clerk. Upon application of the emancipated minor, the Department of Motor Vehicles shall enter identifying information in its law enforcement computer network, and the fact of emancipation shall be stated on the department's identification cards issued to emancipated minors.

(e) If the petition is denied, the minor shall have a right to file a petition for a writ of mandate.

(f) If the petition is sustained, the parents or guardian shall have a right to file a petition for a writ of mandate if they have appeared in the proceeding and opposed the granting of the petition.

(g) A declaration shall be conclusive evidence that the minor is emancipated.

SEC. 3. Section 65 of the Civil Code is amended to read:

65. (a) A minor declared emancipated under Section 64 or his conservator may petition the superior court of the county in which he resides, to rescind the declaration issued under Section 64.

(b) Before the petition is heard, such notice as the court deems reasonable must be given to the minor's parents or guardian or proof made to the court that their addresses are unknown, or that for other reasons such notice cannot be given, however, no liability shall accrue to any parent or guardian not given actual notice, as a result of rescission of the declaration of emancipation, until such parent or guardian is given actual notice.

(c) The court shall sustain the petition and rescind the declaration of emancipation if it finds that the minor is indigent and has no

means of support

(d) If the petition is sustained, the court shall forthwith issue a court order rescinding the declaration of emancipation granted under Section 64, which shall be filed by the county clerk. Notice shall be sent immediately to the Department of Motor Vehicles which shall remove the information relating to emancipation in its law enforcement computer network entered pursuant to subdivision (d) of Section 64. Any identification card issued stating emancipation shall be invalidated.

(e) Rescission of the declaration of emancipation shall not alter any contractual obligations or rights or any property rights or interests which arose during the period that the declaration was in effect

SEC 4 Section 69 is added to the Civil Code, to read·

69. A declaration of emancipation obtained by fraud or by the withholding of material information shall be voidable. The voiding of any such declaration pursuant to this section shall not alter any contractual obligations or rights or any property rights or interests which arose during the period that the declaration was in effect.

A proceeding under this section may be commenced by any person or by any public or private agency. Notice of the commencement of such a proceeding and of any order declaring the declaration of emancipation to be void shall be consistent with the requirements of subdivisions (b) and (d) of Section 65.

SEC. 5. Section 70 is added to the Civil Code, to read:

70. It is the intent of the Legislature that proceedings under Sections 64 and 65 shall be as simple and inexpensive as possible, and to that end, the Judicial Council is requested to prepare and distribute to the clerks of the superior courts appropriate forms for such proceedings which are suitable for use by minors acting as their own counsel.

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 the emancipation of minors under Section 64 of the Civil Code, resulting in the termination of parental support obligations, shall not take place inadvertently and without the knowledge of a minor and his or her parents, it is necessary that this statute go into immediate effect

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CHAPTER 524

An act to add Section 11628 5 to the Insurance Code, relating to insurance

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 11628 5 is added to the Insurance Code, to read·

11628.5. No admitted insurer, licensed to issue motor vehicle liability policies as defined in Section 16450 of the Vehicle Code, shall fail or refuse to accept an application from a handicapped person for such insurance, or to issue such insurance to a handicapped applicant therefor solely because of handicap, or to issue or cancel such insurance under conditions less favorable to handicapped persons than nonhandicapped persons; nor shall a handicap itself constitute a condition or risk for which a higher rate, premium, or charge may be required of a handicapped person for such insurance.

As used in this section, "handicapped person" and "handicapped applicant" refer only to persons who have suffered an impairment of physical ability because of amputation or loss of function which impairment has been compensated for, when necessary, by vehicle equipment adaptation or modification; or who have suffered an impairment of hearing which impairment has been compensated for, when necessary, either by sensory equipment adaptation or modification; or who have suffered an impairment of speech; provided, that the insurer may require a handicapped applicant for such insurance or the renewal of such insurance to furnish proof that he or she has qualified for a new or renewed drivers license through the California Department of Motor Vehicles since the occurrence of the handicapping condition.

If such insurer can justify a higher rate, premium, or charge for handicapped persons with actuarial evidence, a higher rate, premium, or charge may be required.

CHAPTER 525

An act to add Section 54.7 to the Civil Code, relating to disabled persons

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 54.7 is added to the Civil Code, to read.

54.7. (a) Notwithstanding any other provision of law, the provisions of this part shall not be construed to require zoos or wild animal parks to allow guide dogs to accompany blind persons in areas of the zoo or park where zoo or park animals are not separated from members of the public by a physical barrier. As used in this section

"physical barrier" does not include an automobile or other conveyance.

(b) Any zoo or wild animal park that does not permit guide dogs to accompany blind persons therein shall maintain, free of charge, adequate kennel facilities for the use of guide dogs belonging to blind persons. Such facilities shall be of a character commensurate with the anticipated daily attendance of blind persons, shall be in an area not accessible to the general public, shall be equipped with water and utensils for the consumption thereof, and shall otherwise be safe, clean, and comfortable

(c) Any zoo or wild animal park that does not permit guide dogs to accompany blind persons therein shall provide free transportation to blind persons on any mode of transportation provided for members of the public.

(d) Any zoo or wild animal park that does not permit guide dogs to accompany blind persons therein shall provide sighted escorts for such blind persons if they are unaccompanied by a sighted person.

(e) As used in this section "wild animal park" means any entity open to the public on a regular basis, licensed by the United States Department of Agriculture under the Animal Welfare Act as an exhibit, and operating for the primary purposes of conserving, propagating, and exhibiting wild and exotic animals.

SEC. 2. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because the Legislature finds and declares that there are no new duties, obligations, or responsibilities imposed on local government by this act that require reimbursement. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 526

An act to amend Section 20930 of the Government Code, relating to retirement of public employees.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 20930 of the Government Code is amended to read·

20930. "Public service" for purposes of this article means the following.

(a) Employment of the state or a contracting agency while not a member of this system, but after persons employed in the status of the member were eligible for membership in this system.

(b) Employment of the state or a contracting agency while the employee was excluded from membership because of serving on a part-time basis or because of his failure to exercise his right of election of membership under Section 20360, 20361 or 20364.

(c) Employment of the state or a contracting agency while the employee was excluded from membership in an employment in which persons since have become eligible for membership and which is not creditable to the member under other provisions of this part

(d) Employment in the State Emergency Relief Administration or the State Relief Administration subsequent to March, 1933, regardless of the source of the compensation paid for such employment

(e) Employment as an academic employee of the University of California prior to 1963, provided, however, that any member electing to receive credit for such public service shall in addition to other contributions required by this article contribute an amount equal to the contributions which would have been made on his behalf by the state had he been in membership during such employment, assuming that the state rate of contribution in effect at the time of election has been in effect during such employment.

(f) Employment of the state in which the person was not eligible for membership in the system if such ineligibility was solely because his compensation was paid from other than state-controlled funds, provided, however, that time spent in work as a work relief recipient under programs such as, but not limited to, the Works Progress Administration, the Civil Works Administration, the Federal Emergency Relief Administration, the National Youth Administration, and the Civilian Conservation Corps, shall not constitute public service.

(g) Employment in a function formerly performed by a public agency other than a contracting agency and assumed by a contracting agency where the employees who performed such functions are or were transferred to or employed by such contracting agency without change in occupation or position.

(h) Time during which a state employee was absent from state service on war relocation leave.

"War relocation leave" means the period of absence from state service occasioned by the evacuation and relocation of a member pursuant to orders issued by the commanding officer of the Western Defense Command in March 1942, for the evacuation of persons of Japanese descent from such area, where the member was in state service 90 days before or after March 5, 1942, and who later returned to state service War relocation leave of a member shall include the period of time from the separation of a member from state service until his return to state service or July 1, 1947, whichever is earlier

This subdivision shall also be applicable to school members who were absent from service with a school district or a county superintendent of schools on war relocation leave.

When a school member receives service credit under this section, his school employer shall transmit to the retirement fund a lump-sum amount determined by the board which is the actuarial equivalent of the cost for such service credit as of the date of election by the member to receive service credit under this section less the contributions paid by the school member on account of such service credit

(i) Time during which a member is excused from performance of his duties on approved leave for the purpose of service of up to two years with a university, college, local, state, federal or foreign governmental agency or nonprofit organization, if he returns to the employment from which the leave was granted; provided, however, that any member electing to receive credit for such public service shall in addition to contributions otherwise required by this article contribute an amount equal to the contribution that would have been made by his employer in respect to him had he not been absent, assuming that the employer rate of contribution in effect at the time of election had been in effect during the absence.

(j) Absence from state service because of illness which arose out of and in the course of employment and for which the member received temporary disability benefits under the Labor Code during such absence and did not receive full compensation as distinguished from such disability benefits for the period of absence.

(k) Civilian service as an employee or officer of an agency of the government of the United States which performed functions the same as or substantially similar to those performed by this state prior to January 1, 1942, and which were transferred from the state to such agency, including military service in any branch of the armed forces of the United States performed by an individual on military leave of absence from such federal employment, if all the following conditions exist:

(1) Prior to performing such federal service he was employed by the state.

(2) He was laid off from state service or would have been so laid off if he had not been absent in military service because of the transfer of the functions of the state to an agency of the United States government.

(3) Subsequent to his layoff from state service he was employed by the United States government in an agency performing functions the same as or substantially similar to those of the state agency from which he was laid off

(4) After his separation from federal service, he was employed by a state agency or

(5) In lieu of subparagraphs (1), (2), and (3), the United States government pays to the state or an agency of the state, funds equal to contributions which would have been made by the state had the member been in state service for the period of his public service with respect to members who were not employed by the state prior to entering such federal employment or whose state service prior to

entering such federal employment was terminated for reasons other than the transfer of the function.

(*l*) Employment in a district, prior to the time the district became a subsidiary district of a city, of a person who was employed by the city following such reorganization to render service to the district and who became a member in such employment

(m) Time during which an employee was absent from state service because of illness arising out of and in the course of employment and which is certified by the Workmen's Compensation Appeals Board and for which the employee was not compensated

SEC 2. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to them under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code

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CHAPTER 527

An act to amend Sections 12013, 12014, 12105, and 20820 5 of, to add Sections 12009 5, 12024 55, 12026 5, 12106 5, 12500.8, 12500 9, 19809 5, 20980 5, 21723, 21892, and 21942 to, and to repeal Article 2 (commencing with Section 12910) of, and Article 3 (commencing with Section 12915) of Chapter 9 of Division 5 of, the Business and Professions Code, relating to weights and measures

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 12009 5 is added to the Business and Professions Code, to read

12009 5 "Distribute," in any of its variant forms, includes keep for distribution, offer for distribution, or expose for distribution, in any of their variant forms

SEC. 2. Section 12013 of the Business and Professions Code is amended to read.

12013 (a) Any sealer shall have the authority, as a public officer, to arrest, without a warrant, any person whenever such officer has reasonable cause to believe that the person to be arrested has, in his presence, violated any provision of this division, the violation of which is declared to be a public offense

In any case in which an arrest is made pursuant to this authority for an offense declared to be a misdemeanor or an infraction, the arresting officer may, instead of taking the person arrested before a magistrate, follow the procedure prescribed by Chapter 5C (commencing with Section 853 5) of Title 3 of Part 2 of the Penal

Code, unless the arrested person demands to be taken before a magistrate The provisions of such chapter shall thereafter apply with respect to any proceeding based upon the issuance of a citation pursuant to this authority

This subdivision shall not be interpreted to prevent further restriction by the board of supervisors of a county of the authority of a county sealer or his deputies to make arrests

(b) There shall be no civil liability on the part of, and no cause of action shall arise against, any person, acting pursuant to subdivision (a) and within the scope of his authority, for false arrest or false imprisonment arising out of any arrest which is lawful or which the arresting officer, at the time of such arrest, had reasonable cause to believe was lawful. No such officer shall be deemed an aggressor or lose his right to self-defense by the use of reasonable force to effect the arrest or to prevent escape or to overcome resistance

(c) Any sealer may serve all processes and notices throughout the state, provided, that county sealers and their deputies are authorized to serve processes and notices only within the boundaries of the county which employs them

SEC 3 Section 12014 of the Business and Professions Code is amended to read.

12014 (a) Except as provided in subdivision (b), any sealer who seals any weight, measure, balance or weighing or measuring instrument or apparatus before first testing and making it conform with the standards of the state, or who condemns any weight, measure, balance or weighing or measuring instrument or apparatus without first testing it is guilty of a misdemeanor

(b) A sealer may engage in a planned program of probability sampling of devices, using methods approved by the director The sealing of a device by a sealer pursuant to such sampling and testing program is exempt from the provisions of subdivision (a)

SEC 4 Section 12024 55 is added to the Business and Professions Code, to read

12024 55 The price per pound shall be stated on packages of meat, fish, or poultry offered for sale by door-to-door salespersons

SEC 5 Section 12026 5 is added to the Business and Professions Code, to read

12026 5 Except as otherwise specifically provided, the remedies or penalties provided by this division are cumulative to each other and to the remedies or penalties available under all other laws of this state

SEC 6 Section 12105 of the Business and Professions Code is amended to read

12105 The department shall, at least once in five years, inspect the work of the local sealers and may inspect the weights, measures, balances or any other weighing or measuring devices of any person

SEC 7 Section 12106 5 is added to the Business and Professions Code, to read

12106 5 The director may accept the testing and sealing of

weighing and measuring devices by another state upon a finding that the requirements of California for testing and sealing such devices have been met.

SEC. 8. Section 12500.8 is added to the Business and Professions Code, to read·

12500.8. The director may enter into an agreement with the Office of Weights and Measures of the National Bureau of Standards of the Department of Commerce, and other weights and measures jurisdictions, to accept the certifications of each other for prototype examination purposes.

SEC. 9. Section 12500 9 is added to the Business and Professions Code, to read:

12500.9. The director shall charge and collect fees from persons submitting weighing and measuring devices for approval as required by Section 12500.5. Such fees are due and shall be collected upon completion of all prototype-approval testing. The fees shall be based upon the following criteria:

(a) The moneys collected are intended to compensate the director for the costs of time, mileage, and equipment expended in providing prototype-approval service.

(b) The director may compensate county sealers of weights and measures, other weights and measures jurisdictions, or private laboratories for furnishing equipment and assisting the department in conducting prototype-approval activities.

(c) The amount of compensation provided for in subdivision (b) shall be based upon actual time, mileage, and equipment costs, as determined by the director.

(d) The director may adopt rules and regulations necessary to implement the provisions of this section.

All fees collected under the provisions of this section shall be credited to the General Fund.

SEC. 10. Article 2 (commencing with Section 12910) of Chapter 9 of Division 5 of the Business and Professions Code is repealed.

SEC. 11. Article 3 (commencing with Section 12915) of Chapter 9 of Division 5 of the Business and Professions Code is repealed.

SEC. 12. Section 19809.5 is added to the Business and Professions Code, to read:

19809.5. Unless otherwise expressly provided, the remedies or penalties provided by this chapter are cumulative to each other and to the remedies or penalties available under all other laws of this state

SEC. 13. Section 20820.5 of the Business and Professions Code is amended to read

20820.5. (a) Any person selling, offering for sale, or advertising for sale, at retail to the general public, any gasoline or other motor vehicle fuel from any place of business in this state by use of or through or from any dispensing apparatus and displaying any sign showing the actual total price per liter, shall, in addition, display in a conspicuous fashion in full view of the retail purchaser and in

accordance with provisions of this chapter, a gallon-to-liter conversion table showing quantity and price equivalents.

(b) This section shall remain in effect until January 1, 1981, and on such date is repealed

SEC 14 Section 20980 5 is added to the Business and Professions Code, to read.

20980 5 Unless otherwise expressly provided, the remedies or penalties provided by this chapter are cumulative to each other and to the remedies or penalties available under all other laws of this state

SEC. 15. Section 21723 is added to the Business and Professions Code, to read

21723 Unless otherwise expressly provided, the remedies or penalties provided by this chapter are cumulative to each other and to the remedies or penalties available under all other laws of this state

SEC 16 Section 21892 is added to the Business and Professions Code, to read

21892. Unless otherwise expressly provided, the remedies or penalties provided by this chapter are cumulative to each other and to the remedies or penalties available under all other laws of this state

SEC 17. Section 21942 is added to the Business and Professions Code, to read

21942 Unless otherwise expressly provided, the remedies or penalties provided by this chapter are cumulative to each other and to the remedies or penalties available under all other laws of this state

SEC 18 Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code

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CHAPTER 528

An act to add Section 13418 to the Water Code, relating to water pollution, and declaring the urgency thereof, to take effect immediately

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 13418 is added to the Water Code, to read:

13418 Notwithstanding any provision of this chapter or any other provision of law, including, but not limited to, the provisions of Chapter 47 and 137 of the Statutes of 1966, First Extraordinary Session, Chapter 1679 of the Statutes of 1967, Chapter 1356 of the Statutes of 1969, and Chapter 920 of the Statutes of 1970, or the provisions of any existing loan contract entered into pursuant to this chapter or any other such provision of law, there shall be a two-year moratorium following the effective date of this section on that portion of the principal and interest payments otherwise required in repayment of funds heretofore loaned to the North Tahoe Public Utility District, the Tahoe City Public Utility District, the South Tahoe Public Utility District, the Truckee Sanitary District, the Squaw Valley County Water District, and the Alpine Springs County Water District pursuant to this chapter or any act of the Legislature authorizing a state loan for the purpose of permitting any such agency to construct necessary sewage and storm drainage facilities to prevent and control water pollution in the area served by such agency, equal in percentage, as determined by the Department of Finance, to the percentage of property tax revenues lost to the agency by reason of the adoption of Article XIII A of the California Constitution, unless moneys are otherwise available for such repayment from state allocations or the sale of bonds authorized on or before July 1, 1978, but unissued. The provisions of this section do not apply to any sums which are required to be repaid immediately or in accordance with an accelerated time schedule pursuant to a duly entered stipulated judgment between the State of California and the Tahoe City Public Utility District. Interest on loans shall accrue during the moratorium period and be repaid by the recipients of the loans, in addition to the normal principal and interest payments

SEC. 2. The Legislature hereby finds and declares that the provisions of this act are necessary because the adoption of Article XIII A of the California Constitution has impaired the ability of public agencies to repay state loans made to such agencies for the purpose of permitting such agencies to construct necessary sewage and storm drainage facilities to prevent and control water pollution. The Legislature further declares that the provisions of this act are justified because of special circumstances existing within the Lake Tahoe Basin. State law has mandated that all waste within the Lake Tahoe watershed be transported outside the Lake Tahoe watershed in order to preserve the high quality of the waters of Lake Tahoe and to preserve the clarity and beauty of the waters of Lake Tahoe for the benefit of all the people of California.

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 provide for the provisions of this act to become effective during the current fiscal year and to insure the ability of public agencies to repay state loans made to such agencies for the purpose of permitting such agencies to construct necessary sewage and storm drainage facilities to prevent and control water pollution, it is necessary that this act go into immediate effect.

CHAPTER 529

An act to add Section 1182.4 to the Labor Code, relating to the Industrial Welfare Commission, and declaring the urgency thereof, to take effect immediately

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 1182.4 is added to the Labor Code, to read:

1182 4. (a) No student employee of an organized camp shall be subject to a minimum wage or maximum hour order of the commission if the employee receives a weekly salary of at least 85 percent of the minimum wage for a 40-hour week, regardless of the number of hours per week the employee might work at the organized camp If the student employee works less than 40 hours per week, the employee shall be paid at least 85 percent of the minimum hourly wage for each hour worked.

(b) An organized camp may deduct the value of meals and lodging from the salary of a student employee pursuant to appropriate orders of the commission.

(c) As used in this section, "organized camp" means an organized camp, as defined in Section 18897 of the Health and Safety Code, which meets the standards of the American Camping Association.

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:

Organized camps, which provide much needed community services, are unable to bear the financial impact of the state minimum wage and maximum hour orders of the Industrial Welfare Commission, and this bill would provide fiscal relief for these camps. In order that organized camps have relief from the commission's orders before the camps open in the summer of 1979, it is necessary that this act take effect immediately

CHAPTER 530

An act to amend Section 11114 of the Penal Code, relating to identification of dead bodies.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1 Section 11114 of the Penal Code is amended to read:

11114 (a) When any person makes a report of a missing person to a police or sheriff's department or other law enforcement authority, the person making the report shall be given in person or by mail a form supplied by the Department of Justice authorizing the release of the dental records of the person reported missing. Included with such form shall be instructions which state that if the person reported missing is still missing 30 days after the report is made, the release form signed by a member of the family or next of kin of the missing person should be taken to the dentist or dentists of the missing person to obtain the release of the dental records and that dental records should be submitted within 10 days by the person to whom released to the police or sheriff's department or other law enforcement authority to which the missing person report was made When the person reported missing has not been found within 30 days and no family or next of kin exists or can be located, the law enforcement authority may execute a written declaration, stating that an active investigation seeking the location of the missing person is being conducted, and that the dental records are necessary for the exclusive purpose of furthering the investigation. Such written declaration, signed by a peace officer, is sufficient authority for the dentist or dentists to release the missing person's dental records.

(b) When a person reported missing has not been found within 45 days, the sheriff, chief of police, or other law enforcement authority initiating and conducting the investigation for the missing person shall confer with the coroner or medical examiner prior to the preparation of a missing person report. After conferring with the coroner or medical examiner, the sheriff, chief of police, or other law enforcement authority initiating and conducting the investigation for the missing person shall submit a missing person report and the dental records received pursuant to subdivision (a) to the Department of Justice on forms supplied by the department for such purpose.

(c) When a person reported missing has been found, the sheriff, chief of police, coroner or medical examiner, or other law enforcement authority shall report such information to the Department of Justice After receiving such a report, the department shall erase all records with respect to such person which are maintained pursuant to subdivision (d) of this section

(d) The Department of Justice shall maintain a file of information concerning persons reported to it as missing and who have not been reported as found. The file shall contain the information referred to in subdivision (b) and such other information as the Department of Justice finds to be relevant to assisting in the location of a missing person.

The Department of Justice files shall be made available to law enforcement agencies attempting to locate missing persons.

CHAPTER 531

An act to amend Sections 81008, 81009, 83113, 84101, and 90004 of, and to add Section 81009.5 to, the Government Code, relating to elections.

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 81008 of the Government Code is amended to read.

81008 Every report and statement filed pursuant to this title is a public record open for public inspection and reproduction during regular business hours, commencing as soon as practicable, but in any event not later than the second business day following the day on which it was received No conditions whatsoever shall be imposed upon persons desiring to inspect or reproduce reports and statements filed under this title, nor shall any information or identification be required from such persons. Copies shall be provided at a charge not to exceed ten cents ($0.10) per page. Campaign statements shall be open for public inspection and reproduction from 9:00 a.m. to 5 00 p.m. on the Saturday preceding an election held on the first Tuesday after the first Monday in June or November in even-numbered years in the offices of Secretary of State, Registrar-Recorder of Los Angeles County, Registrar of Voters of San Diego County and Registrar of Voters of the City and County of San Francisco.

SEC 2 Section 81009 of the Government Code is amended to read.

81009. (a) Statements of organization, registration statements of lobbyists, and original campaign statements of mayors, city council members, county supervisors, persons holding elective state office, candidates for any such office, committees supporting any such officeholder or candidate, and committees supporting or opposing statewide measures, shall be retained by filing officers indefinitely

(b) Original campaign statements of all other persons shall be retained by filing officers for a period of not less than seven years

(c) Original statements of economic interests of persons holding statewide elective office shall be retained by filing officers indefinitely

(d) Original reports and statements not specified above in this section shall be retained by filing officers for a period of not less than seven years

(e) Copies of reports or statements shall be retained by the officer with whom they are filed for a period of not less than four years, provided, however, that a filing officer is not required to retain more than one copy of a report or statement.

(f) After an original report or statement or a copy has been on file for at least two years, the officer with whom it is filed may comply with this section by retaining a copy on microfilm or other space-saving materials available for public inspection. Upon request, the officer shall provide copies of such statements pursuant to Section 81008

SEC 3 Section 81009.5 is added to the Government Code, to read

81009 5 Any local government agency which has enacted, enacts, amends, or repeals an ordinance or other provision of law affecting campaign contributions and expenditures shall file a copy of any such action with the commission

SEC 4. Section 83113 of the Government Code is amended to read·

83113 The commission shall, in addition to its other duties·

(a) Prescribe forms for reports, statements, notices and other documents required by this title;

(b) Prepare and publish manuals and instructions setting forth methods of bookkeeping and preservation of records to facilitate compliance with and enforcement of this title, and explaining the duties of persons and committees under this title;

(c) Provide assistance to agencies and public officials in administering the provisions of this title; and

(d) Maintain a central file of local campaign contribution and expenditure ordinances forwarded to it by local government agencies.

SEC 5 Section 84101 of the Government Code is amended to read:

84101. Every committee which is a committee by virtue of Section 82013(a) shall file with the Secretary of State a statement of organization within 10 days after it has qualified as a committee. 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 or she deems appropriate A county clerk who receives a copy of a statement of organization from the Secretary of State pursuant to this section shall send a copy of such statement to the clerk of each city in the county which he or she deems appropriate

SEC 6 Section 90004 of the Government Code is amended to read

90004 The Franchise Tax Board shall periodically prepare reports which shall be sent to the commission, the Secretary of State and the Attorney General, unless the reports relate to candidates for or committees supporting or opposing candidates for the office of Attorney General, in which case reports shall be sent to the commission, the Secretary of State and the District Attorneys of Los Angeles, Sacramento and San Francisco Counties. The reports of the Franchise Tax Board shall be public documents and shall contain in detail the Franchise Tax Board's findings with respect to the accuracy and completeness of each report and statement reviewed and its findings with respect to any report or statement that should have been but was not filed. The Secretary of State shall place the audit reports in the appropriate campaign statement or lobbying files

SEC. 7. The amendment effected by this act shall not be construed to deprive any person or public agency of any substantial rights or duty which would have existed or hereafter exists had such amendment not been effected.

SEC 8 The Legislature finds and declares that the provisions of this act further the purposes of the Political Reform Act of 1974 within the meaning of subdivision (a) of Section 81012 of the Government Code

SEC 9. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections 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. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code

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CHAPTER 532

An act to amend Section 29645 of the Elections Code, relating to elections

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

The people of the State of California do enact as follows

SECTION 1. Section 29645 of the Elections Code is amended to read

29645 Any person is guilty of a felony, punishable by imprisonment in a state prison for two, three, or four years who, before or during an election

(a) Tampers with, interferes with, or attempts to interfere with, the correct operation of, or willfully damages in order to prevent the use of, any voting machine, voting device, voting system, or vote tabulating device.

(b) Interferes or attempts to interfere with the secrecy of voting.

(c) Knowingly, and without authorization, makes or has in his or her possession a key to a voting machine that has been adopted and will be used in elections in this state.

CHAPTER 533

An act to amend Section 33590 of the Education Code, relating to special education

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1. Section 33590 of the Education Code is amended to read

33590 (a) There is in the state government the Advisory Commission on Special Education consisting of:

(1) A Member of the Assembly appointed by the Speaker of the Assembly

(2) A Member of the Senate appointed by the Senate Committee on Rules.

(3) Three public members appointed by the Speaker of the Assembly, one of whom shall be a parent of a pupil in either a public or private school who has received or is currently receiving special education services due to a handicapping condition.

(4) Three public members appointed by the Senate Committee on Rules, one of whom shall be a parent of a pupil in either a public or private school who has received or is currently receiving special education services due to a handicapping condition

(5) Four public members appointed by the Governor, one of whom shall be a parent of a pupil in either a public or private school who has received or is currently receiving special education services due to a handicapping condition.

(6) Five public members appointed by the State Board of Education, upon the recommendation of the Superintendent of Public Instruction or the members of the State Board of Education, one of whom shall be a parent of a pupil in either a public or private school who has received or is currently receiving special education services due to a handicapping condition

(b) The commission membership shall be selected to ensure a representative group knowledgeable about the wide variety of handicapping conditions which require special programs in order to

achieve the goal of providing an appropriate education to all eligible pupils.

(c) Each public member shall serve for a four-year term.

(d) On January 1, 1980, the State Board of Education shall terminate the appointment of the members it has appointed before that date However, a member so terminated may be reappointed to the commission, provided he or she satisfies the requirements for membership established by this section.

CHAPTER 534

An act to add Section 12011.5 to the Government Code, relating to courts

[Approved by Governor September 7, 1979 Filed with Secretary of State September 7, 1979]

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

SECTION 1 It is the intent of the Legislature in enacting this act to assist the Governor in the evaluation of appointees or nominees to judicial office by providing the Governor with as much information and valued judgment regarding the judicial qualifications of a candidate as is possible prior to the time such appointment or nomination takes effect. It is the further intent of the Legislature to preserve the confidentiality of information gathering and evaluation procedures for the purpose of ensuring the ability of the State Bar to assist the Governor by making the fullest investigation possible concerning the qualifications of a candidate for judicial office and in order to encourage persons to come forward and provide information without fear of legal reprisal or other consequences for their candid expression of views and comments concerning the qualifications of any candidate. It is also the intent of the Legislature to encourage members of the State Bar and sitting judges to be available for judicial appointment without undue risk of attendant publicity from surprise adverse criticism after an appointment to judicial office is made.

SEC 2 Section 12011 5 is added to the Government Code, to read·

12011 5. (a) In the event of a vacancy in a judicial office to be filled by appointment of the Governor or in the event that a declaration of candidacy is not filed by a judge and the Governor is required under subdivision (d) of Section 16 of Article VI of the Constitution to nominate a candidate, the Governor shall first submit to a designated agency of the State Bar of California the names of all potential appointees or nominees for such judicial office for evaluation of their judicial qualifications

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

responsible for evaluation of judicial candidates shall consist of attorney members and public members with the ratio of public members to attorney members determined, to the extent practical, by the ratio established in Sections 6013, 6013.4, and 6013 5, inclusive, of the Business and Professions Code It is the intent of this subdivision that the designated agency of the State Bar responsible for evaluation of judicial candidates shall be broadly representative of the ethnic, sexual and racial diversity of the population of California and composed in accordance with Sections 11140 and 11141 of the Government Code. The further intent of this subdivision is to establish a selection process for membership on the designated agency of the State Bar responsible for evaluation of judicial candidates under which no member of such agency shall provide inappropriate, multiple representation for purposes of this subdivision.

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

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

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

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

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

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

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

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

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

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

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

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

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

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CHAPTER 535

An act to amend Sections 70045 6 and 73440 of the Government Code, relating to courts

[Became law without Governor's signature September 9, 1979. Filed with Secretary of State September 10, 1979]

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

SECTION 1 Section 70045 6 of the Government Code is amended to read:

70045 6 (a) In Kern County each regular reporter shall be paid a biweekly salary of eight hundred forty-five dollars and four cents ($845 04) The court reporter shall be paid biweekly pursuant to the payroll procedures in effect in the County of Kern

(b) Beginning January 1, 1980, the board of supervisors may adjust the salary of each regular official reporter as part of its county employee compensation plan. Any adjustment to reporter salaries shall be effective on the same date as the effective date of the board's action to adjust compensation of other county employees Any adjustment shall be effective only until January 1 of the second year following the year in which the adjustment is made, unless ratified by the Legislature

(c) In addition to the compensation provided for in this section, each regular official reporter shall be entitled to and shall receive, on the same basis as other county employees, the same benefits and privileges with respect to retirement, group insurance, sick leave, and vacations Court reporters shall observe the same holidays as other court employees For the purposes of determining participation in the county retirement system, the salary provided for such reporters in this section shall be deemed their entire compensation

(d) Each pro tempore official reporter shall be paid seventy-five

dollars ($75) a day for the days he is actually on duty under order of the court.

SEC. 2 Section 73440 of the Government Code is amended to read:

73440. Official reporters in the municipal courts shall be appointed pursuant to Section 72194 and in lieu of any other compensation provided by law for their services in reporting testimony and proceedings in such court, shall receive a salary in the same sum as is paid the official reporters of the superior court in Kern County.

Each pro tempore official reporter shall be paid seventy-five dollars ($75) a day for the days he is actually on duty under order of the court. Official reporters shall be paid biweekly pursuant to payroll procedures in effect in the County of Kern Official reporters in the municipal courts shall also be entitled to and shall receive, on the same basis as other county employees, the same benefits and privileges with respect to retirement, group insurance, sick leave, and vacation. Court reporters shall observe the same holidays as other court employees. For the purpose of determining participation in the county retirement system, the salary provided for such reporters in Section 70045.6 shall be deemed their entire compensation.

SEC. 3. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act is in accordance with the request of a local governmental entity or entities which desired legislative authority to carry out the program specified in this act. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 536

An act to add Section 12233 to the Government Code, relating to historical documentation.

[Became law without Governor's signature September 9, 1979. Filed with Secretary of State September 10, 1979.]

The people of the State of California do enact as follows

SECTION 1 It is the intent of the Legislature that the Governmental History Documentation Project which began in 1969 with the documentation of California's legislative and executive history from and after the year 1925 be maintained on a continuing basis using oral history techniques.

SEC 2. Section 12233 is added to the Government Code, to read

12233 The Secretary of State may contract with the Regents of

the University of California for the Regional Oral History Office of the Bancroft Library to conduct a governmental history documentation project to provide through the use of oral history techniques a continuing documentation of California's legislative and executive history from and after the year 1925. The contract shall require the Regional Oral History Office of the Bancroft Library to work in conjunction with other oral history programs affiliated with a public or private nonprofit college, university, or historical society located in California and to provide for the participation of other persons having expertise in California state government The contract shall require the Regional Oral History Office of the Bancroft Library to submit an annual report to the Legislature on the governmental documentation project

SEC. 3 This act shall become operative July 1, 1980.

CHAPTER 537

An act to amend Section 94153 of the Education Code, relating to the California Educational Facilities Authority.

[Became law without Governor's signature September 9, 1979. Filed with Secretary of State September 10, 1979.]

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

SECTION 1 Section 94153 of the Education Code is amended to read:

94153 The total amount of bonds authorized to be outstanding at any one time under this chapter shall be three hundred million dollars ($300,000,000)

CHAPTER 538

An act to amend Section 26635 of the Health and Safety Code, relating to drug labeling

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 26635 of the Health and Safety Code, as amended by Chapter 943 of the Statutes of 1978, is amended to read

26635 (a) Any drug is misbranded unless its label bears, to the exclusion of any other nonproprietary name except the applicable, systematic chemical name or the chemical formula, all of the following information

(1) The established name of the drug, if any.

(2) If it is fabricated from two or more ingredients, the established name and quantity of each active ingredient, including the kind and quantity or proportion of any alcohol, and also including, whether active or not, the established name and quantity or proportion of any bromides, ether, chloroform, acetanilide, acetophenetidin, antipyrine, atropine, hyoscine, hyoscyamine, codeine, arsenic, digitalis, digitalis glycosides, mercury, ouabain, strophanthin, strychnine, barbituric acid, or any derivative or preparation of any such substances contained therein.

(b) The requirement for stating the quantity of the active ingredients of any drug, including the quantity or proportion of any alcohol, and also including, whether active or not, the quantity or proportion of any bromides, ether, chloroform, acetanilide, acetophenetidin, antipyrine, atropine, hyoscine, hyoscyamine, codeine, arsenic, digitalis, digitalis glycosides, mercury, ouabain, strophanthin, strychnine, barbituric acid, or any derivative or preparation of any such substances contained therein, shall apply to all drugs, including prescription drugs and nonprescription drugs However, the requirement for declaration of quantity shall not apply to nonprescription drugs which are also cosmetics, as defined in Section 201(i) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 321(i)) and which are labeled in compliance with federal labeling requirements concerning declaration of ingredients including active ingredients and also the quantity and proportion of any alcohol, except that the quantity or proportion of the following ingredients, whether active or not, shall be declared: bromides, ether, chloroform, acetanilide, acetophenetidin, antipyrine, atropine, hyoscine, hyoscyamine, codeine, arsenic, digitalis, digitalis glycosides, mercury, ouabain, strophanthin, strychnine, barbituric acid, or any derivative or preparation of any such substances contained therein The department may exempt any nonprescription drug from the requirement of stating the quantity of the active ingredients, other than those specifically named in this subdivision, upon a showing by the applicant through evidence satisfactory to the department that the granting of the exemption will not endanger the public health. For any prescription drug the established name of such drug or ingredient, as the case may be, on such label and on any labeling on which a name for such drug or ingredient is used shall be printed prominently and in type at least half as large as that used thereon for any proprietary name or designation for such drug or ingredient.

The changes made in this section during the 1977–78 Regular Session and the 1979 portion of the 1979–80 Regular Session shall not apply to any drug shipped by a manufacturer or packer to a retailer or wholesaler before January 1, 1980 Any such drugs so shipped shall comply with the provisions of this section on and after January 1, 1981

CHAPTER 539

An act to amend Section 707 1 of the Welfare and Institutions Code, relating to juvenile court law.

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1 Section 707.1 of the Welfare and Institutions Code is amended to read

707 1 If the minor is declared not a fit and proper subject to be dealt with under the juvenile court law, the district attorney or other appropriate prosecuting officer shall acquire the authority to file an accusatory pleading against the minor in a court of criminal jurisdiction The case shall proceed from that point according to the laws applicable to a criminal case provided, that unless the juvenile court specifically orders the individual minor delivered to the custody of the sheriff upon a finding that the presence of the minor in the juvenile hall would endanger the safety of the public or be detrimental to the other inmates detained in juvenile hall, the minor, if detained, shall remain in the juvenile hall pending final disposition by the criminal court. If a prosecution has been commenced in another court but has been suspended while juvenile court proceedings are being held, it shall be ordered that the proceedings upon such prosecution resume. When a person under 18 years of age is detained pursuant to this section in a facility in which adults are confined, it shall be unlawful to permit such person to come or remain in contact with such adults.

CHAPTER 540

An act to amend Section 777 of the Welfare and Institutions Code, relating to juvenile court law

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 777 of the Welfare and Institutions Code is amended to read

777 An order changing or modifying a previous order by removing a minor from the physical custody of a parent, guardian, relative or friend and directing placement in a foster home, or commitment to a private institution or commitment to a county institution, or an order changing or modifying a previous order by

directing commitment to the Youth Authority shall be made only after noticed hearing upon a supplemental petition.

(a) The supplemental petition shall be filed by the probation officer, where a minor has been declared a ward of the court under Section 601, and by the prosecuting attorney at the request of the probation officer where a minor has been declared a ward under Section 602, in the original matter and shall contain a concise statement of facts sufficient to support the conclusion that the previous disposition has not been effective in the rehabilitation or protection of the minor

(b) Notwithstanding the provisions of subdivision (a), if the petition alleges a violation of a condition of probation and is for the commitment of a minor to a county juvenile institution for a period of 15 days or less, it is not necessary to allege and prove that the previous disposition has not been effective in the rehabilitation or protection of the minor In order to make such a commitment the court must, however, find that such commitment is in the best interest of the minor The provisions of this subdivision may not be utilized more than twice during the time the minor is a ward of the court

(c) Upon the filing of such supplemental petition, the clerk of the juvenile court shall immediately set the same for hearing within 30 days, and the probation officer shall cause notice thereof to be served upon the persons and in the manner prescribed by Sections 658 and 660

(d) An order for the detention of the minor pending adjudication of the petition may be made only after a hearing is conducted pursuant to Article 15 (commencing with Section 625) of this chapter

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CHAPTER 541

An act to amend Section 7153 10 of the Financial Code, relating to loans, and declaring the urgency thereof, to take effect immediately

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1 Section 7153 10 of the Financial Code is amended to read

7153 10 An association may make amortized loans upon the security of real property in an amount in excess of 80 percent of the appraised value of such real property, if

(a) There is located thereon only a structure designed for residential use for one family or a structure designed for residential use for one family and structures ancillary to such residential use or

if such real property is of the type described in subdivision (a), (b) or (c) of Section 7153.1;

(b) The loan includes amounts to finance the rehabilitation of a structure described in subdivision (a) hereof and the loan amount is not in excess of 90 percent of the appraised value of the real property plus an additional 15 percent of the appraised value for amounts attributable to rehabilitation or, if the loan is made to finance the purchase of the real property, 90 percent of the purchase price plus an additional 15 percent of the purchase price for amounts attributable to rehabilitation, provided, however, that the appraised value or the purchase price of the property shall not exceed fifty thousand dollars ($50,000). Rehabilitation includes improvements, repairs, alterations and the equipping of a structure which will enable such structure to meet applicable state and local building and housing standards;

(c) If the loan is sought or assumed for the purpose of enabling a purchaser to acquire the security property, the purchaser and the vendor or vendors have jointly executed a certification in writing stating the purchase price of the security property and the items comprising such price,

(d) The association has made or obtained, prior to approval of the loan, a written report on the credit standing of the borrower and the financial ability of such borrower to undertake and pay off the obligation involved in the loan;

(e) The borrower makes a certification in writing that he intends to occupy the property as his home and that no lien or charge upon the property other than the lien of the association or liens or charges which will be discharged from the proceeds of the loan, or, in the case of real property of the type described in subdivisions (a), (b), and (c) of Section 7153.1, liens or charges to secure unpaid assessments for management and common expenses, has been given or executed by him;

(f) The loan requires repayment in monthly installments and each such payment includes the monthly proration of annual taxes in advance until the unpaid balance of such loan shall have been reduced to 80 percent of the appraised value or the purchase price if any, whichever is less, of such property, and

(g) The loan is insured or guaranteed in whole or in part by the California Housing Finance Agency or by the State of California or any instrumentality of the United States.

No association shall have such investments under this section aggregating at any one time more than 30 percent of its total assets. Whenever the unpaid balance of any such loan made under this section shall have been reduced to 80 percent of the appraised value or the purchase price if any, whichever is less, of such property, such loan may be removed from the above imposed limitation of assets

Notwithstanding Section 7150, a loan made pursuant to this section may be for a term of not more than 35 years

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:

An ambiguity exists as to what the forty-five thousand dollars ($45,000) limit on loans made pursuant to Section 7153.10 applies to. In order to clarify the maximum limit on these loans, and thus allow such loans to be made, it is necessary that this act take effect immediately.

CHAPTER 542

An act to amend Section 1202 of the Financial Code, relating to financial institutions

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1 Section 1202 of the Financial Code is amended to read

1202. A commercial bank may borrow money for temporary purposes by discounting or otherwise, and may borrow money secured by real property owned by the bank provided that the real property is used only for banking operations, to an amount not in excess of its shareholders' equity, but shall not borrow money except as provided in Sections 1204 and 1205 in excess of such amount without the prior written approval of the superintendent.

The amounts of moneys so borrowed by a commercial bank together with the amount of any of its deposits secured by surety bonds shall not at any one time exceed the amount of its shareholders' equity without the prior written approval of the superintendent.

CHAPTER 543

An act making an appropriation to the Department of Fish and Game in augmentation of the appropriations made in Items 214 and 215 of the Budget Act of 1979, and declaring the urgency thereof, to take effect immediately

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1 The sum of one million seven hundred fifty-seven thousand four hundred twenty-two dollars ($1,757,422) is hereby appropriated to the Department of Fish and Game, one million six hundred seventy-six thousand nine hundred twenty-two dollars ($1,676,922) from the Fish and Game Preservation Fund, and eighty thousand five hundred dollars ($80,500) from the California Environmental Protection Program Fund, in augmentation of the appropriations made in Items 214 and 215 of the Budget Act of 1979, in accordance with the following schedule

Schedule

From Fish and Game Preservation Fund moneys, for expenditure, in addition to moneys allocated in Item 215, for.

(a)	11 field game warden positions	$331,920
(b)	Pilot volunteer reserve game warden program provided that the director shall report to the Legislature on the program on or before July 30, 1980	200,000
(c)	66 personnel years of seasonal aides	468,995
(d)	Support personnel for the warm water fisheries program	109,738
(e)	Species improvement and preservation programs for waterfowl provided, that services provided to private hunting clubs shall be fully reimbursed.	52,000
(f)	The management and research program relating to kelp	86,204
(g)	Conservation and education programs relating to protection and use regulations	92,790
(h)	The cold water reservoir management program	138,038
(i)	The fish disease project (Mojave) however, such program shall be carried out with existing funding	0
(j)	The pesticide research program	197,237
(k)	Hunter safety training coordinator however, such program shall be carried out with existing funding	0

From California Environmental Protection Program Fund moneys, for expenditure, in addition to moneys allocated in Item 214, for

(*l*)	Expenditure for three staff biologist positions, in the Environmental Services program, in addition to those supported in Item 215	$80,500

SEC. 2. (a) Funds from the appropriation made in this act may be expended to pay the salary of an employee who is returned to a position in a class which he held on June 30, 1979, which salary shall include a lump sum payment equal to the difference between the salary established in July 1979, for such position to which the employee is returned and the salary actually paid the employee for the period between July 1, 1979, and the effective date of this act

(b) The adjustments authorized in subdivision (a) are not provided as a retroactive salary increase, but are for continued services rendered on or after the effective date of this act to the extent any such services may be rendered Recent events make these adjustments necessary to ensure the continued recruitment and retention of qualified and competent state employees

SEC 3 Funds from each appropriation made in this act may be expended to pay any obligation incurred between the commencement of the 1979–80 fiscal year and the effective date of this act, which would otherwise have been authorized hereunder had this act been operative on July 1, 1979, subject to the same limitations, conditions, and requirements

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

In order for the Department of Fish and Game to have use of the funds herein appropriated for the full 1979–80 fiscal year, it is necessary that this act take effect immediately

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CHAPTER 544

An act to add Section 89522 to the Education Code, and to amend Section 18934 of the Government Code, relating to state officers and employees

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1 Section 89522 is added to the Education Code, to read

89522 All applications for appointment to academic, administrative and nonacademic positions shall include a place for listing volunteer experience and such experience shall be considered if it is relevant to the position being applied for

SEC 2 Section 18934 of the Government Code is amended to read

18934 Every applicant for examination shall file a formal signed application in the office of the board within a reasonable length of

time before the date of examination. Blank application forms shall be furnished without charge to all persons requesting them. Such applications when filed and all other examination materials, including examination questions and booklets, are the property of the board and are confidential records open to inspection only if and as provided by board rule.

The application form shall include a place for listing volunteer experience and such experience shall be considered if it is relevant to the position being applied for. Each form shall have prominently displayed on its face the fact that volunteer experience will be given consideration as qualifying experience for state employment.

CHAPTER 545

An act to amend Sections 25210 13 and 25210.31 of the Government Code, relating to county service areas.

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1 Section 25210.13 of the Government Code is amended to read:

25210.13. (a) No proceedings shall be instituted by the board or requested by its members, and no resolution by the governing body of a city shall be considered by the board, and no petition shall be circulated, until approval of the local agency formation commission is first obtained pursuant to Chapter 6.6 (commencing with Section 54773), Part 1, Division 2, Title 5.

(b) The local agency formation commission may make its approval conditional upon a requirement that services to be provided will be limited to those specified in the resolution of intention adopted by the board pursuant to Section 25210.15, and that any authorization for the provision of additional services, pursuant to Section 25210.31, shall be effective only upon approval thereof by the commission.

SEC 2. Section 25210.31 of the Government Code is amended to read:

25210 31. (a) If the board of supervisors is of the opinion that public convenience and necessity require that any of the other types of extended services referred to in Section 25210.4 be provided within an established county service area, it may adopt a resolution of intention to provide such other types of extended services within the area. Such proceedings may be commenced at any time.

(b) If the local agency formation commission, in approving the establishment of the county service area, conditioned its approval as provided for by subdivision (b) of Section 25210.13, the board shall

not initiate proceedings to extend services pursuant to this article until approval of the local agency formation commission is first obtained.

CHAPTER 546

An act to add Division 19 (commencing with Section 35000) to the Elections Code, and to repeal Sections 25001, 25001 1, 25001.2, 25001.3, 25001.4, 25001 5, and 25002 of, to repeal Article 3 (commencing with Section 34890) of Chapter 7 of Part 1 of Division 2 of Title 4 of, to repeal Article 4 (commencing with Section 34898) of Chapter 7 of Part 1 of Division 2 of Title 4 of, and to amend and renumber the heading of Article 5 (commencing with Section 34900) of Chapter 7 of Part 1 of Division 2 of Title 4 of, the Government Code, relating to elections.

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1. Division 19 (commencing with Section 35000) is added to the Elections Code, to read:

DIVISION 19. REAPPORTIONMENT OF ELECTION DISTRICTS OF LOCAL GOVERNMENTS

CHAPTER 1. SUPERVISORIAL DISTRICTS

35000. Following each decennial federal census, and using population figures as validated by the Population Research Unit of the Department of Finance as a basis, the board shall adjust the boundaries of any or all of the supervisorial districts of the county so that the districts shall be as nearly equal in population as may be. In establishing the boundaries of the districts the board may give consideration to the following factors: (a) topography, (b) geography, (c) cohesiveness, contiguity, integrity, and compactness of territory, and (d) community of interests of the districts

35001 The boundaries of the supervisorial districts shall be adjusted by the board before the first day of November of the year following the year in which each decennial federal census is taken. If the board fails to adjust the boundaries before the first day of November following the year in which the federal census is taken, a supervisorial redistricting commission shall do so before the 31st day of December of the same year The adjustment of the district boundaries shall be immediately effective the same as if the act of the supervisorial redistricting commission were an ordinance of the board, subject, however, to the same provisions of referendum as

apply to ordinances of the board

35002 The supervisorial redistricting commission shall be composed of the district attorney, who shall be chairman, the county assessor, and the county clerk if he is elected by the qualified electors of the county, or, if not, the county superintendent of schools if he is elected by the qualified electors of the county, or, if not, the sheriff.

35003 At any time between the decennial adjustments of district boundaries, the board may cause a census of the county to be taken as provided in Section 26203 of the Government Code, and may adjust the boundaries of the supervisorial districts on the basis of that census, or on the basis of population estimates prepared by the State Department of Finance or the county planning department or planning commission, pursuant to Section 35000.

35004 Any person claiming that the estimates of population used in the redistricting pursuant to Section 35003 do not reflect the current population within the district boundaries more accurately than the most recent census data, may commence an action in the superior court in declaratory relief to determine that fact Such an action shall be brought within 30 days after the adoption of the redistricting ordinance.

35005. The board may appoint a committee composed of residents of the county to study the matter of changing the boundaries of the supervisorial districts. The committee shall make its report to the board of its findings on the need for change of boundaries, and the recommended changes, within six months after the final population figures determined in each federal decennial census have been released, but in any event not later than August 1st of the year following the year in which the census is taken. Recommendations of the committee are advisory only

35006. The term of office of any supervisor who has been elected and whose term of office has not expired shall not be affected by any change in the boundaries of the district from which he was elected.

At the first election for county supervisors in each county following adjustment of the boundaries of supervisorial districts, a supervisor shall be elected for each district under the readjusted district plan that has the same district number as a district whose incumbent's term is due to expire.

A change in the boundaries of a supervisorial district shall not be made within 90 days prior to the final date of voter registration for an election of supervisors in the county or between the direct primary election and the general election

CHAPTER 2. CITY ELECTION DISTRICTS

Article 1. General Law Cities

35100 This article applies only to general law cities electing members of the legislative body by districts or from districts, as defined in Section 34871 of the Government Code

35101 Following each decennial federal census, and using the census as a basis, the council shall, by ordinance or resolution, adjust the boundaries of any or all of the councilmanic districts of the city so that the districts shall be as nearly equal in population as may be In establishing the boundaries of the districts the council may give consideration to the following factors: (a) topography, (b) geography, (c) cohesiveness, contiguity, integrity, and compactness of territory, and (d) community of interests of the districts

35102 The boundaries of the councilmanic districts shall be adjusted by the council before the first day of November of the year following the year in which each decennial federal census is taken

Notwithstanding the provisions of Article 2 (commencing with Section 34870) of Chapter 7 of Part 1 of Division 2 of Title 4 of the Government Code, if the council fails to adjust the boundaries prior to the 90th day before the final date for registration of electors for an election of councilmen in the city, each councilman to be elected at that election and at any succeeding election shall have the qualifications required by Section 34883 of the Government Code, but shall be elected at large Councilmen shall continue to be so elected until the council adjusts the boundaries of the districts.

35103 If at any time between each decennial federal census, a city annexes territory or consolidates with another city, the legislative body of the city annexing the territory or the legislative body of the consolidated city, shall reexamine the boundaries of its councilmanic districts after the first census is taken or the first current population estimates are obtained, following such annexation or consolidation.

If upon reexamination, the legislative body finds that the population of any councilmanic district has varied so that the districts no longer meet the criteria specified in Section 35101, the legislative body shall, within 60 days after such census is taken, or current population estimate received, by ordinance or resolution, adjust the boundaries of any or all of the councilmanic districts of the city so that the districts shall be as nearly equal in population as may be.

35104 Any person claiming that the estimates of population used in the redistricting pursuant to Section 35103 do not reflect the current population within the district boundaries more accurately than the most recent census data, may commence an action in the superior court in declaratory relief to determine that fact. Such an action shall be brought within 30 days after the adoption of the redistricting ordinance or resolution.

35105 The council may appoint a committee composed of residents of the city to study the matter of changing the boundaries of the councilmanic districts. The committee shall make its report to the council of its findings on the need for change of boundaries, and the recommended changes by the first day of August of the year following the year in which the decennial federal census is taken. Recommendations of the committee are advisory only

35106. (a) The term of office of any councilman who has been elected and whose term of office has not expired shall not be affected by any change in the boundaries of the district from which he was elected.

(b) At the first election for councilmen in each city following adjustment of the boundaries of councilmanic districts, a councilman shall be elected for each district under the readjusted district plan that has the same district number as a district whose incumbent's term is due to expire

(c) Notwithstanding any other provisions of this article, a change in the boundaries of a councilmanic district shall not be made within 90 days prior to the final date of voter registration for an election of councilmen in the city or between the municipal primary election and the general municipal election.

Article 2. Chartered Cities

35150. If the members of the governing body of a chartered city are nominated or elected "by districts" or "from districts," as defined in Section 34871 of the Government Code, upon the initial establishment thereof, such districts shall be as nearly equal in population as may be according to the latest federal decennial census or, if the city's charter so provides, according to the federal mid-decade census or the official census of the city, as provided for pursuant to Chapter 17 (commencing with Section 40200) of Part 2 of Division 3 of Title 4 of the Government Code, as the case may be. After the initial establishment of such districts, the districts shall continue to be as nearly equal in population as may be according to the latest federal decennial census or, if authorized by the charter of the city, according to the federal mid-decade census.

SEC. 2. Section 25001 of the Government Code is repealed.

SEC. 3. Section 25001 1 of the Government Code is repealed.

SEC. 4 Section 25001.2 of the Government Code is repealed

SEC. 5. Section 25001.3 of the Government Code is repealed.

SEC 6. Section 25001.4 of the Government Code is repealed.

SEC 7 Section 25001.5 of the Government Code is repealed.

SEC. 8. Section 25002 of the Government Code is repealed

SEC. 9. Article 3 (commencing with Section 34890) of Chapter 7 of Part 1 of Division 2 of Title 4 of the Government Code is repealed.

SEC. 10 Article 4 (commencing with Section 34898) of Chapter 7 of Part 1 of Division 2 of Title 4 of the Government Code is repealed.

SEC. 11. The heading of Article 5 (commencing with Section 34900) of Chapter 7 of Part 1 of Division 2 of Title 4 of the Government Code is amended and renumbered to read:

Article 3. Elective Mayor

SEC. 12. It is the intent of the Legislature, in adding Division 19 (commencing with Section 35000) to the Elections Code, as set forth in Section 1 of this act, that such addition made by the Legislature during the 1979–80 Regular Session of the Legislature shall not constitute a change in existing law, but merely constitutes a restatement of existing provisions of the Government Code which are repealed by Sections 2 to 10, inclusive, of this act.

CHAPTER 547

An act to add and repeal Section 728.2 to the Public Utilities Code, relating to public utilities.

[Approved by Governor September 10, 1979. Filed with Secretary of State September 10, 1979]

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

SECTION 1. Section 728.2 is added to the Public Utilities Code, to read:

728.2. The commission shall have no jurisdiction or control over classified telephone directories or commercial advertising included as part of the corporation's alphabetical telephone directories, including the charges for and the form and content of such advertising, except that the commission shall investigate and consider revenues and expenses with regard to the acceptance and publication of such advertising for purposes of establishing rates for other services offered by telephone corporations.

This section shall remain in effect only until January 1, 1983, and on such date is repealed, unless a later enacted statute chaptered on or before January 1, 1983, deletes or extends that date.

SEC. 2 The commission shall study and report to the Legislature on or before January 1, 1982, on the impact of the provisions of Section 728.2 of the Public Utilities Code as added by this act upon competition in the telephone directory advertising industry.

CHAPTER 548

An act to amend Sections 626.8 and 653g of the Penal Code, relating to school disruption.

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1. Section 626 8 of the Penal Code is amended to read.

626 8 (a) Any person who comes into any school building or upon any school ground, or street, sidewalk, or public way adjacent thereto, without lawful business thereon, and whose presence or acts interfere with the peaceful conduct of the activities of such school or disrupt the school or its pupils or school activities, and who remains there, or who reenters or comes upon such place within 72 hours, after being asked to leave by the chief administrative official of that school or his or her designated representative, or by a member of the security patrol of the school district who has been given authorization, in writing, by the chief administrative official of that school to act as his agent in performing this duty, or a city police officer, or sheriff or deputy sheriff, or California Highway Patrol Officer, is guilty of a misdemeanor and shall be punished as follows:

(1) Upon a first conviction by a fine of not exceeding five hundred dollars ($500), by imprisonment in the county jail for a period of not more than six months, or by both such fine and imprisonment.

(2) If the defendant has been previously convicted once of a violation of any offense defined in this chapter or Section 415.5, by imprisonment in the county jail for a period of not less than 10 days or more than six months, or by both such imprisonment and a fine of not exceeding five hundred dollars ($500), and he shall not be released on probation, parole, or any other basis until he has served not less than 10 days.

(3) If the defendant has been previously convicted two or more times of a violation of any offense defined in this chapter or Section 415 5, by imprisonment in the county jail for a period of not less than 90 days or more than six months, or by both such imprisonment and a fine of not exceeding five hundred dollars ($500), and he shall not be released on probation, parole, or any other basis until he has served not less than 90 days.

(b) As used in this section, "lawful business" means a reason for being present upon school property which is not otherwise prohibited by statute, by ordinance, or by any regulation adopted pursuant to statute or ordinance

SEC 2 Section 653g of the Penal Code is amended to read

653g Every person who loiters about any school or public place at or near which children attend or normally congregate and who remains at any school or public place at or near which children attend or normally congregate, or who reenters or comes upon such school or place within 72 hours, after being asked to leave by the chief administrative official of that school or, in the absence of the chief administrative official, the person acting as the chief administrative official, or by a member of the security patrol of the school district who has been given authorization, in writing, by the chief administrative official of that school to act as his agent in performing this duty, or a city police officer, or sheriff or deputy

sheriff, or California Highway Patrol officer, is a vagrant, and is punishable 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.

As used in this section, "loiter" means to delay, to linger, or to idle about any such school or public place without lawful business for being present

SEC 3 Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code

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CHAPTER 549

An act to amend Sections 16000, 16070, 16075, 16251, 16377, 16430, and 16434 of, to add Section 16000.7 to, and to repeal Section 16456 of, the Vehicle Code, relating to financial responsibility.

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1 Section 16000 of the Vehicle Code is amended to read·

16000. The driver of every motor vehicle which is in any manner involved in an accident originating from the operation of a motor vehicle on any street or highway which accident has resulted in damage to the property of any one person in excess of five hundred dollars ($500) or in bodily injury or in the death of any person shall within 15 days after the accident, report the accident on a form approved by the department to the office of the department at Sacramento, subject to the provisions of this chapter A report shall not be required in the event that the motor vehicle involved in the accident was owned or leased by or under the direction of the United States, this state, or any political subdivision of this state or municipality thereof

SEC. 3 Section 16000 7 is added to the Vehicle Code, to read:

16000.7. As used in this division an "uninsured motor vehicle" is a motor vehicle for which financial responsibility as provided in Section 16021 was not in effect at the time of the accident

SEC 4 Section 16070 of the Vehicle Code is amended to read·

16070 (a) Whenever a driver involved in an accident described in Section 16000 has failed to establish proof of financial responsibility

pursuant to Section 16022, the department shall, if the accident has resulted in damage to the property of any one person in excess of five hundred dollars ($500) or in bodily injury or in the death of any person, suspend the privilege of the driver or owner to drive a motor vehicle, including the driving privilege of a nonresident in this state. The suspension shall become effective not earlier than the 76th day after receipt of the first accident report described in Section 16000 by the department.

(b) The suspension provisions of this section shall not apply whenever evidence that the accident has resulted in damage to the property of any one person in excess of five hundred dollars ($500) or in bodily injury or in the death of any person is not submitted to the department within 60 days following the date of the accident.

SEC. 5. Section 16075 of the Vehicle Code is amended to read:

16075. (a) The suspension provisions of this article shall not apply to a driver or owner until 20 days after the department sends to the driver or owner notice of its intent to suspend his driving privilege and advises the driver or owner of his right to a hearing as hereinafter provided

(b) The department shall conduct the hearing upon demand of the driver or owner, within 60 days of such demand, to determine the applicability of this chapter to such driver or owner, including a determination of whether:

(1) The accident has resulted in property damage in excess of five hundred dollars ($500), or bodily injury, or death.

(2) The driver or owner has established financial responsibility, as provided in Article 3 (commencing with Section 16050) of this chapter, was in effect at the time of the accident.

(c) The demand for the hearing shall be in writing. The application for hearing made by the affected person within 20 days of receiving notice of the department's action shall operate to stay the suspension by the department from the date of such demand until the hearing is completed and a decision has been made.

(d) The hearing provided for by this section shall be held in the county of residence of the person requesting the hearing. Such hearing shall be conducted pursuant to Article 3 (commencing with Section 14100) of Chapter 3 of Division 6.

SEC 6. Section 16251 of the Vehicle Code is amended to read:

16251. As used in this chapter and Chapter 3 (commencing with Section 16430) of this division, "cause of action" means any cause of action for damage to property in excess of five hundred dollars ($500) or for damage in any amount on account of bodily injury to or death of any person resulting from the operation by the defendant or any other person of any motor vehicle upon a highway, except a cause of action based upon statutory liability by reason of signing the application of a minor for a driver's license.

SEC 7 Section 16377 of the Vehicle Code is amended to read:

16377. Every judgment shall for the purposes of this chapter be deemed satisfied.

(a) When fifteen thousand dollars ($15,000) has been credited, upon any judgment in excess of that amount, or upon all judgments, collectively, which together total in excess of that amount, for personal injury to or death of one person as a result of any one accident.

(b) When, subject to the limit of fifteen thousand dollars ($15,000) as to one person, the sum of thirty thousand dollars ($30,000) has been credited, upon any judgment in excess of that amount, or upon all judgments, collectively, which together total in excess of that amount, for personal injury to or death of more than one person as a result of any one accident.

(c) When five thousand dollars ($5,000) has been credited, upon any judgment in excess of that amount, or upon all judgments, collectively, each of which is in excess of five hundred dollars ($500), and which together total in excess of five thousand dollars ($5,000), for damage to property of others as a result of any one accident.

(d) When the judgment debtor or a person designated by him has deposited with the department a sum equal to the amount of the unsatisfied judgment for which the suspension action was taken and presents proof, satisfactory to the department, of inability to locate the judgment creditor.

SEC. 8. Section 16430 of the Vehicle Code is amended to read:

16430. Proof of ability to respond in damages when required by this code means proof of ability to respond in damages resulting from the ownership or operation of a motor vehicle and arising by reason of personal injury to, or death of, any one person, of at least fifteen thousand dollars ($15,000), and, subject to the limit of fifteen thousand dollars ($15,000) for each person injured or killed, of at least thirty thousand dollars ($30,000) for such injury to, or the death of, two or more persons in any one accident, and for damages to property (in excess of five hundred dollars ($500)), of at least five thousand dollars ($5,000) resulting from any one accident. Proof of ability to respond in damages may be given in any manner authorized in this chapter.

SEC 9 Section 16434 of the Vehicle Code is amended to read·

16434 Proof of ability to respond in damages may be given by the bond of a surety company duly authorized to do business within the state, or a bond of individual sureties each owning unencumbered real estate, approved by a judge of a court of record The bond shall be conditioned for the payment of the amount specified in Section 16430, and shall provide for the entry of judgment on motion of the state in favor of any holder of any final judgment on account of damages to property over five hundred dollars ($500) in amount, or injury to any person caused by the operation of such person's motor vehicle, in the same manner as provided in Section 917.1 of the Code of Civil Procedure for the entry of judgment upon appeal bonds

SEC 10 Section 16456 of the Vehicle Code is repealed

CHAPTER 550

An act to amend Sections 1704, 1718, and 1751 of, and to add Section 1717.5 to, the Insurance Code, relating to insurance

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1. Section 1704 of the Insurance Code is amended to read·

1704 (a) Every applicant for a license to act as a life agent, an insurance agent, or a travel insurance agent shall have filed on his behalf with the commissioner a notice of appointment executed by an insurer, or its authorized representative, admitted to transact one or more classes of insurance included within the scope of the license sought, appointing the applicant, upon licensing, its agent within this state Every applicant for a license to act as an insurance solicitor shall have filed on his behalf with the commissioner a notice executed by an insurance agent or broker agreeing to employ the applicant and appointing the applicant, upon licensing, the agent's or broker's solicitor within this state. Additional notices of appointment may be filed by other insurers or insurance agents or brokers, as the case may be, before such license is issued and thereafter as long as such license remains in force. No notice of appointment of a life agent, insurance agent, or travel insurance agent shall be filed by an insurer under this subdivision unless the agent being appointed has consented to such filing. Each such appointment made under this subdivision shall by its terms continue in force until:

(1) The cancellation or expiration of the license applied for or held at the time such appointment was filed.

(2) The filing of a notice of termination by the insurer or employing insurance agent or broker, or by such appointed life agent, insurance agent, travel insurance agent, or insurance solicitor.

(b) Upon the termination of all appointments, the permanent license shall not be canceled, but shall become inactive. It may be renewed pursuant to Section 1718. It may be reactivated at any time prior to its expiration by the filing of a new appointment pursuant to this section, Section 1707, and Section 1751.3. An inactive license shall not permit its holder to transact any insurance for which a valid, active license is required

(c) Upon the termination of all appointments of a person licensed under a certificate of convenience, such certificate shall be canceled and shall be returned by its lawful custodian to the commissioner

(d) An insurance agent or broker appointing an insurance solicitor pursuant to this section, if a natural person, must be the holder of a permanent license to act as insurance agent or broker or

the holder of a certificate of convenience so to act issued pursuant to either subdivision (a) or (b) of Section 1685. If such insurance agent or broker is an organization, it must be the holder of a permanent license

(e) The filing of an incomplete or deficient action notice with the department shall require the filing of an amended, complete action notice, together with the payment of the fee therefor specified in subdivision (n) of Section 1751.

SEC. 2 Section 1717 5 is added to the Insurance Code, is read:

1717 5 Notwithstanding any other provision of this article, the commissioner may institute year-round licensing of production agency licensees whenever the commissioner determines that such year-round licensing system shall be practical and feasible.

SEC 3 Section 1718 of the Insurance Code is amended to read:

1718 (a) On or before March 15th of the year in which a permanent license will expire, the commissioner shall mail, to the latest address on file with his office, an application to the licensee to renew such license for the appropriate succeeding license year or term Failure to mail such application, due to clerical error or inadvertence, shall not continue the right to a license.

(b) Application for renewal of a license may be filed on or before April 15th prior to the termination of the license year or term upon payment of the fee for filing specified in Section 1750.

(c) Such application for renewal of a license may be filed between April 15th and July 1st of such year upon payment of the fee specified in subdivision (b) and an additional penalty fee in the amount specified for a one-year period in Section 1750 for such filing, but in no case shall such additional penalty fee exceed thirty dollars ($30) for each individual licensee or natural person so named to transact insurance for an organization.

(d) Upon failure to file application as provided in either (b) or (c) hereof, the holder may file an application for a renewal of his license until June 30th of the next succeeding year The fee for such renewal application shall be the total fee specified in subdivision (c) for such filing.

SEC 4 Section 1751 of the Insurance Code is amended to read:

1751 The commissioner shall require in advance a fee for filing the following documents.

(a) Application for registration of change in membership of a copartnership licensed as

(1) Insurance agent, twenty dollars ($20).

(2) Insurance broker, thirty dollars ($30)

(3) Life agent, resident, twenty dollars ($20)

(4) Life agent, nonresident, twenty-four dollars ($24)

(b) Application for endorsement removing from any life agent's, insurance agent's or insurance broker's license issued to an organization the name of any natural person named thereon, three dollars ($3)

(c) First amendment to an application, three dollars ($3), a

second and each subsequent amendment to an application, six dollars ($6).

(d) Original application to be given the qualifying examination for a license of a fire and casualty licensee, twelve dollars and fifty cents ($12.50) for each person to be examined.

(e) Original application to be given the qualifying examination for a license of a life licensee, or a license as a variable contract agent, twelve dollars and fifty cents ($12.50) for each person to be examined.

(f) Application for reexamination for any of the licenses mentioned in this section seventeen dollars and fifty cents ($17.50) for each person to be reexamined.

(g) Application which includes a request for a certificate of convenience pursuant to Article 8 of this chapter, twelve dollars and fifty cents ($12.50) in addition to, and not in lieu of, fees otherwise required.

(h) Application or request for approval of true or fictitious name pursuant to Section 1724.5 of this chapter fifteen dollars ($15), except that there shall be no fee when such name is contained in an original application.

(i) "A ratification of appointments of agents" whereby the surviving insurer in a merger or consolidation assumes responsibility for all agents then lawfully appointed for one of the constituent insurers and makes each its agent, sixty-two dollars and fifty cents ($62.50).

(j) An application or request for approval of:

(1) A training course pursuant to Section 1691, except when filed by a degree-conferring college or university, a public educational institution, or by a private nonprofit educational institution, sixty-two dollars and fifty cents ($62.50).

(2) An arrangement whereby an insurer may qualify certificate of convenience holders pursuant to Section 1691 by means of an approved course given on the insurer's behalf by a school or organization other than itself, thirty-two dollars and fifty cents ($32.50).

(k) A bond, pursuant to Article 5 (commencing with Section 1662) of this chapter or Section 1760.5 or 1765, except when such bond constitutes part of an original application filing, seven dollars and fifty cents ($7.50).

(*l*) An application or request for a copy of, or a duplicate license, issued pursuant to Chapter 5 (commencing with Section 1621), 6 (commencing with Section 1760), 7 (commencing with Section 1800), or 8 (commencing with Section 1831) of this division or Sections 12280 and 12280.2, five dollars ($5).

(m) An application or request for clearance and cancellation notice of a current licensee of record, five dollars ($5).

(n) An amended action notice pursuant to subdivision (e) of Section 1704, two dollars and fifty cents ($2.50).

SEC 5. Section 1751 of the Insurance Code is amended to read

1751. The commissioner shall require in advance a fee for filing the following documents

(a) Application for registration of change in membership of a copartnership licensed as:

(1) Insurance agent, twenty-four dollars ($24).

(2) Insurance broker, thirty-five dollars ($35).

(3) Life agent, resident, twenty-four dollars ($24).

(4) Life agent, nonresident, twenty-eight dollars ($28).

(b) Application for endorsement removing from any life agent's, insurance agent's or insurance broker's license issued to an organization the name of any natural person named thereon, five dollars ($5).

(c) First amendment to an application, five dollars ($5); a second and each subsequent amendment to an application, ten dollars ($10).

(d) Original application to be given the qualifying examination for a license of a fire and casualty licensee, seventeen dollars and fifty cents ($17 50) for each person to be examined

(e) Original application to be given the qualifying examination for a license of a life licensee, or a license as a variable contract agent, seventeen dollars and fifty cents ($17 50) for each person to be examined

(f) Application for reexamination for any of the licenses mentioned in this section seventeen dollars and fifty cents ($17.50) for each person to be reexamined.

(g) Application which includes a request for a certificate of convenience pursuant to Article 8 of this chapter, twelve dollars and fifty cents ($12.50) in addition to, and not in lieu of, fees otherwise required.

(h) Application or request for approval of true or fictitious name pursuant to Section 1724.5 of this chapter twenty dollars ($20), except that there shall be no fee when such name is contained in an original application.

(i) "A ratification of appointments of agents" whereby the surviving insurer in a merger or consolidation assumes responsibility for all agents then lawfully appointed for one of the constituent insurers and makes each its agent, sixty-five dollars ($65)

(j) An application or request for approval of

(1) A training course pursuant to Section 1691, except when filed by a degree-conferring college or university, a public educational institution, or by a private nonprofit educational institution, sixty-five dollars ($65).

(2) An arrangement whereby an insurer may qualify certificate of convenience holders pursuant to Section 1691 by means of an approved course given on the insurer's behalf by a school or organization other than itself, thirty-five dollars ($35)

(k) A bond, pursuant to Article 5 (commencing with Section 1662) of this chapter or Section 1760 5 or 1765, except when such bond constitutes part of an original application filing, ten dollars ($10)

(*l*) An application or request for a copy of, or a duplicate license, issued pursuant to Chapter 5 (commencing with Section 1621), 6 (commencing with Section 1760), 7 (commencing with Section 1800), or 8 (commencing with Section 1831) of this division or Sections 12280 and 12280 2, ten dollars ($10)

(m) An application or request for clearance and cancellation notice of a current licensee of record, ten dollars ($10)

(n) An amended action notice pursuant to subdivision (e) of Section 1704, two dollars and fifty cents ($2 50).

SEC 6 It is the intent of the Legislature, if this bill and Assembly Bill 711 are both chaptered and become effective January 1, 1980, both bills amend Section 1751 of the Insurance Code, and this bill is chaptered after Assembly Bill 711, that the amendments to Section 1751 proposed by both bills be given effect and incorporated in Section 1751 in the form set forth in Section 5 of this act. Therefore, Section 5 of this act shall become operative only if this bill and Assembly Bill 711 are both chaptered and become effective January 1, 1980, both amend Section 1751, and this bill is chaptered after Assembly Bill 711, in which case Section 4 of this act shall not become operative.

CHAPTER 551

An act to amend Section 90001 of the Government Code, relating to the Political Reform Act of 1974.

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1 Section 90001 of the Government Code is amended to read

90001 Audits and investigations shall be made pursuant to Section 90000 with respect to the reports and statements of:

(a) Each lobbyist required to register or file with the Secretary of State, except that if the commission determines from an audit report that a lobbyist is in substantial compliance with the provisions of the act, the lobbyist thereafter shall be subject to an audit on a random basis with each such lobbyist having a 25-percent chance of being audited

(b) Each statewide, Supreme Court, court of appeal, or Board of Equalization candidate in a direct primary or general election for whom it is determined that twenty-five thousand dollars ($25,000) or more in contributions have been raised or twenty-five thousand dollars ($25,000) or more in expenditures have been made, whether by the candidate or by a committee or committees controlled by the candidate or whose participation in the direct primary or general

election is primarily in support of his or her candidacy. Each statewide candidate whose contributions and expenditures are less than twenty-five thousand dollars ($25,000) shall be subject to an audit on a random basis of 10 percent of the number of such candidates.

(c) Each candidate for the Legislature or superior court judge in a direct primary or general election shall be subject to audit by random selection if it is determined that fifteen thousand dollars ($15,000) or more in contributions have been received or fifteen thousand dollars ($15,000) or more in expenditures have been made, whether by the candidate or by a committee or committees controlled by the candidate or primarily supporting his or her candidacy. Random selection shall be made of 50 percent of the Senate districts, 50 percent of the Assembly districts and 50 percent of the judicial offices contested in an election year.

(d) Each candidate for the Legislature in a special primary or special runoff election for whom it is determined that fifteen thousand dollars ($15,000) or more in contributions have been raised or fifteen thousand dollars ($15,000) or more in expenditures have been made, whether by the candidate or by a committee or committees controlled by the candidate or primarily supporting his or her candidacy

(e) Each controlled committee of any candidate who is being audited pursuant to subdivision (b), (c), or (d).

(f) Each committee, other than a committee specified in subdivision (c) of Section 82013, primarily supporting or opposing a candidate who is being audited pursuant to subdivision (b), (c) or (d) if it is determined that the committee has expended more than ten thousand dollars ($10,000)

(g) Each committee, other than a committee specified in subdivision (c) of Section 82013, whose participation is primarily in support of or in opposition to a state measure or state measures if it is determined that the committee has expended more than ten thousand dollars ($10,000) on such measure or measures

(h) Each committee, other than a committee defined in subdivision (c) of Section 82013, a controlled committee or a committee primarily supporting or opposing a state candidate or measure, if it is determined that the committee has raised or expended more than ten thousand dollars ($10,000) supporting or opposing state candidates or state measures during any calendar year, shall be subject to audit by a random selection of 50 percent of such committees

(i) In accordance with subdivisions (a), (b), (c), and (h), the Fair Political Practices Commission shall select by lot the persons or districts to be audited on a random basis For campaign audits such selection shall be made in public after the last date for filing the first report or statement following the general or special election for which the candidate ran, or following the election at which the measure was adopted or defeated For lobbyist audits, such selection

shall be made in public annually.

SEC. 2. The Legislature finds and declares that the provisions of this act further the purposes of the Political Reform Act of 1974 within the meaning of subdivision (a) of Section 81012 of the Government Code.

SEC 3. The amendment effected by this act shall not be construed to deprive any person or public agency of any substantial right which would have existed or hereafter exists had such amendment not been effected.

CHAPTER 552

An act to repeal Section 7254 of the Welfare and Institutions Code, relating to sterilization.

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1 Section 7254 of the Welfare and Institutions Code is repealed

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CHAPTER 553

An act to amend Section 25626 of the Health and Safety Code, relating to nuclear medicine.

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1. Section 25626 of the Health and Safety Code is amended to read.

25626. (a) Any person not currently licensed as a physician and surgeon pursuant to Chapter 5 (commencing with Section 2000) of Division 2 of the Business and Professions Code, or as a clinical laboratory technologist, bioanalyst or clinical chemist pursuant to Chapter 3 (commencing with Section 1200) of Division 2 of the Business and Professions Code, who performs nuclear medicine technology shall be subject to the standards of competence established by the State Department of Health Services pursuant to this chapter.

(b) Nothing in this chapter shall be construed to limit the existing authority of, or scope of practice of, a physician and surgeon, clinical laboratory technologist, bioanalyst, or clinical chemist granted

pursuant to their licenses, or to further require such persons to establish competence to perform in vitro tests.

(c) In vitro procedures using radioactive materials shall be performed in a licensed clinical laboratory.

(d) The provisions of this chapter shall not apply to any of the following persons:

(1) Any person employed by an agency of the United States government, while performing the duties of such employment.

(2) A licensed clinical laboratory technologist who administers a radioactive marker test substance to a human subject to perform a measurement on a sample containing the radioactive marker test substance which has been removed from the subject.

(3) A registered pharmacist who handles radioactive drugs in accordance with the California State Board of Pharmacy regulations contained in the most recent version of Sections 1708.3 to 1708.8, inclusive, of Article 2 of Chapter 17 of Title 16 of the California Administrative Code.

CHAPTER 554

An act to amend Sections 1536 and 1566.6 of the Health and Safety Code, relating to community care facilities, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1 Section 1536 of the Health and Safety Code is amended to read:

1536. At least annually, the director shall publish and make available to interested persons a list or lists covering all licensed community care facilities, other than foster family homes providing 24-hour care for six or fewer foster children and family day care homes, the services for which each such facility is certified, and the relative evaluation rating of each such community care facility, as determined pursuant to Section 1535. A list or lists containing changes in facility ratings shall be published and made available periodically as determined by the director

As used in this section, "family day care home" means a facility licensed to regularly provide care, protection, and supervision to six or fewer children in the caregiver's own home, exclusive of children who reside at the home, for periods of less than 24 hours per day, while the parents or guardians are away

SEC 2 Section 1566.6 of the Health and Safety Code is amended to read.

1566 6 The department shall annually prepare, with a quarterly

update commencing July 1, 1979, specifying newly licensed facilities, a list or lists of all licensed community care facilities in the state, other than foster family homes and family day care homes, which shall include the information required by Section 1536 and shall additionally specify as to each such facility the licensed capacity of the facility and whether it is licensed by the state department or by another public agency pursuant to Section 1511. Compliance with this section shall also constitute compliance with Section 1536

For purposes of this section, "family day care home" has the same meaning as specified in Section 1536.

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 exclude family day care homes from the initial statewide listing of licensed community care facilities, which will be distributed July 1, 1979, it is necessary that this act go into immediate effect

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CHAPTER 555

An act to amend Section 1484 of the Health and Safety Code, relating to mobile intensive care paramedics.

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 1484 of the Health and Safety Code is amended to read.

1484 This article shall remain in effect only until January 1, 1982 and shall have no force or effect after that date

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CHAPTER 556

An act to amend Section 556 of the Insurance Code, relating to insurance claims

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 556 of the Insurance Code is amended to read

556 (a) It is unlawful to

(1) Knowingly present or cause to be presented any false or fraudulent claim for the payment of a loss under a contract of insurance

(2) Knowingly file multiple claims for the same loss or injury with more than one insurer with an intent to defraud the insurer

(3) Knowingly prepare, make, or subscribe any writing, with intent to present or use the same, or to allow it to be presented or used in support of any such claim

(b) Every person who violates any provision of this section is punishable by imprisonment in the state prison, for two, three, or four years, or by fine not exceeding ten thousand dollars ($10,000), or by both.

(c) Notwithstanding any other provision of law, probation shall not be granted to, nor shall the execution or imposition of a sentence be suspended for, any adult person convicted of a violation of this section who has been previously convicted of violations of this section as an adult under charges separately brought and tried two or more times The existence of any fact which would make a person ineligible for probation under this subdivision shall be alleged in the information or indictment, and either admitted by the defendant in open court, or found to be true by the jury trying the issue of guilt or by the court where guilt is established by plea of guilty or nolo contendere or by trial by the court sitting without a jury

Except where the existence of such fact was not admitted or found to be true or the court finds that a prior conviction was invalid, the court shall not strike or dismiss any prior convictions alleged in the information or indictment

This subdivision does not prohibit the adjournment of criminal proceedings pursuant to Division 3 (commencing with Section 3000) or Division 6 (commencing with Section 6000) of the Welfare and Institutions Code.

CHAPTER 557

An act to amend Sections 5600, 5601, and 5651 of, to amend and renumber Section 5600 1 of, and to add Sections 5600 3, 5600 4, 5600 5, and 5600.6 to, the Welfare and Institutions Code, relating to mental health

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 5600 of the Welfare and Institutions Code is amended to read

5600 This part shall be known and may be cited as the Short-Doyle Act This part is intended to organize and finance

community mental health services for the mentally disordered in every county through locally administered and locally controlled community mental health programs. It is furthermore intended to better utilize existing resources at both the state and local levels in order to improve the effectiveness of necessary mental health services, to integrate state-operated and community mental health programs into a unified mental health system, to ensure that all mental health professions be appropriately represented and utilized in such mental health programs; to provide a means for participation by local governments in the determination of the need for and the allocation of mental health resources; to establish a uniform ratio of local and state government responsibility for financing mental health services, and to provide a means of allocating state mental health funds according to community needs It is furthermore intended to provide a means of reimbursing local governments for certain services to the mentally retarded which counties may elect to provide

The goals of the community mental health programs provided under this part are:

(a) To assist persons who are institutionalized, or who have a high risk of becoming institutionalized, because of a mental disorder, to lead lives which are as normal and independent as possible, consistent with their individual capacities and desires.

(b) To assist persons who experience temporary psychological problems, which disrupt normal living, to return as quickly as possible to a functioning level which enables them to cope with the problems of everyday life

(c) To prevent serious mental disorders and psychological problems

SEC. 2. Section 5600 1 of the Welfare and Institutions Code is amended and renumbered to read.

5600 9. Each county shall utilize available private mental health resources and facilities in the county prior to developing new county-operated resources or facilities when such private mental health resources or facilities are of at least equal quality and cost as compared with county-operated resources or facilities. All such available local public or private facilities shall be utilized before state hospitals are used

SEC. 3 Section 5600 3 is added to the Welfare and Institutions Code, to read

5600 3 The Legislature recognizes that demonstrating the operational effectiveness of prevention and early intervention services has long been slighted in the community mental health programs The goal is hereby established to identify the primary prevention and early intervention services which may be effective and thus to provide the information which will permit the Legislature to define the role of primary prevention and early intervention in community mental health programs As a beginning step to accomplish the goal established by this section, the State

Department of Mental Health shall make a report to the Legislature by March 31, 1980, which contains, but need not be limited to:

(a) A summary of specific findings and conclusions from existing research and evaluation concerning the effectiveness of primary prevention and early intervention programs serving the mentally disordered;

(b) A plan for a primary prevention and early intervention program, including specific project and expenditure recommendations.

The report required by this section shall be conducted in accordance with Section 4040, and in consultation with knowledgeable persons in the field.

SEC. 4. Section 5600.4 is added to the Welfare and Institutions Code, to read

5600.4. The community mental health programs shall operate under the following principles:

(a) Services shall be developed which permit persons detained under the provisions of the Lanterman-Petris-Short Act to be treated in the least restrictive setting;

(b) Services shall be designed so that they are equally accessible and as effective for persons who, because of differences in language, cultural traditions or physical disabilities, confront barriers to knowing about or to using the mental health services which are offered

SEC 5. Section 5600 5 is added to the Welfare and Institutions Code, to read.

5600.5. It is the intent of the Legislature that the State Department of Mental Health shall encourage the development of high quality, cost-effective services. It is further the intent of the Legislature that poor quality underutilized, duplicative, or marginal services be disapproved by the department. Therefore, the department shall establish, in the same manner as it establishes regulations, guidelines and minimal standards for county services.

SEC. 6. Section 5600 6 is added to the Welfare and Institutions Code, to read:

5600.6. The State Department of Mental Health may require local programs which are not meeting minimal standards or are performing inadequately according to guidelines established pursuant to Section 5600.5 to submit a line item budget of proposed Short-Doyle expenditures. The department may deny any portion or portions of the Short-Doyle plan as necessary for redirecting funds within the county program so as to improve program performance and bring the county program up to minimal standards.

SEC. 7 Section 5601 of the Welfare and Institutions Code is amended to read

5601. As used in this part

(a) "Governing body" means the county board of supervisors or boards of supervisors in the case of counties acting jointly, and in the case of a city, the city council or city councils acting jointly

(b) "Conference" means the California Conference of Local Mental Health Directors as established under Section 5757.

(c) "County Short-Doyle plan" means the mental health plan which must be adopted by each county, or combination of counties acting jointly, in accordance with Section 5650

(d) "Part 1" refers to the Lanterman-Petris-Short Act (Part 1 (commencing with Section 5000) of this division)

(e) "Director of Mental Health" means the Director of the State Department of Mental Health.

(f) "Institution" includes a general acute care hospital, a state hospital, a psychiatric health facility, a skilled nursing home, an intermediate care facility, a community care facility or other residential treatment facility, or a juvenile or criminal justice institution.

(g) "Mental health service" means any service directed toward early intervention in, or alleviation or prevention of, mental disorder, including, but not limited to, diagnosis, evaluation, treatment, personal care, day care, respite care, special living arrangements, community skill training, sheltered employment, socialization, case management, transportation, information, referral, consultation, and community services

SEC 8. Section 5651 of the Welfare and Institutions Code is amended to read

5651. The county Short-Doyle plan shall include the following

(a) A description of the persons to be served.

(b) A description of all the comprehensive direct service programs to be provided to each target group. This shall include the state, county, and private resources providing the services, the cost of each comprehensive program, and the cost of each major program element within each comprehensive program

(c) A description of the indirect and supportive services necessary for the operation of the county's mental health program. This shall include consultation and education services available to community agencies and professional personnel and information services to the general public, training research and evaluation The plan shall also include the cost of each of these services The drug abuse component of the plan shall also include, but not be limited to, elements relating to prevention, detoxification, treatment and referral services, rehabilitation, and coordination of programs and other community services

(d) A three-year projection of county needs for each target group commencing with the fiscal year for which the plan is adopted This projection shall include a priority listing of the resources required to meet the needs of each target group, and the estimated cost of developing and acquiring these resources

(e) A statement indicating which elements of the three-year projection the county expects to accomplish under its plan

(f) An estimate of the county's utilization of the state hospital by numbers of admissions and patient-days for the succeeding fiscal

year. This requirement shall not apply to patients for whom county expenditures for services are not reimbursable by the state under this part

The State Department of Mental Health shall provide the counties, to the extent possible, the information upon which to base this estimate.

No mentally disordered person shall be admitted to a state hospital prior to screening and referral by an agency designated by the county Short-Doyle plan to provide this service

(g) A detailed presentation of all expected expenditures of county, state, and federal government funds and all anticipated public and private revenues

(h) A description of the quality assurance system of the county mental health program as required by Section 5624 and a description of any other evaluation activities of the county mental health program such as client outcome evaluation, measurement of the availability and accessibility of services, and client satisfaction surveys.

(i) A description of the procedures used to insure citizen and professional involvement at all stages of the planning process leading to the formulation and adoption of the county Short-Doyle plan Such procedures shall be reviewed and approved by the local mental health advisory board

(j) The development of adequate and effective treatment and community support services for persons who are institutionalized or who have a high risk of becoming institutionalized, as described in subdivision (a) of Section 5600, shall be the first priority for program development through fiscal year 1983–84. A special three-year plan shall be prepared for the development of services to implement this priority Within the plan, services shall be emphasized for first episode psychotics to prevent institutionalization whenever possible The plan shall be designed to

(1) Develop treatment services in the least restrictive environment as a fundamental patient right and as a means of minimizing institutionalization.

(2) Develop prevocational, vocational, and community skill training and sheltered employment opportunities

(3) The department shall specify requirements for the special plan which shall include as a minimum

(A) Performance measures

(B) Case management services and coordination of residential placement

(C) A continuum of residential living and treatment alternatives, including independent or nearly independent apartment or home living

(D) Functional integration of mental health services with other human services such as rehabilitation, recreation, education, housing, transportation, and employment

SEC 9 There are no state-mandated local costs in this act that

require reimbursement under Section 2231 or 2234 of the Revenue and Taxation Code. However, there may be state-mandated local costs resulting from executive orders based on this act in the current or subsequent fiscal years. Such costs shall be reimbursed in accordance with the provisions of Section 2231 or 2234 of the Revenue and Taxation Code.

CHAPTER 558

An act to amend Section 10526 of the Government Code, relating to the Auditor General.

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1. Section 10526 of the Government Code is amended to read·

10526. It shall be a misdemeanor for the Auditor General or any employee or former employee of the bureau to divulge or make known in any manner not permitted by law, any particulars of any record, document, or information the disclosure of which is restricted by law. This prohibition shall also be applicable to any person or business entity which is contracting with or has contracted with the Auditor General and to the employees and former employees of such person or business entity

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CHAPTER 559

An act to add Section 26508 to the Government Code, relating to district attorneys.

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1. Section 26508 is added to the Government Code, to read

26508 (a) Notwithstanding any other provision of law, including any provision making such records confidential, and including the provisions of Title 1 8 (commencing with Section 1798) of Part 4, Division 3 of the Civil Code, the district attorney shall be given access to, and may make copies of, any complaint against a person subject to regulation by a consumer oriented state agency and any investigation of such a person made by such an agency, where that

person is being investigated by the district attorney regarding possible consumer fraud

(b) Where the district attorney does not take action with respect to such complaint or investigation, such material shall remain confidential

(c) Where the release of such material would jeopardize an investigation or other duties of a consumer oriented state agency, such an agency shall have discretion to delay the release of such information

(d) As used in this section, a consumer oriented state agency is any state agency which regulates the licensure, certification, or qualification of persons to practice a profession or business within the state, where such regulation is for the protection of consumers who deal with such professionals or businesses. It includes, but is not limited to, all of the following.

(1) The Board of Dental Examiners of California

(2) The Board of Medical Quality Assurance of the State of California

(3) The State Board of Optometry

(4) The California State Board of Pharmacy

(5) The Board of Examiners in Veterinary Medicine

(6) The State Board of Accountancy

(7) The California State Board of Architectural Examiners

(8) The State Board of Barber Examiners

(9) The State Board of Registration for Professional Engineers

(10) The Contractors' State License Board

(11) The State Board of Cosmetology.

(12) The State Board of Funeral Directors and Embalmers

(13) The Structural Pest Control Board

(14) The Bureau of Home Furnishings

(15) The Board of Registered Nursing

(16) The State Board of Fabric Care

(17) The Board of Chiropractic Examiners.

(18) The Board of Behavioral Science Examiners

(19) The State Athletic Commission

(20) The Cemetery Board

(21) The State Board of Guide Dogs for the Blind

(22) The Bureau of Collection and Investigative Services

(23) The Certified Shorthand Reporters Board

(24) The Board of Vocational Nurse and Psychiatric Technician Examiners of the State of California

(25) The California State Board of Landscape Architects

(26) The Bureau of Repair Services

(27) The Bureau of Employment Agencies

(28) The Board of Osteopathic Examiners

(29) The Division of Investigation

(30) The Bureau of Automotive Repair

(31) The State Board of Registration for Geologists and Geophysicists

(32) The State Board of Examiners of Nursing Home Administrators.
(33) The Department of Alcoholic Beverage Control.
(34) The Department of Insurance.
(35) The Public Utilities Commission.
(36) The State Department of Health Services.
(37) The New Motor Vehicles Board.

CHAPTER 560

An act to amend Section 27491.45 of the Government Code, relating to human remains.

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1. Section 27491.45 of the Government Code is amended to read·

27491 45 (a) The coroner shall have the right to retain tissues of the body removed at the time of autopsy as may, in the opinion of the coroner, be necessary or advisable for scientific investigation.

Such tissues may be submitted by the coroner to hospitals, medical educational research institutions, and law enforcement agencies for training, educational, and research purposes

However, the provisions of this subdivision shall not apply if (1) the tissues of the body sought to be retained are those of a patient who has died in a state hospital, and (2) if the patient requested that such provisions shall not apply, or, absent the request of the patient, if permission for such retention is not received by the coroner from the person responsible for the disposition of the body, as specified in Section 7151.5 of the Health and Safety Code.

(b) The coroner may, in his or her discretion, allow removal of parts of the body by a licensed physician and surgeon or trained transplant technician for transplant, or therapeutic, or scientific purposes pursuant to Chapter 3.5 (commencing with Section 7150) of Part 1 of Division 7 of the Health and Safety Code if the following conditions are met·

(1) The provision of the part will not unnecessarily mutilate the body or interfere with the autopsy.

(2) The decedent or other person, as specified in Section 7151.5 of the Health and Safety Code, has consented to the provision of the part, as prescribed by Section 7154 of the Health and Safety Code. If the decedent has not made such a gift of a part of his or her body, the coroner, or a person designated by the coroner, shall make diligent efforts to locate and secure such gift within 24 hours of the decedent's death from an appropriate person specified in Section

7151.5 of the Health and Safety Code In obtaining such gift, the coroner shall notify the donor of the specific part or parts requested and shall obtain the donor's informed consent, as provided in subdivision (e) of Section 7154.

(c) Nothing in this section shall be construed as limiting any right provided for in Section 7151.7 of the Health and Safety Code.

(d) For purposes of this section, "trained transplant technician" means a person who has completed training in tissue removal for transplant or therapeutic, or scientific purposes, which the coroner determines to be adequate for the purposes

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CHAPTER 561

An act to amend Section 373 of the Vehicle Code, relating to vehicles.

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1 Section 373 of the Vehicle Code is amended to read:

373 A "lessor-retailer" is a lessor or renter who, except under the circumstances described in subdivision (a) of Section 286, makes a retail sale or sales of a previously leased or rented vehicle or vehicles to other than any of the following:

(a) The lessee of the vehicle, or the person who, for a period of at least one year, has been designated by the lessee as the driver of the vehicle covered by a written lease agreement.

(b) A buyer for agricultural, business, or commercial purposes.

(c) A government or governmental agency or instrumentality.

CHAPTER 562

An act to amend Section 7155 of, and to add Section 7187.1 to, the Financial Code, relating to loans

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1 Section 7155 of the Financial Code is amended to read:

7155. An association may make loans on the security of unimproved real property in an amount not in excess of the following amounts

(a) Seventy percent of the appraised value for a term of not to exceed two years, after which the loan may not be extended and may be refinanced or modified only with an amortized loan

(b) Seventy-five percent of the appraised value for a term of not to exceed three years, if the real property is a building lot or site or building lots or sites, ready for the construction on each such building lot or site of a structure designed for residential use for one family or, if the property is a site for the construction of a mobilehome park development as defined in Section 7187.1. Such loan may be extended for an additional period not in excess of three years, provided interest on the loan is then current and the outstanding balance of the loan is or has been reduced to an amount not in excess of 75 percent of the current appraised value of the security property No loan shall be made under the sole authority of this subdivision if the aggregate amount of such loan and of the balance of all outstanding loans made pursuant to the provisions of this subdivision exceeds 5 percent of the association's assets.

(c) Seventy-five percent of the appraised value for a term of not to exceed five years, if the real property is a building lot or site ready for construction of a structure designed for residential use for one family Each loan made pursuant to the provisions of this subdivision shall provide for equal, or substantially equal, monthly payments of principal and interest, or equal monthly payments of principal with interest payable monthly on the unpaid balance, beginning not more than 60 days after disbursement of the loan, sufficient to amortize at least 40 percent of the original principal amount of the loan prior to the end of the loan term The borrower, including a purchaser who assumes the loan, shall execute a certification in writing stating that no lien or charge on such property, other than the lien of the association or liens or charges which will be discharged from the proceeds of the loan or liens in favor of any public entity or authority to secure payment of taxes, assessments or similar items, has been given or executed by the borrower or has been contracted or agreed to be so given or executed by the borrower or has been contracted or agreed to be so given or executed The borrower shall further certify in writing that·

(1) It is his intention that the lot which is security for the loan will be the site for construction of his permanent home and is not a site for a seasonal or vacation home, and

(2) Such borrower does not own and is not purchasing any other lot intended to be the site for construction of his permanent home

SEC. 2. Section 7187 1 is added to the Financial Code, to read

7187 1 An association may make amortized loans upon the security of an improved mobilehome park in an amount not in excess of 80 percent of the appraised value of such real property Such loans may be made for a term of not to exceed 31 years. For the purposes of this section a "mobilehome park" is an area of land where two or more mobilehome sites are rented, or held out for rent, to accommodate mobilehomes used for human habitation.

CHAPTER 563

An act to amend Section 38108 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1 Section 38108 of the Revenue and Taxation Code is amended to read:

38108 "Scaling date" means the date when the quantity of timber havested, by species, is first definitely determined

Except for national forest timber, the scaling date shall be no later than the date of delivery of the felled trees to the storage or wood-processing area, whichever is first, or an alternative approved by the board For national forest timber, the definitely determined timber volume included in forest service, USDA, billing statements to timber sale contract holders, or an alternative approved by the board after a public hearing, shall be the basis for tax payment.

SEC 2 This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect.

CHAPTER 564

An act to amend Section 14256 of the Government Code, relating to the State Contract Act.

[Approved by Governor September 10, 1979 Filed with Secretary of State September 10, 1979]

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

SECTION 1 Section 14256 of the Government Code is amended to read.

14256. Where the nature of the work in the opinion of the department is such that its services in connection therewith are not required, it may authorize the carrying out of the project directly by the state agency concerned therewith if the estimated cost does not exceed one hundred fifty thousand dollars ($150,000), except that the one hundred fifty thousand dollars ($150,000) limitation shall not apply to a project of a district agricultural association or a project of the State Lands Commission

If the estimated total cost of any construction project or work carried out under this section exceeds fifteen thousand dollars ($15,000), the district or agency shall solicit bids in writing and shall award the work to the lowest responsible bidder or reject all bids,

provided, however, that the director may authorize the district or agency to carry out work in excess of fifteen thousand dollars ($15,000) under the provisions of this section by day labor if he deems that the award of a contract, the acceptance of bids, or the acceptance of further bids is not in the best interests of the state; however, in no event shall the amount of work performed by day labor under this section exceed the sum of thirty-five thousand dollars ($35,000) in the case of agricultural district fair projects, or twenty thousand dollars ($20,000) in other cases.

CHAPTER 565

An act to add Section 29204 to the Elections Code, relating to voter registration.

[Became law without Governor's signature September 11, 1979 Filed with Secretary of State September 11, 1979.]

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

SECTION 1. Section 29204 is added to the Elections Code, to read.

29204. Every person is punishable by imprisonment in the state prison for 16 months or two or three years or in the county jail for not more than one year who, without the specific consent of the affiant, willfully and with the intent to affect the affiant's voting rights, causes, procures, or allows the completion, alteration, or defacement of the affiant's party affiliation declaration contained in an executed, or partially executed, affidavit of registration pursuant to subdivision (h) of Section 500 and Section 501.

This section shall not apply to a county clerk carrying out his or her official duties.

SEC. 2. Notwithstanding Section 2231 or 2234 of the Revenue and Taxation Code, no appropriation is made by this act pursuant to these sections because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction. It is recognized, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Chapter 3 (commencing with Section 2201) of Part 4 of Division 1 of that code.

CHAPTER 566

An act to add Section 4205 to the Health and Safety Code, relating to solid waste.

[Became law without Governor's signature September 11, 1979 Filed with Secretary of State September 11, 1979]

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

SECTION 1. Section 4205 is added to the Health and Safety Code, to read:

4205. The board of supervisors of any county which, prior to July 1, 1980, adopted an ordinance governing the granting of franchises for the collection, disposal, or destruction, or any combination thereof, of garbage, waste, offal, and debris, and which county granted franchises pursuant to such ordinance covering defined zones or areas of the county, may extend the term of each such franchise for one, but not more than one, additional period not exceeding 25 years without advertising or calling for bids as required by Section 4201, if all of the following conditions exist:

(a) The county franchise ordinance contains rules and regulations for the protection of the public health and welfare and provides that the board of supervisors may control the rates to be charged customers by the franchise holders. Provided, however, that notwithstanding any provision in a county ordinance to the contrary, the board of supervisors shall not increase the rates to be charged to customers by franchise holders without first calling and holding a public hearing on the proposed increase in rates. Publication of notice of the hearing required by this subdivision shall be made by the board of supervisors pursuant to Section 6066 of the Government Code.

(b) The franchise proposed to be extended was granted in strict compliance with the requirements for calling and advertising for bids and award to the lowest qualified bidder pursuant to Section 4201, and was otherwise granted in strict compliance with the provisions of this chapter.

(c) The franchise proposed to be extended was granted on a nonexclusive basis so that the board of supervisors is not precluded from granting additional franchises to cover the same areas if, in the judgment and discretion, of the board of supervisors the public interest will be served thereby.

(d) The county franchise ordinance authorizes the county auditor or any other qualified public accountant to audit periodically the books and records of the franchise holders.

CHAPTER 567

An act to repeal Chapter 4 5 (commencing with Section 11371) of, and to add Chapter 3.5 (commencing with Section 11340) to Part 1, Division 3, Title 2 of, the Government Code, relating to governmental regulation

[Approved by Governor September 11, 1979 Filed with Secretary of State September 11, 1979]

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

SECTION 1 Chapter 3 5 (commencing with Section 11340) is added to Part 1 of Division 3 of Title 2 of the Government Code, to read

CHAPTER 3 5 OFFICE OF ADMINISTRATIVE LAW

Article 1 General

11340 The Legislature finds and declares as follows:

(a) There has been an unprecedented growth in the number of administrative regulations in recent years

(b) The language of many regulations is frequently unclear and unnecessarily complex, even when the complicated and technical nature of the subject matter is taken into account. The language is often confusing to the persons who must comply with the regulations.

(c) Substantial time and public funds have been spent in adopting regulations, the necessity for which has not been established.

(d) There exists no central office in state government with the power and duty to review regulations to ensure that they are written in a comprehensible manner, are authorized by statute and are consistent with other law

11340.1. The Legislature therefore declares that it is in the public interest to establish an Office of Administrative Law which shall be charged with the orderly review of adopted regulations. It is the intent of the Legislature that the purpose of such review shall be to reduce the number of administrative regulations and to improve the quality of those regulations which are adopted It is the intent of the Legislature that neither the Office of Administrative Law nor the court should substitute its judgment for that of the rulemaking agency as expressed in the substantive content of adopted regulations

11340 2 (a) The Office of Administrative Law is hereby established in state government The office shall be under the direction and control of an executive officer who shall be known as the director The director's term of office shall be coterminous with that of the appointing power, except that he shall be subject to

reappointment.

(b) The director shall have the same qualifications as a hearing officer and shall be appointed by the Governor subject to the confirmation of the Senate.

11340.3. The director may employ and fix the compensation, in accordance with law, of such professional assistants and clerical and other employees as is deemed necessary for the effective conduct of the work of the office.

11340 4 The Office of Administrative Law shall collect from each state agency for which services are provided under this chapter reimbursement for its costs of providing services to that particular agency

Article 2 Rules and Regulations

11342 In this chapter unless otherwise specifically indicated

(a) "State agency" and "agency" does not include an agency in the judicial or legislative departments of the state government.

(b) "Regulation" means every rule, regulation, order, or standard of general application or the amendment, supplement or revision of any such rule, regulation, order or standard adopted by any state agency to implement, interpret, or make specific the law enforced or administered by it, or to govern its procedure, except one which relates only to the internal management of the state agency. "Regulation" does not mean or include any form prescribed by a state agency or any instructions relating to the use of the form, but this provision is not a limitation upon any requirement that a regulation be adopted pursuant to this part when one is needed to implement the law under which the form is issued.

(c) "Order of repeal" means any resolution, order or other official act of a state agency which expressly repeals a regulation in whole or in part

(d) "Office" means the Office of Administrative Law.

11342.1 Except as provided in Section 11344, nothing in this chapter confers authority upon or augments the authority of any state agency to adopt, administer, or enforce any regulation. Each regulation adopted, to be effective, must be within the scope of authority conferred and in accordance with standards prescribed by other provisions of law

11342 2 Whenever by the express or implied terms of any statute a state agency has authority to adopt regulations to implement, interpret, make specific or otherwise carry out the provisions of the statute, no regulation adopted is valid or effective unless consistent and not in conflict with the statute and reasonably necessary to effectuate the purpose of the statute

Article 3. Filing and Publication

11343. Every state agency shall:

(a) Transmit to the office for filing with the Secretary of State and with the Rules Committee of each house of the Legislature a certified copy of every regulation adopted by it except one which:

(1) Establishes or fixes rates, prices or tariffs.

(2) Relates to the use of public works, including streets and highways, under the jurisdiction of any state agency when the effect of such order is indicated to the public by means of signs or signals.

(3) Is directed to a specifically named person or to a group of persons and does not apply generally throughout the state.

(b) Transmit to the office for filing with the Secretary of State and with the Rules Committee of each house of the Legislature a certified copy of every order of repeal of a regulation required to be filed under subdivision (a) of this section.

(c) Deliver to the office at the time of transmittal for filing a regulation or order of repeal six duplicate copies of the regulation or order of repeal together with a citation of the authority pursuant to which it or any part thereof was adopted.

(d) Deliver to the office a copy of the notice of proposed action required by Section 11346.4.

11343.1 The office shall prescribe the style in which regulations shall be prepared and a standard size form to be used in filing regulations pursuant to Section 11343.

11343.2. The office shall examine each regulation or order of repeal transmitted to it for filing and determine whether it complies with the office's prescribed form and style. If the office approves the regulation after reviewing it in accordance with the provisions of Section 11349.1 and determines that it or an order of repeal complies with the form and style prescribed by the Office of Administrative Law, it shall endorse on the certified copy thereof its approval for filing and shall transmit such copy to the Secretary of State.

11343.3. A regulation delivered to the office pursuant to Section 11343 shall contain a reference to the authority under which the regulation is being adopted and a reference to the particular code sections or other provisions of law which are being implemented, interpreted, or made specific. Such references shall be printed with the regulation in the California Administrative Code.

11343.4 No fee shall be charged by any state officer or public official for the performance of any official act in connection with the certification or filing of regulations pursuant to this article.

11343 5. The Secretary of State shall endorse on the certified copy of each regulation or order of repeal filed with or delivered to him, the time and date of filing and shall maintain a permanent file of the certified copies of regulations and orders of repeal for public inspection

11343 6 Within 10 days from the receipt of printed copies of the California Administrative Code or of the California Administrative

Register from the State Printing Office, the office shall file one copy of the particular issue of the code or register in the office of the county clerk of each county in this state, or if the authority to accept filings on his behalf has been delegated by the county clerk of any county pursuant to Section 26803.5 of this code, in the office of the person to whom such authority has been delegated.

11343.7. The filing of a certified copy of a regulation or an order of repeal with the Secretary of State raises the rebuttable presumptions that:

(a) It was duly adopted.

(b) It was duly filed and made available for public inspection at the day and hour endorsed on it.

(c) All requirements of this chapter and the regulations of the office relative to such regulation have been complied with.

(d) The text of the certified copy of a regulation or order of repeal is the text of the regulation or order of repeal as adopted.

The courts shall take judicial notice of the contents of the certified copy of each regulation and of each order of repeal duly filed.

11343.8 The publication of a regulation in the California Administrative Code or Register raises a rebuttable presumption that the text of the regulation as so published is the text of the regulation adopted.

The courts shall take judicial notice of the contents of each regulation or notice of the repeal of a regulation printed in the California Administrative Code or California Administrative Register.

11343.9 With the approval of the office any state agency may file with the Secretary of State and the office may publish in such manner as it believes proper any regulation or order of repeal of a regulation not required by this article to be filed with the Secretary of State

Article 4 The California Administrative Register and Code

11344 The office shall:

(a) Provide for the continuing compilation and publication, with periodic supplements, of notices of proposed action pursuant to Section 11346.4, and all regulations required to be filed with the Secretary of State, or of appropriate references to any regulations the printing of which the office finds to be impractical, such as detailed schedules or forms otherwise available to the public, or which are of limited or particular application.

The publication of compiled regulations shall be known as the "California Administrative Code," and the periodic supplements thereto, including notices of proposed action, shall be known as the "California Administrative Register."

(b) Prescribe regulations for carrying out the provisions of Articles 3 and 4 of this chapter. Among other things the regulations shall provide for the manner and form in which regulations, notice

of the repeal of regulations and compilations shall be prepared, printed, and indexed, to the end that all regulations and compilations shall be prepared and published in a uniform manner and at the earliest practicable date and that each regulation published shall be accompanied by a reference to the statutory authority pursuant to which it was enacted

11344 1. The Office of Administrative Law, in cooperation with the Legislative Counsel, shall codify all regulations required to be filed with the Secretary of State. The Office of Administrative Law shall codify the regulations in a manner which allows simple cross-referencing of regulations to codes and statutes so that ultimately, Legislative Counsel may begin checking regulations against the codes or statutes.

11344 2 The office shall supply a complete set of the California Administrative Code, and of the California Administrative Register o the county clerk of any county or to the delegatee of the county clerk pursuant to Section 26803 5, provided the Director of General Services makes the following two determinations·

(a) The county clerk or the delegatee of the county clerk pursuant to Section 26803.5 is maintaining the code and register in complete and current condition in a place and at times convenient to the public.

(b) The California Administrative Code and California Administrative Register are not otherwise reasonably available to the public in the community where the county clerk or the delegatee of the county clerk pursuant to Section 26803 5 would normally maintain the code and register by distribution to libraries pursuant to Article 6 (commencing with Section 14900) of Chapter 7 of Part 5 5 of this division

11344 3 The office shall supply to each standing committee of both houses of the Legislature, a copy of each issue of the California Administrative Register which includes notices of proposed action, and any supplement thereto, published on or after the effective date of this section

11344 4 The California Administrative Register and the California Administrative Code shall be sold by the Department of General Services at such prices as will reimburse the state for all costs incurred for printing, publication and distribution

All money received from the sale of the California Administrative Register and the California Administrative Code shall be deposited in the treasury and credited to the General Fund, except that an amount necessary to cover the distribution costs shall be credited to the fund from which such costs have been paid.

11344 5 The publication date shall be determined by the office, and all rules and regulations thereafter filed and all rules and regulations theretofore filed and in effect on the publication date shall be published

11344 6 Nothing in this chapter limits or restricts the discretion of the office to determine the form in which the California

Administrative Code, and the California Administrative Register shall be published. Either or both of said publications may be issued in such units, whether in bound volumes or in looseleaf form, separately or in combination, at the same or at different times, as the office deems most economical and best adapted to make the current regulations available to interested persons and to the public.

11344 7 Nothing in this chapter precludes any state agency from purchasing copies of the California Administrative Code or of the California Administrative Register, or of any unit of either, nor from printing special editions of any such units and distributing the same at the cost or at less than the cost to the agency if it is authorized so to do by other provisions of law.

11344 8 After the regulations of a state agency have been published by the office, any subsequent printings or reprinting of those regulations shall be printed in the format (including the numbering system) prescribed by the office.

Article 5 Procedure for Adoption of Regulations

11346 It is the purpose of this article to establish basic minimum procedural requirements for the adoption, amendment or repeal of administrative regulations. Except as provided in Section 11346 1, the provisions of this article are applicable to the exercise of any quasi-legislative power conferred by any statute heretofore or hereafter enacted, but nothing in this article repeals or diminishes additional requirements imposed by any such statute The provisions of this article shall not be superseded or modified by any subsequent legislation except to the extent that such legislation shall do so expressly

11346.1 (a) The provisions of this article shall not apply to any regulation not required to be filed with the Secretary of State under this chapter, and only this section, Sections 11346 2 and 11346.3 of this article and Section 11349.6 shall apply to any regulation prescribing an agency's organization or procedure or to an emergency regulation adopted pursuant to subdivision (b) of this section

(b) Except as provided in subdivision (c), if a state agency makes a finding that the adoption of a regulation or order of repeal is necessary for the immediate preservation of the public peace, health and safety or general welfare, the regulation or order of repeal may be adopted as an emergency regulation or order of repeal

Any finding of an emergency shall include a written statement which contains the information required by Section 11346 5 and a description of the specific facts showing the need for immediate action.

The statement and the regulation or order of repeal shall be filed immediately with the Rules Committees of both houses of the Legislature and shall be published in the next issue of the notice supplement to the California Administrative Register

(c) Notwithstanding any other provision of the law, no board or

commission shall have the power to adopt an emergency regulation to interpret, implement, or make specific provisions of the law relating to campaign disclosure except by a unanimous vote of all members of such board or commission present at the proceeding at which such regulation is adopted.

(d) The emergency regulation or order of repeal shall become effective upon filing or upon any later date specified by the state agency in a written instrument filed with, or as a part of, the regulation or order of repeal.

(e) No regulation adopted as an emergency regulation shall remain in effect more than 120 days unless the agency complies with the other provisions of this chapter

(f) In the event an emergency regulation was filed as an amendment to an existing regulation, upon failure of the adopting agency to comply with subdivision (e) as provided above, the regulation as it existed prior to such emergency amendment shall thereupon become effective and after notice to the adopting agency by the Office of Administrative Law shall be reprinted in the California Administrative Code in the place of such emergency amendment

(g) In the event a regulation is orginally adopted and filed as an emergency and the adopting agency fails to comply with subdivision (e) as provided above, such failure shall constitute a repeal thereof and after notice to the adopting agency by the Office of Administrative Law, shall be deleted.

(h) A regulation adopted as an emergency regulation or, an emergency regulation substantially equivalent thereto, shall not be readopted as an emergency regulation except with the express prior approval of the Governor

11346.2. A regulation or an order of repeal required to be filed with the Secretary of State shall become effective on the 30th day after the date of filing unless:

(a) Otherwise specifically provided by the statute pursuant to which the regulation or order of repeal was adopted, in which event it becomes effective on the day prescribed by such statute.

(b) It is a regulation prescribing an agency's organization or procedure, in which event it shall become effective upon filing or upon any later date specified by the state agency in a written instrument filed with, or as part of, the regulation or order of repeal.

(c) A later date is prescribed by the state agency in a written instrument filed with, or as part of, the regulation or order of repeal

11346.4 At least 30 days prior to the hearing on the adoption, amendment, or repeal of a regulation, notice of the proposed action shall be

(a) Published in such newspaper of general circulation, trade or industry publication, as the state agency shall prescribe

(b) Mailed to every person who has filed a request for notice thereof with the state agency

(c) In cases in which the state agency is within a state department,

mailed or delivered to the director of such department.

(d) When appropriate in the judgment of the state agency, (1) mailed to any person or group of persons whom the agency believes to be interested in the proposed action and, (2) published in such additional form and manner as the state agency shall prescribe.

(e) Published in the California Administrative Register as prepared by the Office of Administrative Hearings.

The effective period of a notice issued pursuant to this section shall not exceed one year from the date thereof. If the action proposed in such notice is not commenced within such period of one year, a notice of the proposed action shall again be issued pursuant to the provisions of this article.

The Office of Administrative Hearings shall make the California Administrative Register available to the public and state agencies at a nominal cost which is consistent with a policy of encouraging the widest possible notice distribution to interested persons.

The Office of State Printing shall provide the same priority for printing the notice supplement to the California Administrative Register as is provided for printing legislative publications.

Where the form or manner of notice is prescribed by statute in any particular case, in addition to filing and mailing notice as required herein, the notice shall be published, posted, mailed, filed or otherwise publicized as prescribed by that statute.

The failure to mail notice to any person as provided in this section shall not invalidate any action taken by a state agency pursuant to this article The provisions of Article 5 of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code shall not apply to the publication of newspaper notices under this section.

11346 5. (a) The notice of proposed adoption, amendment, or repeal of a regulation shall include.

(1) A statement of the time, place, and nature of proceedings for adoption, amendment, or repeal of the regulation;

(2) Reference to the authority under which the regulation is proposed and a reference to the particular code sections or other provisions of law which are being implemented, interpreted, or made specific;

(3) An informative digest containing a concise and clear summary of existing laws and regulations, if any, related directly to the proposed action and the effect of the proposed action. The informative digest shall be drafted in a format similar to the Legislative Counsel's digest on legislative bills,

(4) Such other matters as are prescribed by statute applicable to the specific state agency or to any specific regulation or class of regulations;

(5) An estimate, prepared as prescribed by the Department of Finance, of the cost or savings to any state agency, the cost to any local agency or school district that is required to be reimbursed under Section 2231 of the Revenue and Taxation Code, other nondiscretionary cost or savings imposed on local agencies, and the

cost or savings in federal funding to the state;

For purposes of this section, "cost or savings" means additional costs or savings, both direct and indirect, which a public agency necessarily incurs in reasonable compliance with regulations, and

(6) The name and telephone number of the agency officer to whom inquiries concerning the proposed administrative action may be directed

(b) The agency officer designated in paragraph (6) of subdivision (a) shall make available to the public upon request the express terms of the proposed action using underline to indicate additions to, and strikeout to indicate deletions from, the California Administrative Code The officer shall also make available to the public upon request the location of public records, including reports, documentation, and other materials, related to the proposed action

(c) The provisions of this section shall not be construed in any manner which results in the invalidation of a regulation because of the alleged inadequacy of the notice content or the summary or cost estimates if there has been substantial compliance with those requirements.

11346 51 (a) If a state agency, in adopting, amending, or repealing any administrative regulation, determines that the action would have a significant effect on housing costs, it shall note such fact in the notice of proposed action provided for pursuant to Section 11346 5 In addition, the agency officer designated in subdivision (f) of Section 11346 5, shall make available to the public, upon request, the agency's evaluation, if any, of the effect of the proposed regulatory action on housing costs

(b) At the time a state agency takes regulatory action which it has determined would significantly increase housing costs, it shall consider revisions to the proposed regulatory action that would have the effect of offsetting the increase in housing costs If no offsetting action is taken, the agency shall explain in writing the reasons for its decision

(c) The provisions of this section shall not be construed in any manner which results in the invalidation of a regulation because of the alleged inadequacy or inaccuracy of the housing cost estimates, if there has been substantial compliance with the requirements of this chapter

11346 6 In addition to the information required by Section 11346 5, the notice of proposed adoption, amendment or repeal of a regulation shall inform the reader that the agency proposing the action has prepared a statement of the purpose of the proposed action and the information on which it is relying in making its proposal

11346 7 Every agency subject to the provisions of this chapter shall prepare, and make available to the public upon request, a general statement of the reasons for proposing the adoption or amendment of a regulation Such statement shall include but not be limited to the following

(a) The specific purpose of the regulation;

(b) The factual basis for the determination by the agency that the regulation is reasonably necessary to carry out the purpose for which it is proposed,

(c) The substantive facts or other information and the technical, theoretical and empirical studies, if any, on which the agency is relying in proposing the adoption or amendment of a regulation

The statement shall be prepared prior to the time that the notice referred to in Section 11346 5 has been published The statement shall be updated prior to final adoption of the regulation by the agency

The final statement shall include a summary of the primary considerations raised by persons outside the agency in opposition to the regulation as adopted, together with a brief explanation of the reasons for rejecting those considerations

The statement shall be transmitted to the office at the same time that the adopted or amended regulation is sent and shall be utilized by the office in its review of the regulation pursuant to Section 11349 1

11346 8 On the date and at the time and place designated in the notice the state agency shall afford any interested person or his duly authorized representative, or both, the opportunity to present statements, arguments, or contentions in writing, with or without opportunity to present the same orally The state agency shall consider all relevant matter presented to it before adopting, amending or repealing any regulation

In any hearing under this section the state agency or its duly authorized representative shall have authority to administer oaths or affirmations, and may continue or postpone such hearing from time to time to such time and at such place as it shall determine.

The state agency shall make no substantial change or modification to a proposed adoption, amendment, or repeal of a regulation unless such change or modification is related directly to the same subject or issue noticed pursuant to Section 11346 5

11347 Except where the right to petition for adoption of a regulation is restricted by statute to a designated group or where the form of procedure for such a petition is otherwise prescribed by statute, any interested person may petition a state agency requesting the adoption, amendment, or repeal of a regulation as provided in this article Such petition shall state clearly and concisely

(a) The substance or nature of the regulation, amendment, or repeal requested,

(b) The reason for the request,

(c) Reference to the authority of the state agency to take the action requested

11347 1 (a) Upon receipt of a petition requesting the adoption, amendment or repeal of a regulation pursuant to this article, a state agency shall notify the petitioner in writing of the filing and then shall within 30 days deny the petition indicating why the agency has

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reached such a decision on the merits of the petition in writing or schedule the matter for public hearing in accordance with the notice and hearing requirements of this article.

(b) A state agency may grant or deny such a petition in part, and may grant such other relief or take such other action as it may determine to be warranted by the petition and shall notify the petitioner in writing of such action.

(c) Any interested person may request reconsideration of any part or all of a decision of any agency on any petition submitted. Any such request shall be submitted in accordance with Section 11347 and include the reason or reasons why an agency should reconsider its previous decision no later than 60 days after the date of the decision involved. The agency's reconsideration of any matter relating to a petition shall be subject to the provisions of subdivision (a).

11347.2. A clear and concise summary of any regulation adopted, amended, or repealed pursuant to this article shall be printed in the next issue of the notice supplement to the California Administrative Register

11347.3. Every agency shall maintain a file of each rulemaking which shall be deemed to be the record for that rulemaking proceeding. The file shall include:

(a) Any copies of petitions received from interested persons proposing the adoption, amendment or repeal of the regulation.

(b) All published notices of proposed adoption, amendment, or repeal of the regulation and the statement required by Section 11346.7

(c) All data and other factual information, any studies or reports, and written comments submitted to the agency in connection with the adoption or amendment of the regulation.

(d) A transcript, recording or minutes of any public hearing connected with the adoption, amendment or repeal of the regulation

(e) The statement required by Section 11346.9.

(f) Any other information, statement, report or data which the agency is required by law to consider or prepare in connection with the adoption, amendment or repeal of a regulation.

The file shall be available to the public, the Office of Administrative Law, and to the courts in connection with the review of the regulation.

Article 6 Review of Regulations

11349 The following definitions shall govern the interpretation of this chapter:

(a) "Necessity" means the need for a regulation as demonstrated in the record of the rulemaking proceeding.

(b) "Authority" means the provision of law which permits or obligates the agency to adopt, amend or repeal a regulation

(c) "Clarity" means written or displayed so that the meaning of

regulations will be easily understood by those persons directly affected by them

(d) "Consistency" means being in harmony with, and not in conflict with or contradictory to, existing laws

(e) "Reference" means the statute, court decision or other provision of law which the agency implements, interprets or makes specific by adopting, amending or repealing a regulation.

11349 1 The Office of Administrative Law shall review all regulations adopted pursuant to the procedure specified in Article 5 (commencing with Section 11346) of Chapter 3 5 and submitted to it for publication in the California Administrative Register and for transmittal to the Secretary of State and make determinations using the following standards

(a) Necessity

(b) Authority

(c) Clarity

(d) Consistency

(e) Reference

In reviewing regulations pursuant to this section the Office of Administrative Law shall restrict its review to the regulation and the record of the rulemaking proceeding The Office of Administrative Law shall approve the regulation if it complies with the standards set forth in this section

11349 2 This article shall not apply to the repeal of any regulation by a state agency

11349.3 (a) The Office of Administrative Law shall either approve a regulation submitted to it for review and transmit it to the Secretary of State for filing or disapprove it and return it to the adopting agency within 30 calendar days after the regulation has been submitted to the office for review If the office fails to act within 30 days, the regulation shall be deemed to have been approved and the office shall transmit it to the Secretary of State for filing

(b) If the Office of Administrative Law disapproves a regulation it shall specify in writing the reasons for disapproval No regulation shall be disapproved except for failure to comply with the standards set forth in Section 11349 1 or for failure to comply with the provisions of this chapter

11349 4 A regulation returned to an agency because of failure to meet the standards of Section 11349 1 may be rewritten and resubmitted without complying with the notice and public hearing requirements of Sections 11346 4, 11346 5 and 11346 8 unless the substantive provisions of the regulation have been significantly changed If the regulation has been significantly changed, the agency shall comply with the provisions of Article 5 (commencing with Section 11346) of this chapter prior to readopting the regulation

11349 5 The Governor, within 30 days after the agency and the office have complied with the requirements of this article, may overrule the decision of the office disapproving a proposed regulation In that event, the office shall immediately transmit the

regulation to the Secretary of State for filing.

11349 6 (a) In the event the adopting agency has complied with the provisions of Sections 11346.4 to 11346 9, inclusive, prior to the adoption of the regulation as an emergency, the office shall approve or disapprove the regulation in accordance with the provisions of this article.

(b) Emergency regulations adopted pursuant to subdivision (b) of Section 11346 1 shall be reviewed by the office within 10 calendar days after their filing date. The office shall order the repeal of an emergency regulation if it determines that the regulation is not necessary for the immediate preservation of the public peace, health and safety, or general welfare.

11349 7. Every agency subject to the provisions of this chapter shall undertake a review of all regulations administered by it on the effective date of this section in accordance with the following:

(a) Six months after the effective date of this section, each agency shall transmit to the Office of Administrative Law a plan for the review of all regulations it is administering. The plan shall include the estimated annual cost of implementing the plan, time schedules for the orderly review of regulations and personnel required to evaluate all regulations.

Time schedules shall further identify separate bodies of regulations within each title of the California Administrative Code which shall be evaluated by January 31 of each year. Review of each title shall be completed no later than the date specified in Section 11349.8.

(b) The Office of Administrative Law shall have final authority to determine the time allowed each agency for review of its regulations.

(c) All regulations shall be reviewed in accordance with the standards set forth in Section 11349.1.

(d) The Office of Administrative Law shall, within nine months of the effective date of this section, file with the Governor, the Senate Committee on Rules and the Speaker of the Assembly a master plan for regulation review. The master plan shall establish specific dates by which each agency shall have complied with this section, including interim review goals to be met each year in accordance with subdivision (a) of this section

The office shall periodically publish in the notice register a schedule for the review of existing bodies of regulations by each agency

(e) The amount required to implement this section shall be included as part of the budget of each agency in the first Governor's Budget sent to the Legislature following the effective date of this section and shall be updated in each succeeding budget as appropriate

(f) The Office of Administrative Law shall present to the Governor and the Legislature on January 31 of each year a report on the progress of each agency in complying with this section The office may include in this report recommendations for the repeal or amendment of statutory provisions that affect the operations of

regulatory agencies

(g) Within six months following the date when a body of regulations has been reviewed in accordance with time schedules adopted pursuant to this section, the office on its own motion, or upon the petition of any interested person in keeping with the requirements of Section 11347, may initiate the review of any regulation, group of regulations, or series of regulations. The office may request the agency which chose not to repeal the regulation to forward to it any information on which it relied in reaching its decision. Any such request shall be answered within 14 calendar days of its receipt

(h) In the event it determines that an existing regulation does not meet the standards set forth in Section 11349 1, the Office of Administrative Law shall order the adopting agency to show cause why the regulation should not be repealed. In issuing such an order, the Office of Administrative Law shall specify in writing the reasons for its determination that the regulation does not meet the standards set forth in Section 11349 1 In the case of a regulation for which no, or inadequate, information relating to its necessity can be furnished by the adopting agency, the order shall specify the information which the Office of Administrative Law requires to make its determination

(i) No later than 60 days following receipt of an order to show cause why a regulation should not be repealed, the agency shall respond in writing to the Office of Administrative Law. Upon written application by the agency, the office may extend the time for an additional 30 days

(j) The Office of Administrative Law shall review all information available to it, including the information, if any, transmitted to it in a timely response to the order to show cause why the regulation should not be repealed, and determine whether the regulation meets the standards set forth in Section 11349.1 If the Office of Administrative Law determines that a regulation fails to meet the standards, it shall prepare a statement specifying the reasons for its determination. The statement shall be delivered to the adopting agency, the Legislature, and the Governor and shall be made available to the public and the courts. Thirty days after delivery of the statement required by this subdivision the Office of Administrative Law shall prepare an order of repeal of the regulation and shall transmit it to the Secretary of State for filing

(k) The Governor, within 30 days after the agency and the office have complied with the requirements of this article, may overrule the decision of the office ordering the repeal of a regulation. The regulation shall then remain in full force and effect

(*l*) In the event that the office orders the repeal of a regulation, it shall give notice of its action in accordance with the provisions of subdivision (f) of Section 11346 4

11349 8 The review of the following titles of the California Administrative Code shall be completed by the dates specified

below

(a) Title 1 by June 30, 1981

(b) Titles 7, 11, and 12 by January 1, 1982

(c) Titles 9 and 23 by June 30, 1982

(d) Titles 15, 20, and 21 by January 1, 1983

(e) Titles 5 and 13 by June 30, 1983

(f) Titles 14 and 19 by January 1, 1984

(g) Titles 2, 3, and 4 by June 30, 1984

(h) Titles 16 and 25 by January 1, 1985

(i) Titles 8, 10, 17, 18, 22, and 24 by June 30, 1986

11349 9 The Office of Administrative Law shall within five years of the operative date of this section compile a general index of regulations administered by agencies subject to the Administrative Procedures Act

Article 7. Judicial Review

11350 (a) Any interested person may obtain a judicial declaration as to the validity of any regulation by bringing an action for declaratory relief in the superior court in accordance with the provisions of the Code of Civil Procedure. Such regulation may be declared to be invalid for a substantial failure to comply with the provisions of this chapter, or, in the case of an emergency regulation or order to repeal, upon the ground that the facts recited in the statement do not constitute an emergency within the provisions of Section 11346.1

(b) In addition to any other ground which may exist, such regulation may be declared invalid if the court cannot find that the record of the rulemaking proceeding supports the agency's determination that the regulation is reasonably necessary to effectuate the purpose of the statute relied on as authority for the adoption of the regulation

For purposes of this section, the record shall be deemed to consist of all material maintained in the file of the rulemaking proceeding as defined in Section 11347.3.

(c) The approval of a regulation by the office or the Governor's overruling of a decision of the office disapproving a regulation shall not be considered by a court in any action for declaratory relief brought with respect to a regulation

Article 8. Exemptions

11445. (a) Except as provided in subdivision (b), Articles 5 and 7 of this chapter shall not apply to the Public Utilities Commission or the Industrial Accident Commission, and Articles 3 and 4 of this chapter shall apply only to the rules of procedure of said state agencies

(b) The Public Utilities Commission and the Division of Industrial Accidents shall comply with the provisions of subdivision (b) of

Section 11346.4 with respect to regulations which are required to be filed with the Secretary of State pursuant to Section 11343.

SEC 2. Chapter 4.5 (commencing with Section 11371) of Chapter 4, Part 1, Division 3, Title 2 of the Government Code is repealed.

SEC. 3. Except for the provisions of Section 11349.7, as added to the Government Code by this act, this act shall become operative on July 1, 1980

SEC. 4. Section 11346.51 of the Government Code, as added by Section 1 of this act, shall become operative only in the event that both this bill and Senate Bill 772 are chaptered and become effective January 1, 1980, Senate Bill 772 adds Section 11424.5 to the Government Code, and this bill is chaptered last.

SEC. 5. The provisions of Article 6 (commencing with Section 11349) of Chapter 3.5 as added to Part 1 of Division 3 of Title 2 by this act shall not be applicable to any building standards subject to the approval of the State Building Standards Commission under the provisions of Senate Bill 331 of the 1979–80 Regular Session.

SEC 6. Section 11423 of the Government Code is amended and renumbered to read:

11346.4 At least 45 days prior to the hearing on the adoption, amendment, or repeal of a regulation, notice of the proposed action shall be:

(a) Published in such newspaper of general circulation, trade or industry publication, as the state agency shall prescribe.

(b) Mailed to every person who has filed a request for notice thereof with the state agency.

(c) In cases in which the state agency is within a state department, mailed or delivered to the director of such department.

(d) When appropriate in the judgment of the state agency, (1) mailed to any person or group of persons whom the agency believes to be interested in the proposed action and, (2) published in such additional form and manner as the state agency shall prescribe.

(e) Published in the California Administrative Register as prepared by the Office of Administrative Hearings

The effective period of a notice issued pursuant to this section shall not exceed one year from the date thereof If the action proposed in such notice is not commenced within such period of one year, a notice of the proposed action shall again be issued pursuant to the provisions of this article

The Office of Administrative Hearings shall make the California Administrative Register available to the public and state agencies at a nominal cost which is consistent with a policy of encouraging the widest possible notice distribution to interested persons.

The Office of State Printing shall provide the same priority for printing the notice supplement to the California Administrative Register as is provided for printing legislative publications.

Where the form or manner of notice is prescribed by statute in any particular case, in addition to filing and mailing notice as required

herein, the notice shall be published, posted, mailed, filed or otherwise publicized as prescribed by that statute.

The failure to mail notice to any person as provided in this section shall not invalidate any action taken by a state agency pursuant to this article. The provisions of Article 5 of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code shall not apply to the publication of newspaper notices under this section.

SEC. 7. It is the intent of the Legislature, if this bill and Assembly Bill 939 are both chaptered and become effective January 1, 1980, and this bill is chaptered after Assembly Bill 939, that Section 11346.4 of the Government Code proposed by Section 6 of this act be given effect. Therefore, Section 6 of this act shall become operative only if this bill and Assembly Bill 939 are both chaptered and become effective January 1, 1980, and this bill is chaptered after Assembly Bill 939, in which case Section 11346.4 of the Government Code as proposed by Section 1 of this act shall not become operative.

SEC. 8. Section 11424 of the Government Code is amended and renumbered to read:

11346.5. (a) The notice of proposed adoption, amendment, or repeal of a regulation shall include:

(1) A statement of the time, place, and nature of proceedings for adoption, amendment, or repeal of the regulation;

(2) Reference to the authority under which the regulation is proposed and a reference to the particular code sections or other provisions of law which are being implemented, interpreted, or made specific;

(3) An informative digest containing a concise and clear summary of existing laws and regulations, if any, related directly to the proposed action and the effect of the proposed action. The informative digest shall be drafted in a format similar to the Legislative Counsel's digest on legislative bills;

(4) Such other matters as are prescribed by statute applicable to the specific state agency or to any specific regulation or class of regulations;

(5) An estimate, prepared as prescribed by the Department of Finance, of the cost or savings to any state agency, the cost to any local agency or school district that is required to be reimbursed under Section 2231 of the Revenue and Taxation Code, other nondiscretionary cost or savings imposed on local agencies, and the cost or savings in federal funding to the state;

For purposes of this section, "cost or savings" means additional costs or savings, both direct and indirect, which a public agency necessarily incurs in reasonable compliance with regulations; and

(6) The name and telephone number of the agency officer to whom inquiries concerning the proposed administrative action may be directed.

(7) The date by which comments submitted in writing must be received to present statements, arguments, or contentions in writing relating to the proposed action in order for them to be considered

by the state agency before it adopts, amends, or repeals a regulation Any person or entity that timely submits such comments in writing with a return address given shall be sent a notice of receipt of such comments by return mail by the state agency

(b) The agency officer designated in paragraph (6) of subdivision (a) shall make available to the public upon request the express terms of the proposed action using underline to indicate additions to, and strikeout to indicate deletions from, the California Administrative Code The officer shall also make available to the public upon request the location of public records, including reports, documentation, and other materials, related to the proposed action.

(c) The provisions of this section shall not be construed in any manner which results in the invalidation of a regulation because of the alleged inadequacy of the notice content or the summary or cost estimates if there has been substantial compliance with those requirements

SEC 9. It is the intent of the Legislature, if this bill and Assembly Bill 939 are both chaptered and become effective January 1, 1980, and this bill is chaptered after Assembly Bill 939, that Section 11346 5 of the Government Code proposed by Section 8 of this act be given effect. Therefore, Section 8 of this act shall become operative only if this bill and Assembly Bill 939 are both chaptered and become effective January 1, 1980, and this bill is chaptered after Assembly Bill 939, in which case Section 11346 5 of the Government Code as proposed by Section 1 of this act shall not become operative.

CHAPTER 568

An act to amend Section 1132 of the Code of Civil Procedure, relating to confessions of judgment.

[Approved by Governor September 11, 1979 Filed with Secretary of State September 11, 1979]

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

SECTION 1 Section 1132 of the Code of Civil Procedure is amended to read:

1132 (a) A judgment by confession may be entered without action either for money due or to become due, or to secure any person against contingent liability on behalf of the defendant, or both, in the manner prescribed by this chapter. Such judgment may be entered in any court having jurisdiction for like amounts.

(b) A judgment by confession shall be entered only if an attorney independently representing the defendant signs a certificate that the attorney has examined the proposed judgment and has advised the defendant with respect to the waiver of rights and defenses under the confession of judgment procedure and has advised the

defendant to utilize the confession of judgment procedure. The certificate shall be filed with the filing of the statement required by Section 1133.

CHAPTER 569

An act to amend Section 9800 of the Vehicle Code, relating to vehicles.

[Approved by Governor September 11, 1979 Filed with Secretary of State September 11, 1979]

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

SECTION 1. Section 9800 of the Vehicle Code is amended to read:

9800. (a) Every registration or transfer fee and any penalty added thereto, from the date the same become due, constitute a lien upon the vehicle for which due.

(b) Notwithstanding the provisions of subdivision (a), if a foreign registered auxiliary dolly, semitrailer, or trailer has been cited for operating under a trip permit beyond its date of expiration, an amount equal to the minimum registration fees or transfer fees, and any penalty added thereto, from the date the same became due, shall by election of the power unit operator, constitute a lien upon the California registered power unit which was pulling the dolly, semitrailer, or trailer.

(c) The director may, with the concurrence of the Commissioner of the California Highway Patrol:

(1) Authorize employees and members of the California Highway Patrol assigned to commercial vehicle scale facilities to serve as agents of the department to collect delinquent registration fees for commercial vehicles.

(2) Permit employees and members of the California Highway Patrol assigned to commercial vehicle scale facilities to possess and sell trip tickets, as provided in Section 4004.

CHAPTER 570

An act to amend Section 25503.11 of the Business and Professions Code, relating to alcoholic beverages, and declaring the urgency thereof, to take effect immediately.

[Became law without Governor's signature September 12, 1979 Filed with Secretary of State September 12, 1979]

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

SECTION 1 Section 25503.11 of the Business and Professions Code is amended to read:

25503 11 Notwithstanding any other provision of this division, a manufacturer, manufacturer's agent, winegrower, rectifier, importer, or wholesaler may hold a diminutive amount of stock in a corporate retail licensee or serve on the board of directors of a corporate off-sale retail licensee, provided such stock ownership or service on the board of directors, as determined by the department, does not result in the exercise of control over the retail licensee's business and does not result in the exclusion of any competitor's brand of alcoholic beverages, and provided further that such stock is listed on the New York Stock Exchange or on the American Stock Exchange, and the department is notified of such stock ownership or service on the board of directors.

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:

The existing tied-house provisions of the Alcoholic Beverage Control Act place unreasonable restrictions on corporate directors without any identifiable public benefit, and in order to delete such provisions as soon as possible, it is essential that this act take immediate effect

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CHAPTER 571

An act to amend Section 337.15 of the Code of Civil Procedure, relating to limitation of actions.

[Became law without Governor's signature September 12, 1979 Filed with Secretary of State September 12, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 337 15 of the Code of Civil Procedure is amended to read

337 15 (a) No action may be brought to recover damages from any person, or the surety of a person, who develops real property or performs or furnishes the design, specifications, surveying, planning, supervision, testing, or observation of construction or construction of an improvement to real property more than 10 years after the substantial completion of such development or improvement for any of the following

(1) Any latent deficiency in the design, specification, surveying, planning, supervision, or observation of construction or construction of an improvement to, or survey of, real property

(2) Injury to property, real or personal, arising out of any such latent deficiency.

(b) As used in this section, "latent deficiency" means a deficiency which is not apparent by reasonable inspection.

(c) As used in this section, "action" includes an action for indemnity brought against a person arising out of his performance or furnishing of services or materials referred to in this section, except that a cross-complaint for indemnity may be filed pursuant to Section 442 in an action which has been brought within the time period set forth in subdivision (a) of this section.

(d) Nothing in this section shall be construed as extending the period prescribed by the laws of this state for bringing any action.

(e) The limitation prescribed by this section shall not be asserted by way of defense by any person in actual possession or the control, as owner, tenant or otherwise, of such an improvement, at the time any deficiency in such improvement constitutes the proximate cause for which it is proposed to bring an action.

(f) This section shall not apply to actions based on willful misconduct or fraudulent concealment.

CHAPTER 572

An act to add Section 507 to the Streets and Highways Code, relating to highways

[Became law without Governor's signature September 12, 1979 Filed with Secretary of State September 12, 1979]

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

SECTION 1. Section 507 is added to the Streets and Highways Code, to read:

507 Route 207 is from Route 4, 1.35 miles west of Lake Alpine, to the Mt. Reba Ski Area.

CHAPTER 573

An act to amend Sections 160 and 1616 of the Business and Professions Code and to amend Section 830 3 of the Penal Code, relating to the Board of Dental Examiners.

[Became law without Governor's signature September 12, 1979 Filed with Secretary of State September 12, 1979]

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

SECTION 1. Section 160 of the Business and Professions Code is amended to read:

160. The Chief and all investigators of the Division of Investigation of the department and all investigators of the Board of Medical Quality Assurance and the Board of Dental Examiners have the authority of peace officers while engaged in exercising the powers granted or performing the duties imposed upon them or the division in investigating the laws administered by the various boards comprising the department or commencing directly or indirectly any criminal prosecution arising from any investigation conducted under these laws. All persons herein referred to shall be deemed to be acting within the scope of employment with respect to all acts and matters in this section set forth.

SEC. 2. Section 1616 of the Business and Professions Code is amended to read:

1616. The board shall have full power to employ all necessary investigators, clerical and other assistants and appoint its own attorney, prescribe his duties and fix his compensation. Members and employees of the board shall be entitled to other necessary traveling expenses. The investigators employed by the board shall be specifically trained to investigate dental practice activities.

SEC. 3. Section 830.3 of the Penal Code is amended to read:

830.3. (a) The Deputy Director, assistant directors, chiefs, assistant chiefs, special agents, and narcotics agents of the Department of Justice, and such investigators who are so designated by the Attorney General, are peace officers

The authority of any such peace officer extends to any place in the state as to a public offense committed or which there is probable cause to believe has been committed within the state.

(b) The Director of the Department of Alcoholic Beverage Control and persons employed by such department for the enforcement of the provisions of Division 9 (commencing with Section 23000) of the Business and Professions Code are peace officers; provided, that the primary duty of any such peace officer shall be the enforcement of the laws relating to alcoholic beverages, as that duty is set forth in Section 25755 of the Business and Professions Code. Any such peace officer is further authorized to enforce any penal provision of law while, in the course of his employment, he is in, on, or about any premises licensed pursuant to the Alcoholic Beverage Control Act.

(c) The Chief and investigators of the Division of Investigation of the Department of Consumer Affairs, and investigators of the Board of Medical Quality Assurance and the Board of Dental Examiners, are peace officers; provided, that the primary duty of any such peace officer shall be the enforcement of the law as that duty is set forth in Section 160 of the Business and Professions Code

(d) (1) Members of the Wildlife Protection Branch of the

Department of Fish and Game deputized pursuant to Section 856 of the Fish and Game Code are peace officers. The authority of any such peace officers extends to any place in the state as to a public offense committed or which there is probable cause to believe has been committed within the state

(2) Other deputies of the Department of Fish and Game deputized pursuant to Section 851 of the Fish and Game Code, and county fish and game wardens deputized pursuant to Section 875 of such code, are peace officers, provided that the exclusive duty of such deputies or county fish and game wardens shall be the enforcement of the provisions of the Fish and Game Code and the regulations made pursuant thereto

(e) The State Forester and such employees or classes of employees of the Division of Forestry of the Department of Conservation and voluntary fire wardens as are designated by him pursuant to Section 4156 of the Public Resources Code are peace officers; provided, that the primary duty of any such peace officer shall be the enforcement of the law as that duty is set forth in Section 4156 of such code

(f) Officers and employees of the Department of Motor Vehicles designated in Section 1655 of the Vehicle Code are peace officers; provided, that the primary duty of any such peace officer shall be the enforcement of the law as that duty is set forth in Section 1655 of such code

(g) The secretary, chief investigator, and racetrack investigators of the California Horse Racing Board are peace officers; provided, that the primary duty of any such peace officer shall be the enforcement of the provisions of Chapter 4 (commencing with Section 19400) of Division 8 of the Business and Professions Code and Chapter 10 (commencing with Section 330) of Title 9 of Part 1 of the Penal Code Any such peace officer is further authorized to enforce any penal provision of law while, in the course of his employment, he is in, on, or about any horseracing enclosure licensed pursuant to the Horse Racing Law.

(h) Police officers of a regional park district, appointed or employed pursuant to Section 5561 of the Public Resources Code, and officers and employees of the Department of Parks and Recreation designated by the director pursuant to Section 5008 of such code are peace officers; provided, that the primary duty of any such peace officer shall be the enforcement of the law as such duties are set forth in Sections 5561 and 5008, respectively, of such code

(i) The State Fire Marshal and assistant or deputy state fire marshals appointed pursuant to Section 13103 of the Health and Safety Code are peace officers, provided that the primary duty of any such peace officer shall be the enforcement of the law as that duty is set forth in Section 13104 of such code

(j) Members of an arson-investigating unit, regularly employed and paid as such, of a fire protection agency of the state, of a county, city, or district, and members of a fire department or fire protection

agency of the state, or a county, city, or district regularly paid and employed as such, are peace officers, provided, that the primary duty of arson investigators shall be the detection and apprehension of persons who have violated or who are suspected of having violated any fire law, and the primary duty, except as provided in Section 8597 of the Government Code, of fire department or fire protection agency members other than arson investigators when acting as peace officers shall be the enforcement of laws relating to fire prevention and fire suppression. Notwithstanding the provisions of Section 171c, 171d, 12027, or 12031, members of fire departments other than arson investigators are not peace officers for purposes of such sections except when designated as peace officers for such purposes by local ordinance or, if the local agency is not authorized to act by ordinance, by resolution.

(k) The Chief and such inspectors of the Bureau of Food and Drug as are designated by him pursuant to subdivision (a) of Section 216 of the Health and Safety Code are peace officers; provided, that the exclusive duty of any such peace officer shall be the enforcement of the law as that duty is set forth in Section 216 of such code.

(*l*) Persons designated by a local agency as park rangers, and regularly employed and paid as such, are peace officers; provided, that the primary duty of any such peace officer shall be the protection of park property and preservation of the peace therein. Notwithstanding the provisions of Section 171c, 171d, 12027, or 12031, such park rangers are not peace officers for purposes of such sections except when designated as peace officers for such purposes by local ordinance or, if the local agency is not authorized to act by ordinance, by resolution.

(m) Members of a community college police department appointed pursuant to Section 25429 of the Education 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 25429 of the Education Code.

(n) All investigators of the Division of Labor Law Enforcement, as designated by the Labor Commissioner, are peace officers; provided that the primary duty of any such peace officer shall be enforcement of the law as prescribed in Section 95 of the Labor Code.

(o) All investigators of the State Departments of Health Services, Social Services, Mental Health, Developmental Services, and Alcohol and Drug Abuse and the Office of Statewide Health Planning and Development, are peace officers; provided that the primary duty of any such peace officer shall be the enforcement of the law relating to the duties of his department or office. Notwithstanding the provisions of Section 171c, 171d, 12027, or 12031, the investigators shall not carry firearms.

(p) Persons designated as security officers by a municipal utility district pursuant to Section 12820 of the Public Utilities Code are peace officers while engaged in the performance of their duties as

security officers

(q) The authority of any peace officer listed in subdivisions (c) through (p), inclusive, extends to any place in the state, provided, that except as otherwise provided in this section, Section 830.6 of this code, or Section 8597 of the Government 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

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CHAPTER 574

An act to amend Section 1747.02 of, and to add Section 1747 03 to, the Civil Code, and to add Section 6159 to the Government Code, relating to credit cards, and declaring the urgency thereof, to take effect immediately

[Approved by Governor September 12, 1979 Filed with Secretary of State September 12, 1979]

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

SECTION 1 Section 1747.02 of the Civil Code is amended to read

1747 02 As used in this title

(a) "Credit card" means any card, plate, coupon book, or other credit device existing for the purpose of being used from time to time upon presentation to obtain money, property, labor, or services on credit "Credit card" shall not mean any single credit device used to obtain telephone property, labor or services in any transactions under public utility tariffs, nor shall it mean any device that may be used to obtain credit pursuant to an electronic fund transfer but only if such credit is obtained under an agreement between a consumer and a financial institution to extend credit when the consumer's asset account is overdrawn or to maintain a specified minimum balance in the consumer's asset account.

(b) "Accepted credit card" means any credit card which the cardholder has requested or applied for and received or has signed, or has used, or has authorized another person to use, for the purpose

of obtaining money, property, labor, or services on credit. Any credit card issued in renewal of, or in substitution for, an accepted credit card becomes an accepted credit card when received by the cardholder, whether such card is issued by the same or a successor card issuer.

(c) "Card issuer" means any person who issues a credit card or the agent of such person for such purpose with respect to such card

(d) "Cardholder" means any person to whom a credit card is issued or any person who has agreed with the card issuer to pay obligations arising from the issuance of a credit card to another person

(e) "Retailer" means every person other than a card issuer who furnishes money, goods, services, or anything else of value upon presentation of a credit card by a cardholder

(f) "Unauthorized use" means the use of a credit card by a person, other than the cardholder, (i) who does not have actual, implied, or apparent authority for such use and (ii) from which the cardholder receives no benefit

(g) An "inquiry" is a writing which is posted by mail to the address of the card issuer to which payments are normally tendered, unless another address is specifically indicated on the statement for such purpose, then to such address, and which

(1) Sets forth sufficient information to enable the card issuer to identify the cardholder and the account,

(2) Sufficiently identifies the billing error, and

(3) Sets forth information providing the basis for the cardholder's belief that such billing error exists

(h) A "response" is a writing which is responsive to an inquiry and mailed to the cardholder's address last known to the card issuer.

(i) A "timely response" is a response which is mailed within 60 days from the date on which an inquiry was mailed

(j) A "billing error" means an error by omission or commission in (1) posting any debit or credit, or (2) in computation or similar error of an accounting nature contained in a statement given to the cardholder by the card issuer A "billing error" does not mean any dispute with respect to value, quality or quantity of goods, services or other benefit obtained through use of a credit card

(k) "Adequate notice" means a printed notice to a cardholder which sets forth the pertinent facts clearly and conspicuously so that a person against whom it is to operate could reasonably be expected to have noticed it and understood its meaning

SEC 2 Section 1747 03 is added to the Civil Code, to read

1747 03 Any rights or responsibilities created by this title that are based on the use of a credit card shall have no effect with respect to those transactions that constitute an electronic fund transfer as defined by Regulation E of the Federal Reserve Board (12 CFR, Part 205)

SEC 3 Section 6159 is added to the Government Code, to read

6159 (a) As used in this section

(1) "Credit card" means any card, plate, coupon book, or other credit device existing for the purpose of being used from time to time upon presentation to obtain money, property, labor, or services on credit.

(2) "Card issuer" means any person who issues a credit card and purchases credit card drafts or the agent of such person for such purposes with respect to such card.

(3) "Cardholder" means any person to whom a credit card is issued or any person who has agreed with the card issuer to pay obligations arising from the issuance of a credit card to another person

(4) "Draft purchaser" means any person who purchases credit card drafts.

(b) Subject to the provisions of subdivision (c), a court, city, or other public agency may authorize the acceptance of a credit card for payment for the deposit of bail or for any fine for any offense not declared to be a felony, or for payment of any towage or storage costs for a vehicle which has been removed from a highway, or from public or private property, as a result of parking violations.

(c) A court desiring to authorize the use of a credit card pursuant to subdivision (b) shall obtain the approval of its county board of supervisors. A city desiring to authorize the use of a credit card pursuant to subdivision (b) shall obtain the approval of its city council. Any other public agency desiring to authorize the use of a credit card pursuant to subdivision (b) shall obtain the approval of the governing body which has fiscal responsibility for such agency. After approval is obtained, a contract may be executed with one or more credit card issuers or draft purchasers. The contract shall provide for:

(1) The respective rights and duties of the court, city, or other public agency and card issuer or draft purchaser regarding the presentment, acceptability and payment of credit card drafts;

(2) The establishment of a reasonable means by which to facilitate payment settlements; and

(3) The payment to the card issuer or draft purchaser of a reasonable fee or discount.

(d) The honoring of a credit card pursuant to subdivision (b) hereof constitutes payment of the amount owing to the court, city, or other public agency as of the date the credit card is honored provided the credit card draft is paid following its due presentment to a card issuer or draft purchaser.

(e) If any credit card draft is not paid following due presentment to a card issuer or draft purchaser or is charged back to the court, city, or other public agency for any reason, any record of payment made by the court, city, or other public agency honoring the credit card shall be void. Any receipt issued in acknowledgment of payment shall also be void. The obligation of the cardholder shall continue as an outstanding obligation as though no payment had been attempted.

(f) Fees or discounts provided for under paragraph (3) of subdivision (c) shall be deducted prior to any statutory or other distribution of funds received from the card issuer or draft purchaser.

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 resolve a potential conflict between the provisions of the Song-Beverly Credit Card Act of 1971 and the newly adopted Regulation E of the Federal Reserve Board which became operative on August 1, 1979, it is necessary that this act go into effect immediately

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CHAPTER 575

An act relating to wetlands, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately

[Approved by Governor September 12, 1979 Filed with Secretary of State September 12, 1979]

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

SECTION 1. The unencumbered balance, as of June 30, 1979, of the moneys appropriated in Section 2 of Chapter 462 of the Statutes of 1976 for planning and acquisition of wetlands projects, including Madrona Marsh, Los Angeles County, is hereby reappropriated to the Department of Parks and Recreation for planning and acquisition of Madrona Marsh, subject to the provisos contained in Section 2 of Chapter 462.

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 acquire wetlands of critical economic, aesthetic, and scientific value to the people of this state for their preservation, restoration, and enhancement, it is necessary that this act take effect immediately

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CHAPTER 576

An act to amend Section 5011 of the Public Resources Code, relating to the state park system

[Approved by Governor September 12, 1979 Filed with Secretary of State September 12, 1979]

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

SECTION 1. Section 5011 of the Public Resources Code is amended to read:

5011. Any person receiving aid to the aged under the provisions of Chapter 3 (commencing with Section 12000) of Part 3 of Division 9 of the Welfare and Institutions Code or any person over 62 years of age whose total monthly income from all sources, including any old age assistance payments, does not exceed three hundred fifty dollars ($350) for a single person or seven hundred dollars ($700) combined income for married persons, upon application therefor and payment of three dollars and fifty cents ($3.50) to the Department of Parks and Recreation, shall be issued a "Golden Bear Pass for Senior Citizens" which shall be valid for the specified year and which shall entitle the bearer and spouse to free use of the day-use facilities in units of the state park system, except Hearst San Simeon State Historical Monument, San Francisco Maritime State Historic Park, and Sutter's Fort State Historic Park, under such limitations as may be determined by departmental regulation regarding peak hours and contractual arrangements with vendors. Such pass shall entitle the bearer and spouse to use such facilities on any day Such pass shall entitle the bearer and spouse to have access only to day-use facilities and not to the use of any overnight camping or trailer or camper facilities.

The income limitation prescribed by this section shall annually be adjusted on July 1 of each year by the increase in cost of living as determined by the formula specified in Section 12201 of the Welfare and Institutions Code.

CHAPTER 577

An act to amend Sections 5109 and 5112 of the Public Utilities Code, relating to highway carriers, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 12, 1979 Filed with Secretary of State September 12, 1979]

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

SECTION 1. Section 5109 of the Public Utilities Code is amended to read.

5109. "Household goods carrier" includes every corporation or person, their lessees, trustee, receivers or trustees appointed by any court whatsoever, engaged in the transportation for compensation or hire as a business by means of a motor vehicle or motor vehicles

being used in the transportation of used household goods and personal effects, office, store, and institution furniture and fixtures over any public highway in this state.

SEC. 2. Section 5112 of the Public Utilities Code is amended to read:

5112. The regulation of the transportation of used household goods and personal effects, office, store, and institution furniture and fixtures in a motor vehicle or motor vehicles over any public highway in this state shall be exclusively as provided in this chapter. Any provision of the Public Utilities Act or the Highway Carriers Act in conflict with the provisions of this chapter is superseded and repealed.

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

The Public Utilities Commission has recently adopted regulations concerning the conversion of radial highway common carrier permits as required by Chapter 840 of the Statutes of 1977 and has continued an ambiguity in the law in connection with the definition of "household goods carrier " It is necessary that this act take effect immediately to clarify that ambiguity prior to October 1, 1979, to avoid price discrimination and manipulation of rates in shipments of household goods and other commodities.

CHAPTER 578

An act to amend Sections 238 and 1007 of the Public Utilities Code, relating to the transportation of commodities by water.

[Approved by Governor September 12, 1979 Filed with Secretary of State September 12, 1979]

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

SECTION 1. Section 238 of the Public Utilities Code is amended to read:

238. (a) "Vessel" includes every species of watercraft, by whatsoever power operated, which is owned, controlled, operated or managed for public use in the transportation of persons or property, except rowboats, sailing boats, barges under 20 tons dead weight carrying capacity, and vessels under the burden of five tons net register.

(b) Nothing in this code except those provisions relating to the regulation of rates shall apply to the transportation by a water carrier of commodities in bulk when the cargo space of the vessel in which such commodities are transported is being used for the carrying of not more than three such commodities This subsection shall apply

only in the case of commodities, in bulk which are loaded and carried without wrappers or containers and received and delivered by the carrier without transportation mark or count For the purposes of this subsection two or more vessels while navigated as a unit shall be considered to be a single vessel

(c) Nothing in this code shall apply to the transportation by water of liquid cargoes in bulk in tank vessels designed for use exclusively in such service.

SEC 2 Section 1007 of the Public Utilities Code is amended to read

1007 No corporation or person shall begin to operate or cause to be operated any vessel for the transportation of persons or property, for compensation, between points in this state, without first having obtained from the commission a certificate declaring that public convenience and necessity require such operation, but no such certificate shall be required as to termini between which any such corporation or person is lawfully operating vessels in good faith under this part as it existed prior to August 17, 1923, under tariffs and schedules of such corporations or persons, lawfully on file with the commission Every applicant for such a certificate shall file in the office of the commission application and evidence in the form required by the commission The commission may, with or without hearing, issue the certificate as prayed for, or refuse to issue it, or issue it for the partial exercise only of the privilege sought, or issue it for operation between certain points only, and may attach to the exercise of the rights granted by the certificate such terms and conditions as, in its judgment, the public convenience and necessity require

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CHAPTER 579

An act to amend Sections 30001, 99207, 99221, 99233.2, 99285, 130100, 130261, and 130292 of, to add Section 30952 to, and to add Article 7 (commencing with Section 130370) and Article 8 (commencing with Section 130380) to Chapter 4 of Division 12 of, the Public Utilities Code, relating to transportation.

[Approved by Governor September 12, 1979 Filed with Secretary of State September 12, 1979]

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

SECTION 1 Section 30001 of the Public Utilities Code is amended to read

30001 The Legislature hereby finds and declares

(a) There is an imperative need for a comprehensive mass rapid transit system in the southern California area, and particularly in Los Angeles County Diminution of congestion on the streets and

highways in Los Angeles will facilitate passage of all Californians motoring through the most populous area of this state and will especially benefit domiciliaries of that county who reside both within and without the rapid transit district It is, further, the declared policy of the state to foster the development of trade and the movement of people in and around the Los Angeles area for the benefit of the entire state, and one of the purposes of the Southern California Rapid Transit District is to further this policy.

(b) In view of the limited powers of the Los Angeles Metropolitan Transit Authority (herein sometimes referred to as "authority") it has become apparent that the authority is unable to solve the transit problems of the southern California area and provide the needed comprehensive mass rapid transit system.

(c) It is, therefore, necessary to provide a successor corporation to the authority, to wit: a transit district, and to establish such transit district governed by representatives of the governmental agencies in the southern California area so that there will be sufficient power and authority to solve the transportation problems in the southern California area and to provide the needed comprehensive mass rapid transit system.

(d) It is evident, therefore, that such a transit district may plan to meet the transit needs and problems of the whole southern California area; and that the estimates of future population growth for the southern California area make it imperative that a comprehensive plan for rapid transit contain projections of population trends extending over the next 30 years.

SEC 2. Section 30952 is added to the Public Utilities Code, to read·

30952. (a) Notwithstanding any provision of Article 7.7 (commencing with Section 53859), Chapter 4, Part 1, Division 2, Title 5 of the Government Code, the district may borrow money for the purchases of buses or transportation facilities, or for capital improvement, by the issuance of grant anticipation notes issued pursuant to that article that are payable from money committed but not appropriated, or payable on specific dates or events, under a grant made pursuant to Chapter 21 (commencing with Section 1601) of Title 49 of the United States Code and evidenced by an appropriate document of intent.

(b) In addition to the grant money that may be pledged for the payment of the notes pursuant to Section 53859.06 of the Government Code, the district may pledge as security, on such terms as it deems appropriate, the buses or other transportation facilities acquired with the proceeds of the notes

SEC. 3 Section 99207 of the Public Utilities Code is amended to read

99207 (a) "Included municipal operator" means a city or county which is included, in whole or in part, within a transit district or which has been extended the authority to join a transit district by that district's enabling legislation, and in which city or county public

transportation services have continuously been provided, since at least January 1, 1971, by the city or county, by a nonprofit corporation or other legal entity wholly owned by the city or county, or by the University of California.

(b) "Included municipal operator" also means the City and County of San Francisco and the Counties of Alameda and Contra Costa with respect to any portion of the unincorporated area thereof, and any city in those counties, which is outside the area of the Alameda-Contra Costa Transit District and which is not receiving adequate local public transportation services, as determined by the Metropolitan Transportation Commission, from any of the transit districts which includes the county or city, taking into consideration, among other things, the amount of such services needed in the county or city, the cost to provide such services, and the amount of such services provided in other areas of the transit district as compared to their needs

(c) "Included municipal operator" also means any city within the County of Sacramento which (1) is outside the activated boundaries of the Sacramento Regional Transit District, (2) contracts with the district for transit services, and (3) provides local transit services within the city that the Sacramento Regional Area Planning Commission annually determines can be better provided by the city than the district, taking into consideration, among other things, the amount and the nature of the services required in the city, the ability of the district to provide the services, the coordination of the services with district services, the remoteness of the city in relation to other district services, the cost of providing the services, the funds available to provide the services, and the amount of services provided in other areas of the district compared to their needs

(d) "Included municipal operator" also means any city or unincorporated area within the County of Los Angeles (1) that is not receiving adequate local public transportation services, as determined by the Los Angeles County Transportation Commission, from either the Southern California Rapid Transit District or any currently "included municipal operator" as defined in this section, and (2) that meets the criteria established by the Los Angeles County Transportation Commission, taking into consideration, among other things, the cost to provide such services, the amount of such services needed in the county or city, the funds available to provide such services, and the amount of such services provided in other areas of the county as compared to their needs

SEC 4 Section 99221 of the Public Utilities Code is amended to read

99221 It is the intent of the Legislature to improve existing public transportation services and encourage regional public transportation coordination The Legislature recognizes that in the Southern California Rapid Transit District a unique factual situation exists where several municipal bus systems are providing essential local transportation services within the operating territory of the

district; which was created by the Legislature to provide areawide coordinated public transportation services Within the Southern California Rapid Transit District, as with all transportation service improvements in the County of Los Angeles, the Los Angeles County Transportation Commission shall be the governmental entity responsible to establish a unified or officially coordinated public transportation system as part of the comprehensively planned development of the urban area Both the Southern California Rapid Transit District and the included municipalities that operate bus systems within the jurisdiction of the district are permitted to file claims pursuant to this chapter upon the local transportation fund of the County of Los Angeles, provided, however, any approved claim shall not be allowed for the purpose of the establishment by the included municipal operator after January 1, 1980, of new transportation services that do not meet the criteria established by the Los Angeles County Transportation Commission for the development of new services It is the intent of the Legislature that the Southern California Rapid Transit District should not be inhibited in its effort to improve transit services within the region by the expansion outside the reserved service areas of the several municipal bus systems of the involved municipalities The policy of the Legislature is that new services to meet public transportation needs outside of the municipalities presently operating bus systems which do not compete with, or divert patronage from, an existing operating bus system of an included municipal applicant under Section 99280, shall be provided and controlled by the Southern California Rapid Transit District, in complete cooperation and coordination with the Los Angeles County Transportation Commission, in its role as the responsible public agency for providing public transportation systems and facilities within the region

SEC 5. Section 99233 2 of the Public Utilities Code is amended to read

99233 2 (a) Except as provided in subdivision (b), there shall be allocated to the transportation planning agency, if it is statutorily created, such sums as it may approve, up to 3 percent of annual revenues, for the conduct of the transportation planning and programming process, unless a greater amount is approved by the secretary

(b) In those areas that have a county transportation commission created pursuant to Section 130050, up to 1 percent of annual revenues shall be allocated to the commission in Los Angeles County and up to 2 percent of the annual revenues shall be allocated to the commissions in Orange, Riverside, and San Bernardino Counties for the transportation planning and programming process In addition, up to three-fourths of 1 percent of annual revenues but not more than one million dollars ($1,000,000) per year shall be allocated to the multicounty designated transportation planning agency, as defined in Section 130004, for the transportation planning and programming process No operator shall grant any funds it receives under this

chapter to the designated multicounty transportation planning agency for the purposes of the agency carrying out its responsibilities under Division 12 (commencing with Section 130000)

SEC 6 Section 99285 of the Public Utilities Code is amended to read:

99285 (a) The county transportation commissions created pursuant to Division 12 (commencing with Section 130000) shall submit to the transportation planning agency those proposals to be funded, and the transportation planning agency shall approve only those claims submitted for such proposals

(b) Each commission shall adopt appropriate criteria by which proposals shall be analyzed and evaluated, and shall approve only those proposals which will provide for a coordinated public transportation system consistent with the adopted transportation improvement program and adopted regional transportation plan and which will not result in undesirable duplication of public transportation services.

(c) In considering proposals, the Los Angeles County Transportation Commission shall consider, among other things, the fare revenue to operating cost ratio and the public transit service mileage of each operator in the Southern California Rapid Transit District, but under no circumstances shall the included municipal operators receive less than 15 percent of the funds deposited in the fund attributable to the area within the transit district.

(d) Subdivision (c) shall only remain in effect until such time as the Los Angeles County Transportation Commission has, following a public hearing, adopted a formula for the allocation of funds available under Section 1604 of Title 49 of the United States Code and available under this chapter in the Southern California Rapid Transit District to the district and eligible "included municipal operators" as defined in subdivisions (a) and (d) of Section 99207. The commission shall adopt such a formula not later than January 1, 1980

(e) Eight affirmative votes of the voting members, or designated alternates, of the Los Angeles County Transportation Commission shall be required in order to adopt or modify the formula for allocation of funds available under Section 1604 of Title 49 of the United States Code and this chapter in the Southern California Rapid Transit District to the district and included municipal operators as defined in subdivisions (a) and (d) of Section 99207

The formula adopted under this section by the commission shall remain in effect for a minimum of three years, unless modified by eight affirmative votes of the voting members, or designated alternates The commission shall annually review the adopted formula after the development, but prior to adoption by the commission, of the transportation improvement program pursuant to Section 130303

(f) Eight affirmative votes of the voting members, or designated alternates, shall be required in order to establish or change the criteria for admitting new included municipal operators for

eligibility for funds allocated under Article 4 (commencing with Section 99260)

(g) Eight affirmative votes of the voting members, or designated alternates, shall be required based on the criteria in subdivision (f) to allocate funds under Article 4 (commencing with Section 99260) to any "included municipal operator" as defined in subdivision (d) of Section 99207 which has not previously received funds under this article

SEC 7. Section 130100 of the Public Utilities Code is amended to read

130100 The commission at its first meeting, and thereafter annually at the first meeting in January or at such other date as the commission may determine, shall elect a chairman who shall preside at all meetings, and a vice chairman who shall preside in his absence In the event of their absence or inability to act, the members present, by an order entered in the minutes, shall select one of their members to act as chairman pro tempore, who, while so acting, shall have all of the authority of the chairman

SEC 8 Section 130261 of the Public Utilities Code is amended to read:

130261 The Los Angeles County Transportation Commission may establish local transportation zones only in those areas where the commission determines by eight affirmative votes of the voting members, or designated alternates, that the Southern California Rapid Transit District or the included municipal operator cannot otherwise provide adequate and responsive local transportation services in a cost-effective manner

SEC 9 Section 130292 of the Public Utilities Code is amended to read

130292 There shall be transmitted to the Legislature a progress report not later than July 1, 1977, an interim report not later than February 1, 1978, and the final report containing all recommendations not later than July 1, 1978

The commission shall also provide in the final report information on the administration of the commission including, but not limited to, the operating budget, size and salaries of staff, consultant and other contractual expenses, and sources of funds being utilized

The commission shall provide the Legislature an additional update on the final report not later than January 10, 1980, which reports (1) on the progress made toward implementation of the legislative intent in creating the commission and in carrying out the responsibilities given the commission by state law, and (2) on the progress made with respect to carrying out the recommendations contained in the commission's final report to the Legislature on July 1, 1978

SEC 10 Article 7 (commencing with Section 130370) is added to Chapter 4 of Division 12 of the Public Utilities Code, to read

Article 7. Transit Service Dispute Resolution

130370. (a) Not later than February 1, 1980, the Los Angeles County Transportation Commission, in cooperation with all the transit operators in the County of Los Angeles, shall prepare and submit, for public review and comments, proposed rules and regulations for the resolution of transit service disputes in the county pursuant to Section 130371.

(b) The commission shall adopt such rules and regulations not later than April 1, 1980, by eight affirmative votes of the voting members, or designated alternates, only after a public hearing held at least 30 days prior to their adoption.

130371. The rules and regulations shall include, but not be limited to, the following:

(a) Criteria to determine the definition and validity of a transit service dispute.

(b) Procedures for the submission of a transit service dispute to the Los Angeles County Transportation Commission

(c) Information, such as the matter in dispute, to be included in the notice to be sent to the parties in the transit service dispute.

(d) Procedure for mediation prior to a hearing before a transit coordination and service committee

(e) Appointment, if mediation fails, of a transit coordination and service committee consisting of commission members and alternates to hold a public hearing on the transit service dispute in the locality of the dispute and to make recommendations regarding the dispute to the commission.

(f) Actions the commission may take to resolve the transit service dispute.

130372. (a) The Los Angeles County Transportation Commission shall have sole authority to resolve any transit service dispute between transit operators in the County of Los Angeles, and its decision with respect to such a dispute shall be final and binding pursuant to the rules and regulations adopted by the commission pursuant to Section 130370.

(b) In resolving a transit service dispute pursuant to rules and regulations adopted pursuant to Section 130370, the commission, on a case by case basis, may, by eight affirmative votes of the voting members, or designated alternates, take such action notwithstanding Sections 99280, 99281, and 130263

130373 Prior to January 1, 1981, only a transit service dispute submitted by a transit operator in the County of Los Angeles may be resolved by the Los Angeles County Transportation Commission

SEC 11 Article 8 (commencing with Section 130380) is added to Chapter 4 of Division 12 of the Public Utilities Code, to read·

Article 8. Transit Coordination and Service Program

130380. Prior to October 1, 1980, the Los Angeles County Transportation Commission, in cooperation with all transit operators in the County of Los Angeles, shall prepare and submit to the Legislature, the county and the cities therein, and the Department of Transportation, for review and comment a proposed transit coordination and service program, including but not limited to, the following:

(a) The definition of institutional relationships between all transit operators in the county and the relationship between the commission and the transit operators.

(b) Full analyses and recommended changes regarding the current distribution of all transit services throughout the county, including levels and types of transit service.

(c) Transit-service productivity guidelines and specific steps to be taken to bring existing transit service into conformity with the guidelines.

(d) Financial standards to be met by all transit operators in the county, as well as guidelines for the utilization of all funds available for transit purposes.

(e) Other transit coordination and service issues and actions deemed appropriate by the commission to promote the efficient and effective use of all available transportation resources in the county so as to maximize the quality and quantity of transit service available to the residents of the county

130381. The Los Angeles County Transportation Commission shall adopt by eight affirmative votes of the voting members, or designated alternates, a transit coordination and service program not later than January 10, 1981, after a public hearing held at least 30 days prior to its adoption

130382 (a) After April 1, 1981, the Los Angeles County Transportation Commission shall implement the recommendations of the transit coordination and service program, except as otherwise provided in Section 130385.

(b) To the extent necessary to implement those recommendations, Sections 99280, 99281, and 130263 shall not be applicable.

130383. The Los Angeles County Transportation Commission shall adopt an updated transit coordination and service program not later than January 10, 1983, and biennially thereafter, and may amend the program at such time as it deems appropriate, in order to meet changing conditions in providing and funding transit services in the County of Los Angeles

130384 (a) The updated transit coordination and service program, and any amendment to the program, shall be adopted by the Los Angeles County Transportation Commission by eight affirmative votes of the voting members or designated alternates

(b) The proposed updated program or the proposed amendment,

as the case may be, shall be available to the public and to all transit operators in the County of Los Angeles for not less than 60 days prior to its adoption

130385 (a) Any transit operator in the County of Los Angeles which disagrees with any portion of the transit coordination and service program, or any amendment thereto, that impacts its transit services may request the Los Angeles County Transportation Commission to, and the commission shall, resolve the dispute pursuant to Article 7 (commencing with Section 130370)

(b) In such a case, the portion of the program, or amendment thereto, shall not be implemented until the dispute has been resolved and, if necessary, the program or amendment has been revised according to the resolution of the dispute

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CHAPTER 580

An act to amend Sections 2200, 2203, 2211, 2214, and 2533 of, to repeal and add Sections 2201, 2208, 2209, and 2210 of, and to repeal Sections 2202, 2205, 2207, 2210 5, and 2212 of, the Streets and Highways Code, relating to highways, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately

[Approved by Governor September 12, 1979 Filed with Secretary of State September 12, 1979]

The people of the State of California do enact as follows

SECTION 1 Section 2200 of the Streets and Highways Code is amended to read

2200 This chapter may be cited as the Federal-Aid Secondary Highways Act

SEC 2. Section 2201 of the Streets and Highways Code is repealed

SEC 3 Section 2201 is added to the Streets and Highways Code, to read

2201 Various federal-aid highway acts have authorized appropriations for various programs for projects on secondary roads within this state The purpose of this chapter is to implement such programs in this state The commission, the department, and boards of supervisors are authorized to do all things necessary in their jurisdictions to secure such federal funds in accordance with the intent of the federal law and of this chapter

SEC 4 Section 2202 of the Streets and Highways Code is repealed

SEC 5 Section 2203 of the Streets and Highways Code is amended to read

2203 As used in this chapter, "county highway" means a county

highway, as defined by Section 25, which is on the system of secondary and feeder roads as defined by Section 103(c) of Title 23 of the United States Code

SEC. 6. Section 2205 of the Streets and Highways Code is repealed.

SEC 7 Section 2207 of the Streets and Highways Code is repealed.

SEC. 8. Section 2208 of the Streets and Highways Code is repealed.

SEC. 9 Section 2208 is added to the Streets and Highways Code, to read:

2208. Funds apportioned to this state pursuant to subdivision (b) (2) of Section 104 of Title 23 of the United States Code for the Federal-Aid Secondary System shall be apportioned by the department. At least 98 percent of such funds shall be apportioned among the counties in the manner and in accordance with the formula set forth in that subdivision, except that the census figures used in making the apportionment shall be those contained in the latest available federal census.

SEC. 10 Section 2209 of the Streets and Highways Code is repealed.

SEC. 11. Section 2209 is added to the Streets and Highways Code, to read:

2209 If the annual apportionment to a county pursuant to Section 2208 is less than 1 percent of the total of such allocations to all counties, the county may exchange its apportionment for an equal amount of nonfederal funds in the State Highway Account in the State Transportation Fund. If the apportionment to a county is more than 3½ percent of the total of such allocations to all counties, the county may exchange that portion of its apportionment in excess of the 3½ percent for an equal amount of nonfederal funds in the State Highway Account. Exchange funds received by a county pursuant to this section may be used for any highway construction purpose.

SEC. 12. Section 2210 of the Streets and Highways Code is repealed

SEC 13. Section 2210 is added to the Streets and Highways Code, to read:

2210 From nonfederal funds in the State Highway Account in the State Transportation Fund appropriated to match the funds apportioned pursuant to Section 2208, the commission shall allocate to each county an amount, not to exceed one hundred thousand dollars ($100,000) each fiscal year, equal to 50 percent of the amount allocated to the county pursuant to that section The amount shall not be reduced by any exchange of funds made pursuant to Section 2209 All funds allocated pursuant to this section shall be included in the computation of compliance with the requirements of Section 188 Funds allocated pursuant to this section shall be used to match federal funds Any excess may be used for any highway construction purpose

SEC. 14 Section 2210.5 of the Streets and Highways Code is repealed.

SEC 15 Section 2211 of the Streets and Highways Code is amended to read

2211. The department shall notify each county, as soon as possible each year, of the amount of money to be available for expenditure in the county from the federal apportionment and of the amount of money to be made available pursuant to Section 2210

After receiving notice of apportionment from the department, each county shall have 60 days in which to notify the department as to what amount of the apportionment the county wishes to claim and to agree to provide matching funds therefor The counties, in cooperation with the department, shall thereafter select projects in conformance with federal law The counties shall prepare plans, specifications, and estimates of cost for construction of the projects, and shall certify the necessary right-of-way and shall submit such documents to the department to qualify for the federal funds

SEC. 16 Section 2212 of the Streets and Highways Code is repealed.

SEC 17 Section 2214 of the Streets and Highways Code is amended to read

2214 Federal-aid secondary funds apportioned to any county under Section 2208 and not claimed or used as provided in Sections 2211 to 2213, inclusive, shall be expended on construction of projects upon the state highway system in the county group, as specified in Section 187, which includes the county from which released, to the extent that such may be done in conformity with federal law The money apportioned by the state to match the unexpended balance of the federal aid in any county, in accordance with this section and the federal law, shall be deemed an expenditure to meet the requirements of Sections 188, 188 8, and 188 9

SEC 18 Section 2533 of the Streets and Highways Code is amended to read

2533 The county or city responsible for the construction of a safer off-system road project shall prepare the plans, specifications, and estimates of costs for the construction of the project in conformance with federal requirements for off system roads, shall certify the necessary right-of-way, and shall submit such documents to the department within four years after the beginning of the federal fiscal year of apportionment in order to qualify for the funds made available during that federal fiscal year

SEC 19 This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect The facts constituting such necessity are

In order that the state law regarding the allocation of federal funds for federal-aid secondary projects be in conformance with the Surface Transportation Act of 1978, it is necessary that this act take effect immediately